
**TEMPORARY AGREEMENT
FOR THE COLLECTION OF
BINGO CASH PRIZE FEES**

This *Temporary Agreement for the Collection of Bingo Cash Prize Fees* (the “**Temporary Agreement**”) is entered into and effective from and after January 1, 2020 (the “**Effective Date**”) by and between the **CITY OF SAN ANTONIO**, a Texas Home Rule Municipality (the “**City**”) and the **COUNTY OF BEXAR**, a political subdivision of the State of Texas (the “**County**”).

The City and the County are sometimes hereinafter referred to as the “**Parties**”. This Temporary Agreement is made and entered into by the Parties pursuant to the authority granted under the Interlocal Cooperation Act, as set forth in Texas Government Code, Chapter 791, *et.seq.*

A. Purpose; Introduction

The purpose of this Temporary Agreement is to establish terms and conditions under which City shall temporarily collect Bingo Cash Prize Fees (as the term is defined in the following paragraph) due and owing to County under the provisions of HB 914 passed by the 86th Regular Session of the Texas Legislature.

During the Texas 86th Legislative Session (2019 Regular), the Texas Legislature passed, and the governor signed, House Bill 914 which amended portions of Chapter 2001, *Texas Occupations Code*, that generally pertains to the regulation of bingo games and now requires, pursuant to Section 2001.502(b)(1), *Texas Occupation Code*, bingo operators which are operating a bingo establishment within a particular Texas municipality or county to pay the requisite bingo cash prize fees (i.e., the “**Cash Prize Fee**”) directly to that particular municipality or county, provided that the governing body of such municipality and county voted to impose the applicable Prize Fee identified in Section 2001.502(a)(1), *Texas Occupation Code*, before November 1, 2019 (the “**New Bingo Law**”).

The governing bodies of the City and the County each voted to impose such a Cash Prize Fee before November 1, 2019, as required by the New Bingo Law; and

The Parties have agreed upon terms and conditions under which the City will collect the Cash Prize Fee that is due and owing to the County (the “**County Cash Prize Fee**”) under the New Bingo Law and remit the appropriate portion of the County Cash Prize Fee to the County. Those terms and conditions will be set forth in one certain *Second Amendment To The Amendment And Restatement Of Master Interlocal Agreement Between City of San Antonio And Bexar County* (the “**Second Amendment**”) that will be presented to the governing body of both the City and the County for approval at the first available meeting of each governing body. The first available meeting of each governing body is after January 25, 2020.

The City and the County have each been informed by the Texas Lottery Commission (“**Commission**”) that the Commission has determined that the New Bingo Law will apply to the

Cash Prize Fee due and owing to the City and the County beginning with the Cash Prize Fee due and owing for the fourth quarter of 2019 (i.e., October, November and December, 2019, the “**Fourth Quarter**”), which is due not later than January 25, 2020.

Due to the matters set forth in the two immediately preceding paragraphs, the Parties desire to enter into this Temporary Agreement pursuant to which the City will collect the County Cash Prize Fee under the New Bingo Law for the Fourth Quarter and remit the appropriate portion of the County Cash Prize Fee to the County. This Temporary Agreement will be in effect from and after the Effective Date and will continue in effect until the commencement date of the Second Amendment (i.e., the date that such document is signed by the last signatory. This Temporary Agreement and all of the actions taken under it on behalf of the City and the County will be ratified by each governing body of the City and County as part of the City Ordinance **and the County Order approving the Second Amendment.**

The procedures to be implemented by City and County to facilitate the City’s collection of the County Cash Prize Fee under the New Bingo Law and the Temporary Agreement for the Fourth Quarter and remit the appropriate portion of the County Cash Prize Fee are set forth in **Attachment 1**, which is incorporated herein by reference for all purposes.

IN TESTIMONY OF WHICH THIS TEMPORARY AGREEMENT HAS BEEN EXECUTED ON BEHALF OF THE PARTIES, TO BE EFFECTIVE FROM AND AFTER THE DATE FIRST WRITTEN ABOVE.

