

AN ACT

relating to authorizing a qualified organization under the Charitable Raffle Enabling Act to conduct a reverse raffle.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2002.002, Occupations Code, is amended by adding Subdivision (7) to read as follows:

(7) "Reverse raffle" means a raffle in which the last ticket or tickets drawn are considered the winning tickets.

SECTION 2. Section 2002.054(c), Occupations Code, is amended to read as follows:

(c) Except as provided by Section 2002.0541, the [The] organization may not permit a person who is not a member of the organization or who is not authorized by the organization to sell or offer to sell raffle tickets.

SECTION 3. Subchapter B, Chapter 2002, Occupations Code, is amended by adding Section 2002.0541 to read as follows:

Sec. 2002.0541. REVERSE RAFFLE. (a) A qualified organization may conduct a reverse raffle as provided by this section.

(b) Notwithstanding Section 2002.056(a), a refund of the purchase price of a ticket may be awarded as a raffle prize in a reverse raffle.

(c) Notwithstanding Section 2002.055(3), after the drawing of tickets in a reverse raffle has begun, the qualified

1 organization conducting the raffle may auction off additional
2 tickets to persons who are present at the drawing for a price other
3 than the price printed on the ticket.

4 (d) After the drawing of tickets in a reverse raffle has
5 begun, the qualified organization may permit a ticket holder
6 present at the drawing to resell the ticket to another person
7 present at the drawing for an amount greater than the original
8 purchase price of the ticket. The sale must be made through a
9 designated representative of the organization, and not less than 10
10 percent of the sale proceeds must be retained by the organization.

11 (e) Notwithstanding Section 2002.055(3), after the drawing
12 of tickets in a reverse raffle has begun, the qualified
13 organization may permit the holder of a previously drawn ticket:

14 (1) to purchase additional chances for the ticket to
15 be selected to win a prize; or

16 (2) to purchase additional tickets for the raffle.

17 (f) Only the portion of the proceeds from the resale of a
18 ticket under Subsection (d) retained by the organization are
19 subject to Section 2002.053. All proceeds from the sale of
20 additional chances for a ticket under Subsection (e) are considered
21 to be proceeds from the sale of the ticket for purposes of Section
22 2002.053.

23 SECTION 4. This Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 659 was passed by the House on May 9, 2005, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 659 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor