

By: Johnson

H.B. No. 1628

A BILL TO BE ENTITLED

AN ACT

relating to authorizing a credit union or other financial institution to conduct savings promotion raffles.

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

SECTION 1. Subchapter B, Chapter 622, Business & Commerce Code, is amended by adding Section 622.0545 to read as follows:

Sec. 622.0545. SAVINGS PROMOTION RAFFLE. This chapter does not apply to a savings promotion raffle authorized under Chapter 279, Finance Code.

SECTION 2. Subtitle 2, Title 3, Finance Code, is amended by adding Chapter 279 to read as follows:

CHAPTER 279. SAVINGS PROMOTION RAFFLE

Sec. 279.001. DEFINITIONS. In this chapter:

(1) "Credit union" has the meaning assigned by Section 121.002.

(2) "Deposit," with respect to a financial institution, has the meaning assigned by Section 31.002.

(3) "Finance commission" means the Finance Commission of Texas.

(4) "Financial institution" has the meaning assigned by Section 31.002.

(5) "Savings promotion raffle" means a raffle conducted by a credit union or financial institution in which the sole action required for a chance of winning a designated prize is

1 the deposit of at least a specified amount of money in a savings
2 account or other savings program offered by the credit union or
3 financial institution.

4 Sec. 279.002. SAVINGS PROMOTION RAFFLE BY CREDIT UNION. (a)
5 A credit union may conduct a savings promotion raffle if:

6 (1) each ticket or token representing an entry in the
7 raffle has an equal probability of being drawn; and

8 (2) the raffle is conducted in a manner that:

9 (A) does not jeopardize the ability of the credit
10 union to operate in a safe and sound manner; and

11 (B) does not mislead the credit union's members.

12 (b) A credit union shall maintain all records the Credit
13 Union Commission determines are necessary to conduct an audit of a
14 savings promotion raffle by the Credit Union Department.

15 (c) The Credit Union Commission shall adopt rules and
16 procedures for the administration of this section.

17 (d) The provisions of this section applicable to a credit
18 union apply to an organization composed exclusively of credit
19 unions.

20 Sec. 279.003. SAVINGS PROMOTION RAFFLE BY CERTAIN FINANCIAL
21 INSTITUTIONS. (a) A financial institution may conduct a savings
22 promotion raffle if:

23 (1) each ticket or token representing an entry in the
24 raffle has an equal probability of being drawn; and

25 (2) the raffle is conducted in a manner that:

26 (A) does not jeopardize the ability of the
27 institution to operate in a safe and sound manner; and

1 (B) does not mislead the institution's
2 depositors.

3 (b) A financial institution that conducts a savings
4 promotion raffle under this section shall maintain all records the
5 finance commission determines are necessary to conduct an audit of
6 the raffle by the financial regulatory agency of this state having
7 regulatory jurisdiction over that financial institution.

8 (c) The provisions of this section applicable to a financial
9 institution apply to an organization composed exclusively of
10 financial institutions of the type approved by the finance
11 commission to conduct a savings promotion raffle under Subsection
12 (a).

13 (d) The finance commission shall adopt rules and procedures
14 for the administration of this section.

15 Sec. 279.004. ACCOUNT OR DEPOSIT NOT CONSIDERATION. For
16 purposes of Chapter 47, Penal Code, or other state law, opening or
17 making a deposit in an account is not considered a purchase,
18 payment, or provision of a thing of value for participation in a
19 savings promotion raffle and is not considered to require a
20 substantial expenditure of time, effort, or inconvenience.

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