



Texas Lottery Commission

August 7, 2019

10:00 a.m.

<p>I. The Texas Lottery Commission will call the meeting to order. Pledge of Allegiance to the U.S. and Texas flags.</p> <p style="padding-left: 40px;">Texas Pledge: “Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.”</p>	<p>J. Winston Krause, Chairman</p>
<p>II. Report by the Bingo Advisory Committee (BAC) Chairman; possible discussion and/or action on the BAC’s activities, including removal and appointment of committee members, continuation of the BAC, and the BAC’s annual work plan for FY 2020.</p>	<p>William Smith, III, President, Bingo Advisory Committee</p>
<p>III. Report, possible discussion and/or action on agency prime contracts, including amendment, renewal or extension of the lease for the Austin warehouse and the agreement for the Austin Convention Center Parking Garage.</p>	<p>Michael R. Fernandez, Administration Division Director</p>
<p>IV. Report, possible discussion and/or action on agency prime contracts, including the procurement for retailer bonus payment management services.</p>	<p>Michael R. Fernandez, Administration Division Director</p>
<p>V. Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §§402.401 (Temporary License), 402.413 (Military Service Members, Military Veterans, and Military Spouses), and 402.422 (Amendment to a Regular License to Conduct Charitable Bingo).</p>	<p>Tyler Vance, Assistant General Counsel</p>
<p>VI. Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §401.153 (Qualifications for License).</p>	<p>Kyle Wolfe, Assistant General Counsel</p>
<p>VII. Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §403.101 (Open Records).</p>	<p>Deanne Rienstra, Special Counsel</p>
<p>VIII. Report, possible discussion and/or action on lottery sales and revenue, game performance, new game opportunities, advertising, promotional activities, market research, trends, and game contracts, agreements, and procedures.</p>	<p>Katheryn J. Pyka, Controller</p>
<p>IX. Report, possible discussion and/or action on transfers to the State and the agency’s budget status.</p>	<p>Katheryn J. Pyka, Controller</p>
<p>X. Report, possible discussion and/or action on the FY 2020 Operating Budget.</p>	<p>Katheryn J. Pyka, Controller</p>
<p>XI. Report, possible discussion and/or action on external and internal audits and/or reviews relating to the Texas</p>	<p>Darlene Brown, McConnell & Jones LLP</p>

<p>Lottery Commission, and/or on Internal Audit activities, including approval of the FY 2020 Annual Internal Audit Plan.</p> <p>XII. Report by the Charitable Bingo Operations Director and possible discussion and/or action on the Charitable Bingo Operations Division’s activities, including licensing, accounting and audit activities, pull-tab review, and special projects.</p> <p>XIII. Report by the Executive Director and possible discussion and/or action on the agency’s operational status, major contracts, agency procedures, awards, and FTE status.</p> <p>XIV. Consideration of the status and possible approval of orders in enforcement cases: <u>Lottery Agreed Orders</u> A. Case No. 2019-263 – 1st Stop B. Case No. 2019-661 – La La Liquors <u>Other Lottery Cases</u> C. Docket No. 362-18-4978 – Stateline Citgo D. Docket No. 362-19-1517 – Pinehurst Country Store (Motion for Rehearing)</p> <p>XV. Public comment.</p> <p>XVI. Commission may meet in Executive Session: A. To deliberate personnel matters, including the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director and/or Charitable Bingo Operations Director pursuant to §551.074 of the Texas Government Code. B. To deliberate the duties of the General Counsel and/or the Human Resources Director pursuant to §551.074 of the Texas Government Code. C. To receive legal advice regarding pending or contemplated litigation or settlement offers, or other legal advice, pursuant to §551.071(1) and (2) of the Texas Government Code, including but not limited to legal advice regarding the following items: <u>Pending litigation regarding Fun 5’s Scratch Ticket Game #1592, including Tex. Supreme Court Docket No. 18-0159 (Steele, et al. v. GTECH Corp.) and Tex. Supreme Court Docket No. 17-1010 (Nettles v. GTECH Corp. and Texas Lottery Commission).</u> <u>Julam Investments, Inc. v. Texas Lottery Commission (Travis Co. District Court Cause No.</u></p>	<p>Michael P. Farrell, Charitable Bingo Operations Division Director</p> <p>Gary N. Grief, Executive Director</p> <p>Robert F. Biard, General Counsel</p> <p>J. Winston Krause, Chairman J. Winston Krause, Chairman</p>
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D-1-GN-16-006124)

State of Texas v. Equal Employment Opportunity Commission, et al.

