

By: Sanford

H.B. No. 1120

A BILL TO BE ENTITLED

AN ACT

relating to creation of entities affiliated with a church organized as a nonprofit corporation.

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

SECTION 1. Subchapter E, Chapter 22, Business Organizations Code, is amended by adding Section 22.236 to read as follows:

Sec. 22.236. INTEGRATED AUXILIARIES OF CHURCHES. (a) In this section, "integrated auxiliary of a church" means an organization described by Section 501(c)(3), Internal Revenue Code, that:

(1) is affiliated with a church or a convention or association of churches;

(2) is not a church or a convention or association of churches; and

(3) either:

(A) receives financial support primarily from internal church sources instead of from public or governmental sources; or

(B) is a men's or women's organization, a seminary, a mission society, or a youth group.

(b) The board of directors of a corporation that is a church must give prior approval for the creation of any integrated auxiliary of the church.

SECTION 2. This Act applies only to an integrated auxiliary

1 of a church created on or after September 1, 2015. An integrated
2 auxiliary created before the effective date of this Act is governed
3 by the law in effect immediately before the effective date of this
4 Act, and the former law is continued in effect for that purpose.

5 SECTION 3. This Act takes effect September 1, 2015.