COUNTY OF BEXAR



NELSON WOLFF
County Judge

CITY OF SAN ANTONIO, TEXAS



TROY ELLIOTT
Deputy Chief Financial Officer

A T T A C H M E N T 1

PROCEDURES FOR BINGO (CASH PRIZE) FEE COLLECTION SERVICES

Section I **Services**

- A. As more fully set forth below, CITY shall provide bingo cash prize fee (i.e., “**Cash Prize Fee**”) collection services for the bingo operators which are operating a bingo establishment located within the COUNTY in accordance with applicable Texas law, such area of coverage to include: (1) CITY’s incorporated limits, (2) all unincorporated areas of the COUNTY, and (3) the incorporated limits of any other municipality located within COUNTY (collectively, the “**Covered Areas**”). In connection with such collection services, CITY shall use the list of such then-current bingo operators which are listed on the State of Texas’ Charitable Bingo website (<https://www.txbingo.org/export/sites/bingo/index.html>) (collectively, the “**Cash Prize Fee Collection Services**”). The list may be updated periodically by the appropriate Texas government or regulatory authorities as they add to or delete from the list of licensed bingo operators (collectively, the “**Bingo Operators**”).
- B. COUNTY authorizes and designates CITY as its Cash Prize Fee collector for the Cash Prize Fee Collection Services from all Bingo Operators operating within the Covered Areas as set out under this Attachment 1. COUNTY further authorizes CITY, its employees, officials and agents to perform any and all such Cash Prize Fee Collection Services which (1) the CITY, its employees, officials and agents determine necessary and proper in order to accomplish the services agreed to be performed by CITY, and (2) are permitted or authorized under applicable Texas law.
- C. CITY will collect all legally authorized Cash Prize Fees (which shall include any late filing fees and interest due) from all Bingo Operators operating within the Covered Areas on behalf of COUNTY and promptly deposit those fees into CITY’s operating account at CITY’s depository bank. CITY will maintain a separate fund in CITY’s accounting system to account for all COUNTY Cash Prize Fee collections covered by this Attachment 1. Such fund will accrue interest at the maximum, non-usurious interest rate allowed by applicable Texas law, for the benefit of COUNTY. Any changes pertaining to the amount of such Cash Prize Fees imposed shall be set by the appropriate Texas government or regulatory authorities or COUNTY. Any such change shall be forwarded to CITY by COUNTY after any necessary action made by such authorities or taken by the Bexar County Commissioners Court. Implementation of the change by CITY shall follow any applicable Texas legislative mandate or Commissioners Court directive.
- D. Nothing contained in this Attachment 1 shall give either COUNTY or any of its residents or taxpayers any claim to or equity in CITY buildings, equipment or other property now existing or acquired during the term of the Agreement to which this Attachment 1 is attached and made a part of.

Section II
Compensation

- A. Provided that CITY performs the Cash Prize Fee Collection Services from all Bingo Operators operating within the Covered Areas (1) as set out under this Attachment 1, and (2)(a) in accordance with all applicable Texas laws, rules, and regulations, and (b) applicable CITY ordinances, COUNTY shall pay CITY a sum equal to 0.65% of the gross Cash Prize Fees and late filing fees actually collected by CITY and transferred to/received by COUNTY pursuant to this Attachment 1. Payments shall be made on a quarterly basis as directed under Section II.B, below, and shall be subtracted from the amount collected by CITY under Section I (C) of this Attachment 1.
- B. The payment of all Cash Prize Fees, pursuant to this Attachment 1 shall be electronically transferred by CITY to COUNTY's designated account or accounts no later than 20 days after each quarterly due date set out by the State of Texas, currently January 25, April 25, July 25 and October 25. If the due date falls on a holiday or weekend, the transfer will be made by the next business day.
- C. No later than 20 days after each quarterly due date set out by the State of Texas, currently January 25, April 25, July 25 and October 25 for which Cash Prize Fees were collected, CITY shall provide COUNTY with a report which details gross collections, interest accrued thereon, applicable adjustments for credit card fees applicable to COUNTY's proportionate share of collections, and a summary of delinquencies collected, if any, and payments deducted under Section II (A) of this Attachment 1. The report shall include a list of all Bingo Operators operating within the Covered Areas which are subject to the Cash Prize Fee Collection Services and their corresponding Cash Prize Fee payments. The report shall also identify those Bingo Operators that failed to pay their necessary Cash Prize Fees for the corresponding quarter.

Section III
Contact Persons

- A. COUNTY appoints COUNTY's Auditor as its contact person ("**Contact Person**"). The Auditor is Leo S. Caldera whose street address is Paul Elizondo Tower, 101 West Nueva, Suite 800, San Antonio, Texas 78205 and email address is lcaldera@bexar.org.
- B. CITY appoints CITY's Deputy Chief Financial Officer as its Contact Person with regard to the services to be performed herein. The Deputy Chief Financial Officer is Troy Elliott whose address is Finance Department, P.O. Box 839966, San Antonio, Texas 78283-3966. The email address of the Contact Person is troy.elliott@sanantonio.gov.