



NATIONAL CONFERENCE OF STATE LEGISLATURES

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### **2010-2019 Prize-Linked Savings Legislation**

April 23, 2019

*Enactments are noted in italics*

Twenty-nine states—Alabama, Arizona, Arkansas, California, Connecticut, Delaware, Illinois, Indiana, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, New Jersey, New York, North Carolina, Oregon, Rhode Island, South Carolina, Texas, Utah, Virginia, Washington and Wisconsin—allow credit unions and other financial institutions to hold savings promotion raffles.

Michigan's original statute, §490.411, was enacted prior to the start of this legislation tracking list.

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### **2019 Legislation**

#### **Georgia**

H.B. 193

*Sent to governor 4/4/19*

<http://www.legis.ga.gov/Legislation/en-US/display/20192020/HB/193>

Revises provisions applicable to the Department of Banking and Finance; allows banks and credit unions to offer savings promotion raffle accounts in which deposits to a savings account enter a depositor in a raffle.

#### **Hawaii**

H.B. 1163

*To conference committee 4/15/19*

[https://www.capitol.hawaii.gov/session2019/bills/HB1163\\_SD2\\_.htm](https://www.capitol.hawaii.gov/session2019/bills/HB1163_SD2_.htm)

S.B. 616

[https://www.capitol.hawaii.gov/session2019/bills/SB616\\_.htm](https://www.capitol.hawaii.gov/session2019/bills/SB616_.htm)

Authorizes a financial institution that is a depository institution to conduct savings promotion or prize-linked savings contests in which its account holders are contestants.

#### **Maryland**

H.B. 579

<http://mgaleg.maryland.gov/2019RS/bills/hb/hb0579F.pdf>

S.B. 351

<http://mgaleg.maryland.gov/2019RS/bills/sb/sb0351F.pdf>

Establishes the Workgroup to Study Prize-Linked Savings Accounts; provides for the composition, chair, and staffing of the Workgroup; prohibits a member of the Workgroup from receiving certain compensation, but authorizes the reimbursement of certain expenses; requires the Workgroup to study and make recommendations regarding certain matters relating to prize-linked savings accounts; requires the Workgroup to report its findings and recommendations to the governor and the General Assembly on or before Dec. 31, 2019; etc.

### **North Carolina**

H.B. 628

<https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H628v2.pdf>

Eliminates an outdated requirement for savings banks and savings and loan associations to publish abstracts of statements of financial condition; allows commercial banks, savings and loan associations, and savings banks to offer savings promotion raffles; and adds to the North Carolina Banking Commission a member who is, or is employed by a person that is, licensed under the North Carolina Secure and Fair Enforcement (S.A.F.E.) Mortgage Licensing Act.

### **Pennsylvania**

H.B. 858

<https://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sessYr=2019&sessInd=0&billBody=H&billTyp=B&billNbr=0858&pn=0972>

Authorizes certain financial institutions to conduct savings promotion programs; and provides for enforcement by the Department of Banking and Securities.

### **Tennessee**

H.B. 1299

<http://www.capitol.tn.gov/Bills/111/Bill/HB1299.pdf>

S.B. 1052

<http://www.capitol.tn.gov/Bills/111/Bill/SB1052.pdf>

Enacts the "Sweepstakes Savings Account Act of Tennessee."

### **Utah**

S.B. 86

*Signed by governor 3/22/19, Chapter 169*

<https://le.utah.gov/~2019/bills/static/SB0086.html>

This bill enacts provisions in the Financial Institutions Act related to savings promotion programs. This bill: defines terms; permits a depository institution to conduct a savings promotion program under certain conditions; and permits the commissioner of Financial Institutions to make rules related to savings promotion programs.

### **Vermont**

H.B. 148

<https://legislature.vermont.gov/Documents/2020/Docs/BILLS/H-0148/H-0148%20As%20Introduced.pdf>

This bill proposes to authorize banks and credit unions to offer prize-linked savings accounts and operate savings promotion raffles.

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## 2018 Legislation

### California

S.B. 1055

*Signed by governor 9/27/18, Chapter 847*

[http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201720180SB1055](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180SB1055)

This bill authorizes a bank and a credit union to sponsor or participate in a savings promotion that provides savings account depositors with a chance to win designated prizes, if the bank or credit union satisfies certain requirements. The bill prohibits these savings promotions from being considered a lottery or raffle with the meaning of those aforementioned criminal provisions, as provided.

