

**From:** [Sunset Advisory Commission](#)  
**To:** [Elizabeth Saenz](#)  
**Subject:** FW: Sunset Recommendations  
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Andrew,

My name's John Burger with Lake Street Games, LLC and we're a licensed manufacturer in TX. I left a message for you earlier today when I was informed that any written concerns regarding the Sunset Comm. recommendations had to be submitted before midnight.

I would say our most concerning recommendations are the elimination of licenses for manufacturers and distributors. While we applaud your efforts to lessen the burden of regulation, we also feel the unintended consequences of eliminating licenses would result in more harm than good.

The greatest benefit of licensing manufacturers and distributors is that it puts up enough barriers to entry to discourage entities from entering the market who may not be well intentioned. The extra level of accountability ensures those licensed entities will follow the rules and laws of the TLC and TX statutes. Eliminating licenses could attract unscrupulous players that would take advantage of the charities because they see less recourse adopting a "take the money and run" strategy. From a risk/reward strategy, their downside isn't as imposing if they're not required to be licensed.

The other benefit of having licenses is that most other entities are licensed in other markets, therefore providing a deterrent from veering through the guardrails. In the licensing process, all regulators require you to disclose if your license has been revoked in another jurisdiction. No one wants to face those consequences.

Throughout our years as a licensed manufacturer, we've always found the TLC courteous, responsive and professional even if we didn't always agree. Not to sound mundane, but as the old saying goes, you don't want to throw out the baby with the bathwater. We're concerned that by eliminating licenses that could be the unintended effect even though we believe the rationale behind it's well intended. At the end of the day, we all serve the charities and feel strongly that lessening accountability isn't in their best interest, the industry's or the TLC.