

1-1 By: Johnson, et al. (Senate Sponsor - Rodríguez) H.B. No. 1628  
 1-2 (In the Senate - Received from the House May 13, 2015;  
 1-3 May 14, 2015, read first time and referred to Committee on Business  
 1-4 and Commerce; May 22, 2015, reported favorably by the following  
 1-5 vote: Yeas 8, Nays 0; May 22, 2015, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7	X			
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED  
 1-18 AN ACT

1-19 relating to authorizing a credit union or other financial  
 1-20 institution to conduct savings promotion raffles.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. The legislature finds that:

1-23 (1) many Texans have little experience with mainstream  
 1-24 financial services, such as checking and savings accounts;

1-25 (2) an estimated one in three households in the state  
 1-26 does not have a savings account and an estimated one-half of all  
 1-27 households in the state do not have sufficient savings to pay for  
 1-28 basic expenses for three months in case of an emergency;

1-29 (3) Texans' inexperience with mainstream financial  
 1-30 services and lack of savings have many negative consequences,  
 1-31 including causing financially vulnerable Texans to turn to  
 1-32 predatory lenders outside of the mainstream financial system for  
 1-33 credit;

1-34 (4) mainstream financial institutions in states  
 1-35 across the country offer savings promotion raffles to help  
 1-36 familiarize people with the mainstream financial system and to  
 1-37 encourage people to open savings accounts and to save money;

1-38 (5) savings promotion raffles are normal financial  
 1-39 products offered by mainstream financial institutions, like  
 1-40 traditional savings accounts, with the added feature of offering  
 1-41 chances to win prizes for saving money;

1-42 (6) savings promotion raffles are not lotteries but  
 1-43 are pro-savings alternatives to lotteries;

1-44 (7) unlike lotteries, savings promotion raffles do not  
 1-45 require consideration for the chance to win a prize;

1-46 (8) unlike lotteries, savings promotion raffles have  
 1-47 the purpose and effect of increasing an individual's savings and  
 1-48 financial security; and

1-49 (9) encouraging people to save money is in the  
 1-50 interest of the state.

1-51 SECTION 2. Subchapter B, Chapter 622, Business & Commerce  
 1-52 Code, is amended by adding Section 622.0545 to read as follows:

1-53 Sec. 622.0545. SAVINGS PROMOTION RAFFLE. This chapter does  
 1-54 not apply to a savings promotion raffle authorized under Chapter  
 1-55 279, Finance Code.

1-56 SECTION 3. Subtitle Z, Title 3, Finance Code, is amended by  
 1-57 adding Chapter 279 to read as follows:

1-58 CHAPTER 279. SAVINGS PROMOTION RAFFLE

1-59 Sec. 279.001. SHORT TITLE. This chapter may be cited as the  
 1-60 Texas Savings Promotion Act.

1-61 Sec. 279.002. DEFINITIONS. In this chapter:

2-1                   (1) "Credit union" has the meaning assigned by Section  
2-2 121.002.  
2-3                   (2) "Deposit," with respect to a financial  
2-4 institution, has the meaning assigned by Section 31.002.  
2-5                   (3) "Finance commission" means the Finance Commission  
2-6 of Texas.  
2-7                   (4) "Financial institution" has the meaning assigned  
2-8 by Section 31.002.  
2-9                   (5) "Savings promotion raffle" means a raffle  
2-10 conducted by a credit union or financial institution in which the  
2-11 sole action required for a chance of winning a designated prize is  
2-12 the deposit of at least a specified amount of money in a savings  
2-13 account or other savings program offered by the credit union or  
2-14 financial institution.  
2-15                   Sec. 279.003. SAVINGS PROMOTION RAFFLE BY CREDIT UNION.  
2-16 (a) A credit union may conduct a savings promotion raffle if:  
2-17                   (1) each ticket or token representing an entry in the  
2-18 raffle has an equal probability of being drawn; and  
2-19                   (2) the raffle is conducted in a manner that:  
2-20                   (A) does not jeopardize the ability of the credit  
2-21 union to operate in a safe and sound manner; and  
2-22                   (B) does not mislead the credit union's members.  
2-23                   (b) A credit union may not require consideration for  
2-24 participation in a savings promotion raffle. A deposit of an amount  
2-25 of money in a savings account or other savings program that results  
2-26 in an entry in a savings promotion raffle is not consideration.  
2-27                   (c) A credit union may not require a person to pay a premium  
2-28 or fee for opening or using a savings account or other savings  
2-29 program that is subject to a savings promotion raffle, unless the  
2-30 premium or fee is commensurate with the premium or fee that the  
2-31 credit union charges for opening or using comparable savings  
2-32 accounts or savings programs that are not subject to a savings  
2-33 promotion raffle.  
2-34                   (d) A credit union may not limit the withdrawal of money  
2-35 from a savings account or other savings program that is subject to a  
2-36 savings promotion raffle, unless the withdrawal limits are  
2-37 commensurate with the withdrawal limits that the credit union  
2-38 imposes on comparable savings accounts or savings programs that are  
2-39 not subject to a savings promotion raffle. This subsection does not  
2-40 prohibit a credit union from requiring a deposit of an amount of  
2-41 money to remain in a savings account or other savings program for a  
2-42 certain period of time in order for the deposit to represent an  
2-43 entry in a savings promotion raffle.  
2-44                   (e) A credit union shall charge an interest rate on a  
2-45 savings account or other savings program that is commensurate with  
2-46 the interest rate that the credit union charges on comparable  
2-47 savings accounts or savings programs that are not subject to a  
2-48 savings promotion raffle.  
2-49                   (f) A credit union that conducts a savings promotion raffle  
2-50 under this section shall maintain all records that the Credit Union  
2-51 Commission determines are necessary for the Credit Union Department  
2-52 to examine the raffle.  
2-53                   (g) The provisions of this section applicable to a credit  
2-54 union apply to an organization composed exclusively of credit  
2-55 unions.  
2-56                   (h) The Credit Union Commission shall adopt rules and  
2-57 procedures for the administration of this section.  
2-58                   Sec. 279.004. SAVINGS PROMOTION RAFFLE BY FINANCIAL  
2-59 INSTITUTIONS. (a) A financial institution may conduct a savings  
2-60 promotion raffle if:  
2-61                   (1) each ticket or token representing an entry in the  
2-62 raffle has an equal probability of being drawn; and  
2-63                   (2) the raffle is conducted in a manner that:  
2-64                   (A) does not jeopardize the ability of the  
2-65 institution to operate in a safe and sound manner; and  
2-66                   (B) does not mislead the institution's  
2-67 depositors.  
2-68                   (b) A financial institution may not require consideration  
2-69 for participation in a savings promotion raffle. A deposit of an