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## 2017 Legislation

### Alabama

H.B. 355

*Signed by governor 5/26/17, Act 406*

<http://alisondb.legislature.state.al.us/ALISON/SearchableInstruments/2017RS/PrintFiles/HB355-enr.pdf>

Authorizes financial institutions that do business in the state to conduct savings promotion contests; specifies the conditions under which a financial institution may conduct a savings promotion contest; authorizes the appropriate federal or state regulatory agency of the financial institution to oversee the conduct of any savings promotion contest conducted by it; and specifies that the offering of a savings promotion contest does not constitute gambling or a lottery.

S.B. 279

*Indefinitely postponed 5/17/17*

<http://alisondb.legislature.state.al.us/ALISON/SearchableInstruments/2017RS/PrintFiles/SB279-int.pdf>

This bill authorizes financial institutions that do business in the state to conduct savings promotion contests for members and customers of the financial institution for the purpose of encouraging depositors to maintain savings accounts and increase personal savings. This bill specifies that the offering of a savings promotion contest is not a lottery within the meaning of the Constitution of Alabama of 1901.

### Delaware

H.B. 31

*Signed by governor 5/2/17, Chapter 13*

<http://legis.delaware.gov/json/BillDetail/GenerateHtmlDocument?legislationId=25379&legislationTypeId=1&docTypeId=2&legislationName=HB31>

This bill authorizes the use of prize-linked savings accounts in the state of Delaware. This bill explicitly authorizes such programs in Delaware and clarifies that such programs do not constitute prohibited gambling or lottery practices.

### **Georgia**

S.B. 134

*Passed Senate 3/3/17*

<http://www.legis.ga.gov/Legislation/en-US/display/20172018/SB/134>

Amends Article 1 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated, relating to provisions applicable to the Department of Banking and Finance and financial institutions generally, so as to allow banks and credit unions to offer savings promotion raffle accounts in which deposits to a savings account enter a depositor in a raffle; provides for definitions; amends Code §16-12-20 of the Official Code of Georgia Annotated, relating to definitions relative to gambling and related offenses, so as to provide for an exception to the definition of "lottery"; provides for a short title; provides for legislative findings; provides for related matters.

### **Montana**

S.B. 25

*Signed by governor 5/4/17, Chapter 276*

<http://leg.mt.gov/bills/2017/sesslaws/ch0276.pdf>

Exempts a savings promotion raffle offered by a bank, trust company, mutual savings bank, savings and loan association, or credit union authorized to do business and accept deposits in this state under state or federal law and conducted in compliance with §23-5-413 that entitles individual members or depositors equal chances to win a designated prize by depositing a sum of money during a specified savings period from the definition of a gift enterprise under the state gaming laws.

### **Pennsylvania**

H.B. 433

<http://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sesYr=2017&sessInd=0&billBody=H&billTyp=B&billNbr=0433&pn=0449>

Authorizes certain financial institutions to conduct savings promotion raffles; and provides for enforcement by the Department of Banking and Securities.

H.B. 1039

*Passed House 4/24/17*

<http://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sesYr=2017&sessInd=0&billBody=H&billTyp=B&billNbr=1039&pn=1203>

Authorizes certain financial institutions to conduct savings promotion raffles; and provides for enforcement by the Department of Banking and Securities.

### **Texas**

H.B. 471

*Signed by governor 6/15/17, Chapter 978*

<http://www.legis.state.tx.us/tlodocs/85R/billtext/pdf/HB00471F.pdf#navpanes=0>

Establishes the Texas Savings Promotion Act by amending the Business & Commerce Code, Finance Code, Occupations Code, and Penal Code to provide for savings

promotion raffles conducted by a credit union or a financial institution and to establish requirements for the conduct of such raffles. The bill exempts a savings promotion raffle authorized under the Texas Savings Promotion Act from the Charitable Raffle Enabling Act and state laws relating to gambling and sweepstakes.

## **Wisconsin**

A.B. 283

*Signed by governor 11/27/17, Act 72*

<https://docs.legis.wisconsin.gov/2017/related/acts/72.pdf>

This bill allows banks, credit unions, savings banks, and savings and loan associations organized under this state's law (state-chartered financial institutions) to conduct or participate in savings promotion programs.

