

## BILL ANALYSIS

Senate Research Center

H.B. 3125  
By: Kuempel et al. (Hinojosa)  
State Affairs  
7/5/2017  
Enrolled

### AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The 84th Legislature, in 2015, unanimously passed H.B. 975 and voters approved H.J.R. 73, which together permitted certain professional sports team charitable foundations existing on January 1, 2016, to conduct charitable raffles at home games under certain circumstances. This legislation created the Professional Sports Team Charitable Foundation Raffle Enabling Act.

H.B. 3125 seeks to define qualifying "professional sports team charitable foundations" to include minor league charitable foundations. These charitable foundations conduct raffles to fund programs aimed at disadvantaged youth. They provide scholarships to financially eligible families so kids can participate in community youth basketball leagues, programs, trainings and tournaments. All qualifying sports team charitable foundations are approved by the IRS as 501(c)(3) nonprofit organizations.

H.B. 3125 narrowly includes Texas Sports Team Charitable Foundations that were not included in the original definition of the legislation passed last session. Most of these minor league charitable foundations are in suburban and rural areas that serve different constituencies and their needs.

H.B. 3125 adds the following entities to the definition of "professional sports team" under the Professional Sports Team Charitable Foundation Raffle Enabling Act:

- American Hockey League
- East Coast Hockey League
- American Association of Independent Professional Baseball
- Atlantic League of Professional Baseball
- Minor League Baseball
- National Basketball Association Development League
- National Women's Soccer League
- Major Arena Soccer League
- United Soccer League
- A person hosting a motorsports racing team event sanctioned by a nationally recognized racing association at venue in Texas with seating for at least 75,000 attendees.

H.B. 3125 also makes a debit card an acceptable form of payment for purchasing a raffle ticket for a charitable raffle conducted under the Act.

H.B. 3125 takes effect September 1, 2017, but only if the constitutional amendment authorizing additional professional sports team charitable foundations to conduct charitable raffles at

additional venues was approved by voters. If that amendment were not approved by voters, this bill would have no effect. (Original Author's / Sponsor's Statement of Intent)

H.B. 3125 amends current law relating to charitable raffles conducted by the charitable foundations of certain professional sports teams.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 2004.002, Occupations Code, by adding Subdivision (1-a) and amending Subdivision (2) to define "debit card" and redefine "professional sports team" to include certain sports leagues and a person hosting a motorsports racing team event sanctioned by certain entities at a certain venue in this state.

SECTION 2. Amends Section 2004.009(a), Occupations Code, to provide that a person commits an offense if the person accepts any form of payment other than United States (U.S.) currency or a debit card, rather than U.S. currency, for the purchase of a raffle ticket for a charitable raffle conducted under this chapter (Professional Sports Team Charitable).

SECTION 3. Effective date: December 1, 2017, contingent upon approval by the voters of the constitutional amendment authorizing additional professional sports team charitable foundations to conduct charitable raffles at additional venues.