State of Texas v. C.D. (On Petition for Review from the Twelfth Court of Appeals)

Prescott Lovern, Sr., Private Attorney General v. Texas Lottery Commission, et al.

Legal advice regarding Texas Government Code Chapters 466 (State Lottery Act) and 467, the Bingo Enabling Act, the Open Meetings Act, the Public Information Act, the Administrative Procedure Act, employment and personnel law, procurement and contract law, evidentiary and procedural law, ethics laws, and general government law.

Legal advice regarding any item on this open meeting agenda.

XVII. Return to open session for further deliberation and possible action on any matter posted for discussion in Executive Session. Any matter posted for Executive Session also may be the subject of discussion and/or action in open session prior to Executive Session.

J. Winston Krause, Chairman

XVIII. Adjournment.

J. Winston Krause, Chairman

Notice of Assistance at Public Meetings. Persons with disabilities who plan to attend this meeting and who need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, large print or Braille, should contact Debbie Jamieson at (512) 344-5038 at least four (4) work days prior to the meeting so that appropriate arrangements can be made.

Sanchez, Sheila

From: Jamieson, Debbie
Sent: Tuesday, July 30, 2019 12:09 PM
To: Sanchez, Sheila; Simpson, MaryBeth
Cc: Biard, Bob
Subject: FW: S.O.S. Acknowledgment of Receipt
Attachments: 08072019.doc

-----Original Message-----

From: TexReg@sos.texas.gov <TexReg@sos.texas.gov>
Sent: Tuesday, July 30, 2019 12:06 PM
To: Jamieson, Debbie <Debbie.Jamieson@lottery.state.tx.us>
Subject: S.O.S. Acknowledgment of Receipt

CAUTION: This email originated outside the Texas Lottery's email system.
DO NOT click links or open attachments unless you expect them from the sender and know the content is safe.

Acknowledgment of Receipt

Agency: Texas Lottery Commission

Liaison: Debbie L. Jamieson

The Office of the Secretary of State has posted

notice of the following meeting:

Board: Texas Lottery Commission

Committee: Texas Lottery Commission

Date: 08/07/2019 10:00 AM "TRD# 2019004449"

Notice posted: 07/30/19 12:05 PM

Proofread your current open meeting notice at:

[http://texreg.sos.state.tx.us/public/pub_om_lookup\\$.startup?Z_TRD=2019004449](http://texreg.sos.state.tx.us/public/pub_om_lookup$.startup?Z_TRD=2019004449)

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- IX. Report, possible discussion and/or action on transfers to the State and the agency’s budget status.
- X. Report, possible discussion and/or action on the FY 2020 Operating Budget.
- XI. Report, possible discussion and/or action on external and internal audits and/or reviews relating to the Texas Lottery Commission, and/or on Internal Audit activities, including approval of the FY 2020 Annual Internal Audit Plan.
- XII. Report by the Charitable Bingo Operations Director and possible discussion and/or action on the Charitable Bingo Operations Division’s activities, including licensing, accounting and audit activities, pull-tab review, and special projects.
- XIII. Report by the Executive Director and possible discussion and/or action on the agency’s operational status, major contracts, agency procedures, awards, and FTE status.
- XIV. Consideration of the status and possible approval of orders in enforcement cases:
 - Lottery Agreed Orders
 - A. Case No. 2019-263 – 1st Stop
 - B. Case No. 2019-661 – La La Liquors
 - Other Lottery Cases
 - C. Docket No. 362-18-4978 – Stateline Citgo
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- XV. Public comment.
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and/or Charitable Bingo Operations Director pursuant to §551.074 of the Texas Government Code.

- B. To deliberate the duties of the General Counsel and/or the Human Resources Director pursuant to §551.074 of the Texas Government Code.
- C. To receive legal advice regarding pending or contemplated litigation or settlement offers, or other legal advice, pursuant to §551.071(1) and (2) of the Texas Government Code, including but not limited to legal advice regarding the following items:

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