S.B. 213

*Failed to pass pursuant to Senate Joint Resolution 1 3/28/18*

<https://docs.legis.wisconsin.gov/2017/related/proposals/sb213.pdf>

This bill allows banks, credit unions, savings banks, and savings and loan associations organized under this state's law (state-chartered financial institutions) to conduct or participate in savings promotion programs.

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## **2016 Legislation**

### **Arizona**

H.B. 2381

*Passed House 2/18/16*

<http://www.azleg.gov/legtext/52leg/2r/bills/hb2381h.pdf>

Allows a credit union to offer a savings promotion account that includes an incentive in which the sole requirement to obtain the incentive is a deposit of a specified amount of money.

H.B. 2471

*Signed by governor 5/18/16, Chapter 332*

<http://www.azleg.gov/legtext/52leg/2r/laws/0332.pdf>

Allows a credit union to offer a savings promotion account that includes an incentive in which the sole requirement to obtain the incentive is a deposit of a specified amount of money.

S.B. 1512

<http://www.azleg.gov/legtext/52leg/2r/bills/sb1512p.pdf>

Authorizes a credit union to offer a savings promotion account that is a savings account including an incentive in which the sole consideration required to obtain the incentive is the deposit of a specified amount of money in the account.

### **Delaware**

H.B. 226

*Passed House 3/24/16*

[http://legis.delaware.gov/LIS/lis148.nsf/vwLegislation/HB+226/\\$file/legis.html?open](http://legis.delaware.gov/LIS/lis148.nsf/vwLegislation/HB+226/$file/legis.html?open)

This bill authorizes the use of “prize-linked” savings accounts in the state of Delaware. A deposit into the program makes the entrant eligible for a prize. The principal in the account remains untouched. This bill explicitly authorizes such programs in Delaware and clarifies that such programs do not constitute prohibited gambling or lottery practices.

### **Georgia**

S.B. 403

<http://www.legis.ga.gov/Legislation/en-US/display/20152016/SB/403>

Provides for the establishment of sweepstakes savings accounts by financial institutions; provides for definitions; provides for rule making authority for the Department of Banking and Finance regarding such accounts; provides for advertising requirements for such accounts; amends Code §16-12-20 of the Official Code of Georgia Annotated, relating to definitions relative to gambling, so as to provide for an exclusion to a definition.

### **Kansas**

S.B. 390

*Signed by governor 5/6/16, Chapter 54*

[http://kslegislature.org/li/b2015\\_16/measures/documents/sb390\\_enrolled.pdf](http://kslegislature.org/li/b2015_16/measures/documents/sb390_enrolled.pdf)

The bill allows a bank, savings bank, savings and loan association, or a credit union to conduct a savings promotion in which a person would deposit money into a savings account or other savings program in order to obtain entries and participate in the promotion. The bill requires the promotions be conducted in a manner that ensures each entry has an equal chance of winning the designated prize. The bill further stipulates the bank, savings bank, savings and loan association, or credit union offering the promotion must: (i) Fully disclose the terms and conditions of the promotion to each of its account holders; (ii) Maintain records sufficient to facilitate an audit of the promotion; (iii) Ensure that only account holders 18 years of age and older are permitted to participate; (iv) Not require any consideration; and (v) Offer an interest rate and charge fees on any promotion-qualifying account that are approximately the same as a comparable account that does not qualify for the promotion. Authorizes the State Bank commissioner and the Credit Union administrator to promulgate rules and regulations, as necessary, to effectuate the provisions pertaining to their respective financial institutions. Such rules and regulations must be promulgated by July 1, 2017. The bill further directs the Bank commissioner and Credit Union administrator to collaborate in order to promulgate rules and regulations affecting account holders that are consistent, other than the type of institution to which the regulations apply.

### **Louisiana**

H.B. 681

*Signed by governor 5/26/16, Act 257*

<http://www.legis.la.gov/Legis/ViewDocument.aspx?d=1008024>

Authorizes credit unions to offer savings promotion raffles to members.