3-1 amount of money in a savings account or other savings program that  
 3-2 results in an entry in a savings promotion raffle is not  
 3-3 consideration.

3-4 (c) A financial institution may not require a person to pay  
 3-5 a premium or fee for opening or using a savings account or other  
 3-6 savings program that is subject to a savings promotion raffle,  
 3-7 unless the premium or fee is commensurate with the premium or fee  
 3-8 that the financial institution charges for opening or using  
 3-9 comparable savings accounts or savings programs that are not  
 3-10 subject to a savings promotion raffle.

3-11 (d) A financial institution may not limit the withdrawal of  
 3-12 money from a savings account or other savings program that is  
 3-13 subject to a savings promotion raffle, unless the withdrawal limits  
 3-14 are commensurate with the withdrawal limits that the financial  
 3-15 institution imposes on comparable savings accounts or savings  
 3-16 programs that are not subject to a savings promotion raffle. This  
 3-17 subsection does not prohibit a financial institution from requiring  
 3-18 a deposit of an amount of money to remain in a savings account or  
 3-19 other savings program for a certain period of time in order for the  
 3-20 deposit to represent an entry in a savings promotion raffle.

3-21 (e) A financial institution shall charge an interest rate on  
 3-22 a savings account or other savings program that is commensurate  
 3-23 with the interest rate that the financial institution charges on  
 3-24 comparable savings accounts or savings programs that are not  
 3-25 subject to a savings promotion raffle.

3-26 (f) A financial institution that conducts a savings  
 3-27 promotion raffle under this section shall maintain all records that  
 3-28 the finance commission determines are necessary for the financial  
 3-29 regulatory agency of this state having regulatory jurisdiction over  
 3-30 that financial institution to examine the raffle.

3-31 (g) The provisions of this section applicable to a financial  
 3-32 institution apply to an organization composed exclusively of  
 3-33 financial institutions.

3-34 (h) The finance commission shall adopt rules and procedures  
 3-35 for the administration of this section.

3-36 Sec. 279.005. ACCOUNT OR DEPOSIT NOT CONSIDERATION. For  
 3-37 purposes of Chapter 47, Penal Code, or other state law, opening or  
 3-38 making a deposit in an account is not considered a purchase,  
 3-39 payment, or provision of a thing of value for participation in a  
 3-40 savings promotion raffle and is not considered to require a  
 3-41 substantial expenditure of time, effort, or inconvenience.

3-42 SECTION 4. Subchapter A, Chapter 2002, Occupations Code, is  
 3-43 amended by adding Section 2002.005 to read as follows:

3-44 Sec. 2002.005. APPLICABILITY. This chapter does not apply  
 3-45 to a savings promotion raffle authorized under Chapter 279, Finance  
 3-46 Code.

3-47 SECTION 5. Section 47.09(a), Penal Code, is amended to read  
 3-48 as follows:

3-49 (a) It is a defense to prosecution under this chapter that  
 3-50 the conduct:

3-51 (1) was authorized under:

3-52 (A) Chapter 2001, Occupations Code;

3-53 (B) Chapter 2002, Occupations Code; [~~or~~]

3-54 (C) the Texas Racing Act (Article 179e, Vernon's  
 3-55 Texas Civil Statutes); or

3-56 (D) Chapter 279, Finance Code;

3-57 (2) consisted entirely of participation in the state  
 3-58 lottery authorized by Chapter 466, Government Code; or

3-59 (3) was a necessary incident to the operation of the  
 3-60 state lottery and was directly or indirectly authorized by:

3-61 (A) Chapter 466, Government Code;

3-62 (B) the lottery division of the Texas Lottery  
 3-63 Commission;

3-64 (C) the Texas Lottery Commission; or

3-65 (D) the director of the lottery division of the  
 3-66 Texas Lottery Commission.

3-67 SECTION 6. Chapter 47, Penal Code, is amended by adding  
 3-68 Section 47.11 to read as follows:

3-69 Sec. 47.11. DEPOSITS IN CERTAIN ACCOUNTS NOT CONSIDERATION.

4-1 For purposes of this chapter, opening or making a deposit in a  
4-2 savings account or other savings program subject to a savings  
4-3 promotion raffle under Chapter 279, Finance Code, does not  
4-4 constitute consideration.

4-5 SECTION 7. This Act takes effect September 1, 2015.

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