



**It's real.**

## **MEMORANDUM**

To: City of Seguin Mayor and Council  
From: Andy Quittner, City Attorney *Andy Quittner*  
Date: July 25, 2019  
Re: Resolution Authorizing the imposition of a prize fee on monies paid as a cash bingo price

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The City of Seguin currently receives funds as a tax assessed from the payment of cash money as bingo prizes. The sums received over the last three fiscal years were:

FY 2016 - \$28,855.24  
FY 2017 - \$23,801.32  
FY 2018 - \$21,552.22

During the last legislative session HB 419 was signed into law by Governor Abbott. The bill requires that any governmental entity (city or county) that wants to collect fees based on a percentage (defined by law) of cash bingo prizes must do so by an affirmative vote of its governing body. This vote must occur prior to November 1, 2019. If the governing body fails to conduct such a vote, payment of these fees will cease at the end of 2019.

Bingo games must collect a cash prize fee on cash prizes greater than \$5.00 and remit to the Texas Lottery Commission (as miscellaneous revenue). A portion of those fees is remitted to Cities and Counties that have elected to receive a portion of said fee.

City staff recommends adopting the attached Resolution to continue receiving fees from bingo prize fees.