### **Massachusetts**

S.B. 495

See S.B. 2374 6/29/16

<https://malegislature.gov/Bills/189/Senate/S495>

Authorizes banks and credit unions to conduct a savings promotion raffle, provided that the financial institutions (1) conduct the savings promotion raffle in a manner that ensures that each entry has an equal chance of winning the designated prize; (2) fully disclose the terms and conditions of the savings promotion raffle to each qualified account holder; and (3) maintain records sufficient to facilitate an audit the savings promotion raffle program.

S.B. 546

<https://malegislature.gov/Bills/189/Senate/S546>

Authorizes a bank to receive deposits in conjunction with a savings promotion raffle pursuant to the federal American Savings Promotion Act. For the purposes of this section the term "savings promotion raffle" means a contest in which the sole consideration required for a chance of winning designated prizes is obtained by the deposit of a specified amount of money in a savings account or other savings program, where each ticket or entry has an equal chance of being drawn, such contest being subject to regulations that may from time to time be promulgated by the appropriate federal regulator.

S.B. 2374

*Signed by governor 10/14/16, Chapter 294*

<https://malegislature.gov/Bills/189/S2374>

Authorizes banks and credit unions to conduct saving promotion raffles.

## **Michigan**

H.B. 5022

*Signed by governor 6/8/16, Public Act 157*

<http://www.legislature.mi.gov/documents/2015-2016/billenrolled/House/pdf/2015-HNB-5022.pdf>

Allows "loan or savings promotion" raffles if all of the following apply: (i) It must be conducted so that each token or ticket representing an entity in the raffle has an equal chance of being drawn. A credit union could not conduct a loan promotion raffle in a manner that jeopardizes the domestic credit union's safety and soundness or misleads its members. (ii) The director could examine the conduct of a loan promotion raffle and could issue a cease and desist order for violation of the section. (iii) The credit union would be required to maintain records sufficient to facilitate an audit of a savings promotion raffle. The bill defines "loan promotion raffle" to mean a raffle conducted by a domestic credit union where the sole consideration required for a chance of winning designated prizes is closing on a loan of at least a specified amount or depositing at least a specified amount.

H.B. 5147

*Passed House 2/10/16*

<http://www.legislature.mi.gov/documents/2015-2016/billengrossed/House/pdf/2015-HEBH-5147.pdf>

Amends the Penal Code to specify that Chapter XLIV of the code, which addresses gambling crimes, does not apply to loan promotion raffles conducted by credit unions and banks.

H.B. 5251

*Signed by governor 6/8/16, Public Act 162*

<http://www.legislature.mi.gov/documents/2015-2016/billenrolled/House/pdf/2016-HNB-5251.pdf>

Amends the Banking Code to say that, if authorized by its board of directors, a bank could conduct a loan promotion raffle where each token or ticket representing any entry in the raffle has an equal chance of being drawn. A bank could not conduct a loan promotion raffle in a manner that jeopardizes the bank's safety and soundness or misleads its customers. In addition, a bank would have to maintain records sufficient to facilitate an examination of a loan promotion raffle.

S.B. 751

*Passed Senate 3/9/16*

<http://www.legislature.mi.gov/documents/2015-2016/billengrossed/Senate/pdf/2016-SEBS-0751.pdf>

Amends the Banking Code to allow a bank to conduct a loan promotion raffle, if it met all of the following conditions: (i) The bank would have to conduct the raffle so that each token or ticket representing an entry had an equal chance of being drawn. (ii) 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. (iii) The bank would have to maintain records sufficient to facilitate an examination of a loan promotion raffle. "Loan promotion raffle" means 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.

S.B. 752

*Signed by governor 6/8/16, Public Act 163*

<http://www.legislature.mi.gov/documents/2015-2016/publicact/pdf/2016-PA-0163.pdf>

Amends 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 §4111 of the Banking Code.

## **Missouri**

H.B. 2125

*Signed by governor 6/13/16*

<http://www.house.mo.gov/billtracking/bills161/hlrbillspdf/5663S.02T.pdf>

This bill authorizes eligible financial institutions to offer and conduct savings promotion programs. A savings promotion program is a contest that offers a participant chances to win prizes if he or she makes a minimum deposit into an eligible account.

