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SENATE BILL 270

50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011

INTRODUCED BY

Eric G. Griego

AN ACT

RELATING TO BANKING; ALLOWING STATE BANKS AND CREDIT UNIONS TO
CONDUCT SAVINGS PROMOTION RAFFLES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 30-19-1 NMSA 1978 (being Laws 1963,
Chapter 303, Section 19-1, as amended) is amended to read:

"30-19-1. DEFINITIONS RELATING TO GAMBLING.--As used in
Chapter 30, Article 19 NMSA 1978:

A. "antique gambling device" means a gambling
device manufactured before 1970 and substantially in original
condition that is not used for gambling or commercial gambling
or located in a gambling place;

B. "bet" means a bargain in which the parties agree
that, dependent upon chance, even though accompanied by some
skill, one stands to win or lose anything of value specified in

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1 the agreement. A bet does not include:

2 (1) bona fide business transactions that are
3 valid under the law of contracts, including:

4 (a) contracts for the purchase or sale,
5 at a future date, of securities or other commodities; and

6 (b) agreements to compensate for loss
7 caused by the happening of the chance, including contracts for
8 indemnity or guaranty and life or health and accident
9 insurance;

10 (2) offers of purses, prizes or premiums to
11 the actual contestants in any bona fide contest for the
12 determination of skill, speed, strength or endurance or to the
13 bona fide owners of animals or vehicles entered in such
14 contest;

15 (3) a lottery as defined in this section; [~~or~~]

16 (4) a savings promotion raffle as defined in
17 Section 58-1-53 NMSA 1978; or

18 [~~(4)~~] (5) betting otherwise permitted by law;

19 C. "gambling device" means a contrivance other than
20 an antique gambling device that is not licensed for use
21 pursuant to the Gaming Control Act and that, for a
22 consideration, affords the player an opportunity to obtain
23 anything of value, the award of which is determined by chance,
24 even though accompanied by some skill, whether or not the prize
25 is automatically paid by the device, but does not include a

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1 savings promotion raffle pursuant to Section 58-1-53 NMSA 1978;

2 D. "gambling place" means a building or tent, a
3 vehicle, whether self-propelled or not, or a room within any of
4 them that is not within the premises of a person licensed as a
5 lottery retailer or that is not licensed pursuant to the Gaming
6 Control Act, one of whose principal uses is:

7 (1) making and settling of bets;

8 (2) receiving, holding, recording or
9 forwarding bets or offers to bet;

10 (3) conducting lotteries; or

11 (4) playing gambling devices; and

12 E. "lottery" means an enterprise wherein, for a
13 consideration, the participants are given an opportunity to win
14 a prize, the award of which is determined by chance, even
15 though accompanied by some skill. "Lottery" does not include
16 the New Mexico state lottery established and operated pursuant
17 to the New Mexico Lottery Act, a savings promotion raffle
18 pursuant to Section 58-1-53 NMSA 1978 or gaming that is
19 licensed and operated pursuant to the Gaming Control Act. As
20 used in this subsection, "consideration" means anything of
21 pecuniary value required to be paid to the promoter in order to
22 participate in a gambling or gaming enterprise."

23 SECTION 2. Section 58-1-53 NMSA 1978 (being Laws 1963,
24 Chapter 305, Section 42, as amended) is amended to read:

25 "58-1-53. GENERAL CORPORATE POWERS.--

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1 A. A state [~~banks shall have~~] bank has:

2 [A-] (1) all the powers provided and conferred
3 on [~~them~~] it in the Banking Act and such general corporate
4 powers as are appropriate to its purpose;

5 [B-] (2) the power to act as a fiduciary in
6 any capacity after proper qualifications under the Banking Act
7 and if authorized by its articles of incorporation or any
8 amendment thereto;

9 [G-] (3) perpetual succession by its corporate
10 name unless a limited period of duration is stated in its
11 articles of incorporation;

