

SUBSTITUTE FOR  
HOUSE BILL NO. 5022

A bill to amend 2003 PA 215, entitled  
"Credit union act,"  
by amending section 411 (MCL 490.411).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 411. (1) If authorized by the credit union board, a  
2       domestic credit union may conduct a savings promotion raffle. **ALL**  
3       **OF THE FOLLOWING APPLY TO A SAVINGS PROMOTION RAFFLE CONDUCTED**  
4       **UNDER THIS SUBSECTION:**

5       **(A)** The domestic credit union shall conduct a savings  
6       promotion raffle so that each token or ticket representing an entry  
7       in the raffle has an equal chance of being drawn. A domestic credit  
8       union shall not conduct a savings promotion raffle in a manner that  
9       jeopardizes the domestic credit union's safety and soundness or  
10      misleads its members.

11      **(B)** ~~(2)~~ Pursuant to his or her supervisory powers under

1 article 2, the ~~commissioner~~**DIRECTOR** may examine the conduct of a  
2 savings promotion raffle. The ~~commissioner~~**DIRECTOR** may issue a  
3 cease and desist order for a violation of this ~~section~~**SUBSECTION**  
4 under article 2.

5 (C) ~~(3)~~A domestic credit union shall maintain records  
6 sufficient to facilitate an audit of a savings promotion raffle.

7 (2) IF AUTHORIZED BY THE CREDIT UNION BOARD, A DOMESTIC CREDIT  
8 UNION MAY CONDUCT A LOAN PROMOTION RAFFLE. ALL OF THE FOLLOWING  
9 APPLY TO A LOAN PROMOTION RAFFLE CONDUCTED UNDER THIS SUBSECTION:

10 (A) THE DOMESTIC CREDIT UNION SHALL CONDUCT A LOAN PROMOTION  
11 RAFFLE SO THAT EACH TOKEN OR TICKET REPRESENTING AN ENTRY IN THE  
12 RAFFLE HAS AN EQUAL CHANCE OF BEING DRAWN. A DOMESTIC CREDIT UNION  
13 SHALL NOT CONDUCT A LOAN PROMOTION RAFFLE IN A MANNER THAT  
14 JEOPARDIZES THE DOMESTIC CREDIT UNION'S SAFETY AND SOUNDNESS OR  
15 MISLEADS ITS MEMBERS.

16 (B) PURSUANT TO HIS OR HER SUPERVISORY POWERS UNDER ARTICLE 2,  
17 THE DIRECTOR MAY EXAMINE THE CONDUCT OF A LOAN PROMOTION RAFFLE.  
18 THE DIRECTOR MAY ISSUE A CEASE AND DESIST ORDER FOR A VIOLATION OF  
19 THIS SUBSECTION UNDER ARTICLE 2.

20 (C) A DOMESTIC CREDIT UNION SHALL MAINTAIN RECORDS SUFFICIENT  
21 TO FACILITATE AN AUDIT OF A SAVINGS PROMOTION RAFFLE.

22 (3) ~~(4)~~As used in this ~~section~~, "~~savings~~**SECTION**":

23 (A) "LOAN PROMOTION RAFFLE" MEANS A RAFFLE CONDUCTED BY A  
24 DOMESTIC CREDIT UNION WHERE THE SOLE CONSIDERATION REQUIRED FOR A  
25 CHANCE OF WINNING DESIGNATED PRIZES IS THE CLOSING ON A LOAN WITH  
26 THE DOMESTIC CREDIT UNION OF AT LEAST A SPECIFIED AMOUNT.

27 (B) **SAVINGS** promotion raffle" means a raffle conducted by a

1 domestic credit union where the sole consideration required for a  
2 chance of winning designated prizes is the deposit of at least a  
3 specified amount of money in a savings account or other savings  
4 program offered by the domestic credit union.

5 Enacting section 1. This amendatory act takes effect 90 days  
6 after the date it is enacted into law.

7 Enacting section 2. This amendatory act does not take effect  
8 unless all of the following bills of the 98th Legislature are  
9 enacted into law:

10 (a) Senate Bill No.\_\_\_\_ (request no. 02768'15) or House Bill  
11 No. 5017.

12 (b) Senate Bill No.\_\_\_\_ (request no. 02769'15) or House Bill  
13 No. 5018.

14 (c) Senate Bill No.\_\_\_\_ (request no. 02771'15) or House Bill  
15 No. 5020.

16 (d) Senate Bill No.\_\_\_\_ (request no. 02772'15) or House Bill  
17 No. 5021.