S.B. 833

*Signed by governor 7/1/16*

<http://www.senate.mo.gov/16info/pdf-bill/tat/SB833.pdf>

This bill permits eligible financial institutions to offer and conduct savings promotion programs. A savings promotion program is a contest offered by an eligible financial institution that offers participants chances to win prizes if they make a minimum deposit into an eligible account.

## **New Jersey**

S.B. 374

*Withdrawn from consideration 2/4/16*

[http://www.njleg.state.nj.us/2016/Bills/S0500/374\\_I1.HTM](http://www.njleg.state.nj.us/2016/Bills/S0500/374_I1.HTM)

Authorizes state-chartered banks, savings banks, savings and loans, and credit unions to conduct certain savings account promotions.

## **North Carolina**

S.B. 327

*Passed Senate 4/22/15*

<http://www.ncga.state.nc.us/Sessions/2015/Bills/Senate/PDF/S327v1.pdf>

Allows banks to conduct savings promotion raffles.

## **Pennsylvania**

H.B. 837

*Passed House 5/13/15*

<http://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sesSyr=2015&sessInd=0&billBody=H&billTyp=B&billNbr=0837&pn=1316>

Authorizes certain financial institutions to conduct savings promotion raffles; and provides for enforcement by the Department of Banking and Securities.

## **South Carolina**

S.B. 652

*Signed by governor 6/3/16, Act 203*

[http://www.scstatehouse.gov/sess121\\_2015-2016/bills/652.htm](http://www.scstatehouse.gov/sess121_2015-2016/bills/652.htm)

Authorizes financial institutions that do business in South Carolina to conduct savings promotion contests for members and customers of the financial institutions, subject to certain requirements, and authorizes the appropriate federal or state regulatory agency of each financial institution to oversee the conduct of the contests and issue cease and desist orders when necessary.

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## **2015 Legislation**

### **Arkansas**

H.B. 1642

*Signed by governor 3/20/15, Act 589*

<http://www.arkleg.state.ar.us/assembly/2015/2015R/Acts/Act589.pdf>

Creates the Arkansas Savings Promotion Act.

### **Illinois**

H.B. 2477

*Signed by governor 7/28/15, Public Act 99-0149*

<http://www.ilga.gov/legislation/publicacts/99/PDF/099-0149.pdf>

Amends the Illinois Credit Union Act, the Illinois Banking Act, and the Savings Bank Act; provides that a credit union's board of directors may authorize a savings

promotion raffle; provides that, if authorized by its board of directors, a state bank may conduct a savings promotion raffle; provides that the savings promotion raffle shall be conducted so that each token or ticket representing an entry in the savings promotion raffle has an equal chance of being drawn; defines a "savings promotion raffle"; makes conforming changes in the Raffles and Poker Runs Act and the Criminal Code of 2012; amends the Raffles and Poker Runs Act; provides that "raffle" does not include a savings promotion raffle authorized under the Illinois Banking Act, the Savings Bank Act, the Illinois Credit Union Act, the National Bank Act, or the Home Owners' Loan Act.

H.B. 2700

<http://www.ilga.gov/legislation/99/HB/PDF/09900HB2700lv.pdf>

Amends the Illinois Credit Union Act. Provides that a credit union's board of directors may authorize a savings promotion raffle. Defines a "savings promotion raffle" to mean a raffle conducted by a credit union where the sole consideration required for a chance of winning designated prizes is the deposit of at least a specified amount of money in a savings account or other savings program offered by the credit union. Makes conforming changes in the Raffles and Poker Runs Act and the Criminal Code of 2012.

## **Maryland**

H.B. 558

*Signed by governor 4/14/15, Chapter 95*

[http://mgaleg.maryland.gov/2015RS/chapters\\_noln/Ch\\_95\\_hb0558T.pdf](http://mgaleg.maryland.gov/2015RS/chapters_noln/Ch_95_hb0558T.pdf)

S.B. 515

*Vetoed by governor - duplicative 5/12/15*

<http://mgaleg.maryland.gov/2015RS/bills/sb/sb0515F.pdf>

Alters the circumstances under which specified depository institutions may conduct a savings promotion raffle; repeals a requirement that a depository institution that offers a savings promotion raffle must post in specified locations and disclose in specified materials a specified statement describing the terms and conditions of the raffle; repeals a requirement that the commissioner of Financial Regulation must approve a savings promotion raffle conducted by a banking institution.

