



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL



ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bills 751 and 752 (as reported without amendment)

Sponsor: Senator Margaret E. O'Brien (S.B. 751)

Senator Peter MacGregor (S.B. 752)

Committee: Banking and Financial Institutions

CONTENT

Senate Bill 751 would amend the Banking Code to allow a bank to conduct a loan promotion raffle, if it met all of the following conditions:

- The bank would have to conduct the raffle so that each token or ticket representing an entry had an equal chance of being drawn.
- The bank could not conduct the raffle in a manner that jeopardized the bank's safety and soundness, misled its customers, or violated Federal law.
- The bank would have to maintain records sufficient to facilitate an examination of a loan promotion raffle.

"Loan promotion raffle" would mean a raffle conducted by a bank where the sole consideration required for a chance at winning designated prizes is the closing on a loan with the bank of at least a specified amount of money.

Senate Bill 752 would amend the Michigan Penal Code to provide that Chapter 44 (Gambling) and Chapter 55 (Lottery) of the Code would not apply to a loan promotion raffle conducted by a State bank under Section 4111 of the Banking Code (the section that Senate Bill 751 would amend).

The bills are tie-barred, and each bill would take effect 90 days after its enactment.

MCL 487.14111 (S.B. 751)
750.315a & 750.376a (S.B. 752)

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Date Completed: 3-1-16

Fiscal Analyst: Glenn Steffens