12 [D-] (4) the power to sue and be sued in any
13 court of law or equity;

14 [E-] (5) the power to make and use a common
15 seal and alter the same at pleasure;

16 [F-] (6) the power to appoint such officers
17 and agents as the business of the corporation shall require and
18 to allow them suitable compensation; [~~and~~]

19 (7) the power to conduct a savings promotion
20 raffle; and

21 [G-] (8) the power to make contributions to
22 the extent authorized, approved or ratified by action of the
23 board of directors of the corporation, except as otherwise
24 specifically provided or limited by its articles of
25 incorporation or its bylaws, [~~or~~] by resolution duly adopted by

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1 its stockholders or by statute.

2 B. As used in this section, "savings promotion
3 raffle" means a promotion offered by a financial institution
4 authorized to do business in New Mexico in which the sole
5 consideration required for a chance of winning designated
6 prizes is the deposit of at least a specified amount of money
7 into a savings account or other savings program offered by the
8 financial institution. Consideration shall not be deemed to
9 have been given in a savings promotion raffle as long as each
10 ticket has an equal chance of being drawn. Interest rates or
11 fees associated with a savings promotion raffle may be set at a
12 rate necessary to partially offset the cost of cash prizes."

13 SECTION 3. Section 58-11-18 NMSA 1978 (being Laws 1987,
14 Chapter 311, Section 18, as amended) is amended to read:

15 "58-11-18. POWERS OF CREDIT UNIONS.--

16 A. In addition to the powers authorized elsewhere
17 in the Credit Union Act, a credit union may:

18 [~~A.~~] (1) enter into contracts of any nature;

19 [~~B.~~] (2) sue and be sued;

20 [~~C.~~] (3) adopt, use and display a corporate
21 seal;

22 [~~D.~~] (4) acquire, lease, hold, assign, pledge,
23 hypothecate, sell and discount or otherwise dispose of property
24 or assets, either in whole or in part, necessary or incidental
25 to its operations;

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- 1 [~~E~~] (5) lend funds to members;
- 2 [~~F~~] (6) borrow from any source; provided that
- 3 a credit union shall have prior approval of the director before
- 4 borrowing in excess of an aggregate of fifty percent of its
- 5 capital;
- 6 [~~G~~] (7) purchase the assets of another credit
- 7 union, subject to the approval of the director;
- 8 [~~H~~] (8) offer various financial services
- 9 approved by the director;
- 10 [~~I~~] (9) hold membership in other credit
- 11 unions organized under the Credit Union Act, the Federal Credit
- 12 Union Act or other acts and in associations and organizations
- 13 controlled by or fostering the interests of credit unions,
- 14 including a central liquidity facility organized under state or
- 15 federal law;
- 16 [~~J~~] (10) engage in activities and programs as
- 17 requested by any governmental unit;
- 18 [~~K~~] (11) act as fiscal agent and receive
- 19 payments on deposit accounts from a governmental unit;
- 20 [~~L~~] (12) sell or offer to sell insurance to
- 21 the same extent allowed by law to other state chartered lending
- 22 institutions; [~~and~~]
- 23 (13) conduct a savings promotion raffle; and
- 24 [~~M~~] (14) provide services to persons within
- 25 the credit union's field of membership, including electronic

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1 funds transfers and the sale and negotiation of instruments,
2 including money orders, traveler's checks and stored value
3 cards.

4 B. As used in this section, "savings promotion
5 raffle" means a promotion offered by a financial institution
6 authorized to do business in New Mexico in which the sole
7 consideration required for a chance of winning designated
8 prizes is the deposit of at least a specified amount of money
9 into a savings account or other savings program offered by the
10 financial institution. Consideration shall not be deemed to
11 have been given in a savings promotion raffle as long as each
12 ticket has an equal chance of being drawn. Interest rates or
13 fees associated with a savings promotion raffle may be set at a
14 rate necessary to partially offset the cost of cash prizes."