

1 SENATE BILL 229

2 **50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

3 INTRODUCED BY

4 Eric G. Griego

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10 AN ACT

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

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

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

17 "58-1-53. GENERAL CORPORATE POWERS.--

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

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

22 [~~B-~~] (2) the power to act as a fiduciary in  
23 any capacity after proper qualifications under the Banking Act  
24 and if authorized by its articles of incorporation or any  
25 amendment thereto;

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1                   [~~G~~] (3) perpetual succession by its corporate  
2 name unless a limited period of duration is stated in its  
3 articles of incorporation;

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

6                   [~~E~~] (5) the power to make and use a common  
7 seal and alter the same at pleasure;

8                   [~~F~~] (6) the power to appoint such officers  
9 and agents as the business of the corporation shall require and  
10 to allow them suitable compensation; [~~and~~]

11                   (7) the power to conduct a savings promotion  
12 raffle; and

13                   [~~G~~] (8) the power to make contributions to  
14 the extent authorized, approved or ratified by action of the  
15 board of directors of the corporation, except as otherwise  
16 specifically provided or limited by its articles of  
17 incorporation or its bylaws, [~~or~~] by resolution duly adopted by  
18 its stockholders or by statute.

19                   B. As used in this section, "savings promotion  
20 raffle" means a promotion offered by a financial institution  
21 authorized to do business in New Mexico in which the sole  
22 consideration required for a chance of winning designated  
23 prizes is the deposit of at least a specified amount of money  
24 into a savings account or other savings program offered by the  
25 financial institution. Consideration shall not be deemed to

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1 have been given in a savings promotion raffle as long as each  
2 ticket has an equal chance of being drawn. Interest rates or  
3 fees associated with a savings promotion raffle may be set at a  
4 rate necessary to partially offset the cost of cash prizes."

5 SECTION 2. Section 58-11-18 NMSA 1978 (being Laws 1987,  
6 Chapter 311, Section 18, as amended) is amended to read:

7 "58-11-18. POWERS OF CREDIT UNIONS.--

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

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

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

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

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

18 [~~E.~~] (5) lend funds to members;

19 [~~F.~~] (6) borrow from any source; provided that  
20 a credit union shall have prior approval of the director before  
21 borrowing in excess of an aggregate of fifty percent of its  
22 capital;

23 [~~G.~~] (7) purchase the assets of another credit  
24 union, subject to the approval of the director;

25 [~~H.~~] (8) offer various financial services

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1 approved by the director;

2 [I.] (9) hold membership in other credit  
3 unions organized under the Credit Union Act, the Federal Credit  
4 Union Act or other acts and in associations and organizations  
5 controlled by or fostering the interests of credit unions,  
6 including a central liquidity facility organized under state or  
7 federal law;

8 [J.] (10) engage in activities and programs as  
9 requested by any governmental unit;

10 [K.] (11) act as fiscal agent and receive  
11 payments on deposit accounts from a governmental unit;

12 [L.] (12) sell or offer to sell insurance to  
13 the same extent allowed by law to other state chartered lending  
14 institutions; ~~and~~

15 (13) conduct a savings promotion raffle; and

16 [M.] (14) provide services to persons within  
17 the credit union's field of membership, including electronic  
18 funds transfers and the sale and negotiation of instruments,  
19 including money orders, traveler's checks and stored value  
20 cards.

21 B. As used in this section, "savings promotion  
22 raffle" means a promotion offered by a financial institution  
23 authorized to do business in New Mexico in which the sole  
24 consideration required for a chance of winning designated  
25 prizes is the deposit of at least a specified amount of money

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2 financial institution. Consideration shall not be deemed to  
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5 fees associated with a savings promotion raffle may be set at a  
6 rate necessary to partially offset the cost of cash prizes."

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