

1-1 By: Hupp (Senate Sponsor - Fraser) H.B. No. 659
1-2 (In the Senate - Received from the House May 10, 2005;
1-3 May 12, 2005, read first time and referred to Committee on State
1-4 Affairs; May 19, 2005, reported favorably by the following vote:
1-5 Yeas 7, Nays 0; May 19, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to authorizing a qualified organization under the
1-9 Charitable Raffle Enabling Act to conduct a reverse raffle.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 2002.002, Occupations Code, is amended
1-12 by adding Subdivision (7) to read as follows:

1-13 (7) "Reverse raffle" means a raffle in which the last
1-14 ticket or tickets drawn are considered the winning tickets.

1-15 SECTION 2. Section 2002.054(c), Occupations Code, is
1-16 amended to read as follows:

1-17 (c) Except as provided by Section 2002.0541, the [The]
1-18 organization may not permit a person who is not a member of the
1-19 organization or who is not authorized by the organization to sell or
1-20 offer to sell raffle tickets.

1-21 SECTION 3. Subchapter B, Chapter 2002, Occupations Code, is
1-22 amended by adding Section 2002.0541 to read as follows:

1-23 Sec. 2002.0541. REVERSE RAFFLE. (a) A qualified
1-24 organization may conduct a reverse raffle as provided by this
1-25 section.

1-26 (b) Notwithstanding Section 2002.056(a), a refund of the
1-27 purchase price of a ticket may be awarded as a raffle prize in a
1-28 reverse raffle.

1-29 (c) Notwithstanding Section 2002.055(3), after the drawing
1-30 of tickets in a reverse raffle has begun, the qualified
1-31 organization conducting the raffle may auction off additional
1-32 tickets to persons who are present at the drawing for a price other
1-33 than the price printed on the ticket.

1-34 (d) After the drawing of tickets in a reverse raffle has
1-35 begun, the qualified organization may permit a ticket holder
1-36 present at the drawing to resell the ticket to another person
1-37 present at the drawing for an amount greater than the original
1-38 purchase price of the ticket. The sale must be made through a
1-39 designated representative of the organization, and not less than 10
1-40 percent of the sale proceeds must be retained by the organization.

1-41 (e) Notwithstanding Section 2002.055(3), after the drawing
1-42 of tickets in a reverse raffle has begun, the qualified
1-43 organization may permit the holder of a previously drawn ticket:

1-44 (1) to purchase additional chances for the ticket to
1-45 be selected to win a prize; or

1-46 (2) to purchase additional tickets for the raffle.

1-47 (f) Only the portion of the proceeds from the resale of a
1-48 ticket under Subsection (d) retained by the organization are
1-49 subject to Section 2002.053. All proceeds from the sale of
1-50 additional chances for a ticket under Subsection (e) are considered
1-51 to be proceeds from the sale of the ticket for purposes of Section
1-52 2002.053.

1-53 SECTION 4. This Act takes effect September 1, 2005.

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