

BILL ANALYSIS

S.B. 500
By: West
Licensing & Administrative Procedures
Committee Report (Unamended)

BACKGROUND AND PURPOSE

St. Jude Children's Research Hospital and other charitable organizations have been unable to offer residential dwellings as prizes in raffles in Texas for the last several years due to significant inflation in housing and building costs. These raffles typically bring charitable organizations significant fundraising dollars, and organizations that have previously engaged in such raffles have seen a decrease in dollars raised in Texas.

According to the Texas Real Estate Research Center at Texas A&M University, the average home price in Texas hit a high of over \$430,000 in 2022 and sits at \$390,404 for February 2023, the last month for which data is available. The current \$250,000 statutory limit in place for dwellings offered through a charitable raffle is substantially less than the average sale price of a single family home in Texas. When the residential dwelling limit was added to statute in 2005, the average home price in Texas was \$178,883. S.B. 500 seeks to address this issue by increasing from \$250,000 to \$500,000 the maximum authorized value of a residential dwelling offered or awarded as a prize at a charitable raffle.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 500 amends the Occupations Code to increase from \$250,000 to \$500,000 the maximum authorized value of a residential dwelling offered or awarded as a prize at a charitable raffle that is purchased by the organization conducting the raffle or for which the organization provides any consideration. This change applies only to a charitable raffle for which a residential dwelling is offered or awarded as a prize on or after the bill's effective date.

EFFECTIVE DATE

September 1, 2023.