SUBJECT: Raising allowed value of a home used as a prize at a charitable raffle

COMMITTEE: Licensing and Administrative Procedures — committee substitute

recommended

VOTE: 8 ayes — Smith, Gutierrez, Geren, Goldman, Guillen, Kuempel,

D. Miller, S. Thompson

0 nays

1 absent — Miles

WITNESSES: For — Pat Bivin, Ronald McDonald House of San Antonio; (Registered,

but did not testify: John R. Pitts, Big Brothers Big Sisters; James Castro,

St. PJ's Children's Home; Jill Martin)

Against — None

BACKGROUND: Occupations Code, sec. 2002.056 allows a qualified nonprofit

organization to conduct raffles to raise funds, including raffles offering residential dwellings as the prize. The value of any residential dwelling prize that is purchased by the organization or for which the organization

provides any consideration may not exceed \$250,000.

There is no limit on the maximum value of real estate that can be donated for raffle purposes, and some have called for the cap on the maximum

value of real estate offered for raffle purposes to be raised.

DIGEST: CSHB 3093 would raise the maximum value of a residential dwelling that

could be offered or awarded as a raffle prize that was purchased by a qualified nonprofit organization or for which the organization provided

any consideration from \$250,000 to \$2 million.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take

effect September 1, 2015.