



General Assembly

February Session, 2014

Raised Bill No. 290

LCO No. 1752



Referred to Committee on PUBLIC SAFETY AND SECURITY

Introduced by:
(PS)

AN ACT CONCERNING TUITION RAFFLES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 7-185b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2014*):

3 (a) As used in this section, "tuition raffle" means a raffle in which
4 the prize is payment of the tuition or part of the tuition at an
5 educational institution or payment of a student loan or part of a
6 student loan for a student recipient designated by the raffle winner.

7 (b) Notwithstanding the provisions of sections 7-170 to 7-186,
8 inclusive, any organization qualified to conduct a bazaar or raffle
9 under section 7-172 may conduct a special tuition raffle once each
10 calendar year. The Commissioner of Consumer Protection shall adopt
11 such regulations, in accordance with chapter 54, as are necessary to
12 carry out the provisions of this section. Said regulations shall (1) allow
13 [(1)] any organization permitted to conduct a special tuition raffle to
14 fund all or a [portion] part of a student recipient's education or to pay
15 all or part of a student recipient's student loan each year for a period

16 not to exceed four years, (2) permit the student recipient to be the
17 actual tuition raffle winner, a relative of the raffle winner or a student
18 chosen by the raffle winner, (3) give authority to the sponsoring
19 organization to permit the tuition prize to be divided among student
20 recipients designated by the raffle winner, (4) provide that the tuition
21 prize be paid each consecutive year, commencing with the first year of
22 the student recipient's education at an accredited private or parochial
23 school, or public or independent institution of higher education
24 selected by the student recipient, (5) provide that the tuition prize be
25 paid directly to the educational institution or financial institution that
26 made the student loan designated by the student recipient, and no
27 tuition prize shall be redeemed or redeemable for cash, and (6) provide
28 that the tuition raffle winner have a period not to exceed four years to
29 designate a student recipient. For purposes of this section, "financial
30 institution" means a bank, as defined in section 36a-2, an out-of-state
31 bank, as defined in section 36a-2, a Connecticut credit union, as
32 defined in section 36a-2, an out-of-state credit union, as defined in
33 section 36a-2, an institutional lender, any subsidiary or affiliate of such
34 bank, out-of-state bank, Connecticut credit union, out-of-state credit
35 union or institutional lender, or other lender licensed by the
36 Department of Banking.

37 (c) All proceeds of the special tuition raffle shall be deposited in a
38 special dedicated bank account approved by the Commissioner of
39 Consumer Protection, and all special tuition raffle expenses shall be
40 paid from such account. The commissioner shall prescribe the
41 maintenance of tuition raffle accounts by any sponsoring organization
42 and such accounts shall be subject to audit by the commissioner or a
43 designee. The commissioner may require any organization conducting
44 a tuition raffle to post a performance bond in an amount sufficient to
45 fully fund the special tuition raffle prize to be awarded.

46 (d) Any organization permitted to conduct a special tuition raffle
47 shall file a tuition raffle financial report in a manner prescribed by the
48 commissioner. Such report shall detail the status of the tuition prize

49 money or the raffle and any other information that the commissioner
50 may require, on a quarterly basis, during the months of January, April,
51 July and October, until all tuition or student loan payments for each
52 special tuition raffle have been paid.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	7-185b

PS *Joint Favorable*