## **Massachusetts**

S.B. 495

<https://malegislature.gov/Bills/189/Senate/S495>

Authorizes banks and credit unions to conduct a savings promotion raffle, provided that the financial institutions (1) conduct the savings promotion raffle in a manner that ensures that each entry has an equal chance of winning the designated prize; (2) fully disclose the terms and conditions of the savings promotion raffle to each qualified account holder; and (3) maintain records sufficient to facilitate an audit the savings promotion raffle program.

S.B. 546

<https://malegislature.gov/Bills/189/Senate/S546>

Authorizes a bank to receive deposits in conjunction with a savings promotion raffle pursuant to the federal American Savings Promotion Act. For the purposes of this section the term "savings promotion raffle" means a contest in which the sole consideration required for a chance of winning designated prizes is obtained by the

deposit of a specified amount of money in a savings account or other savings program, where each ticket or entry has an equal chance of being drawn, such contest being subject to regulations that may from time to time be promulgated by the appropriate federal regulator.

### **Michigan**

H.B. 5022

*Passed House 12/9/15*

<http://www.legislature.mi.gov/documents/2015-2016/billengrossed/House/pdf/2015-HEBH-5022.pdf>

Allows "loan or savings promotion" raffles if all of the following apply: (i) It must be conducted so that each token or ticket representing an entity in the raffle has an equal chance of being drawn. A credit union could not conduct a loan promotion raffle in a manner that jeopardizes the domestic credit union's safety and soundness or misleads its members. (ii) The director could examine the conduct of a loan promotion raffle and could issue a cease and desist order for violation of the section. (iii) The credit union would be required to maintain records sufficient to facilitate an audit of a savings promotion raffle. The bill defines "loan promotion raffle" to mean a raffle conducted by a domestic credit union where the sole consideration required for a chance of winning designated prizes is closing on a loan of at least a specified amount or depositing at least a specified amount.

### **Minnesota**

H.F. 1127

*Signed by governor 5/14/15, Chapter 29*

<https://www.revisor.mn.gov/laws/?year=2015&type=0&doctype=Chapter&id=29>

S.F. 1043

*Indefinitely postponed 5/4/15*

[https://www.revisor.mn.gov/bills/text.php?number=SF1043&version=0&session=ls89&session\\_year=2015&session\\_number=0](https://www.revisor.mn.gov/bills/text.php?number=SF1043&version=0&session=ls89&session_year=2015&session_number=0)

Relates to financial institutions; provides for savings promotion raffles.

### **Nebraska**

L.B. 160

*Signed by governor 3/12/15*

<http://nebraskalegislature.gov/FloorDocs/104/PDF/Final/LB160.pdf>

Changes provisions relating to gift enterprises to expand from credit unions to financial institutions to participate in savings promotion raffles.

### **New Jersey**

A.B. 3868

[http://www.njleg.state.nj.us/2014/Bills/A4000/3868\\_R1.HTM](http://www.njleg.state.nj.us/2014/Bills/A4000/3868_R1.HTM)

S.B. 2495

*Signed by governor 1/19/16, Chapter 236*

[http://www.njleg.state.nj.us/2014/Bills/S2500/2495\\_R1.HTM](http://www.njleg.state.nj.us/2014/Bills/S2500/2495_R1.HTM)

Authorizes state-chartered banks, savings banks, savings and loans, and credit unions to conduct certain savings account promotions.

### **North Carolina**

S.B. 327

*Passed Senate 4/22/15*

<http://www.ncga.state.nc.us/Sessions/2015/Bills/Senate/PDF/S327v1.pdf>

Allows banks to conduct savings promotion raffles.

## **Oregon**

H.B. 2726

<https://olis.leg.state.or.us/liz/2015R1/Downloads/MeasureDocument/HB2726/Introduced>

Permits a credit union to conduct a savings promotion raffle, subject to specified conditions. Exempts a savings promotion raffle from the definition of "gambling."

H.B. 2893

*Signed by governor 5/21/15, Chapter 137*

<https://olis.leg.state.or.us/liz/2015R1/Downloads/MeasureDocument/HB2893/Enrolled>

Permits a financial institution to conduct a savings promotion raffle, subject to specified conditions. Exempts savings promotion raffles from the definition of "gambling."

## **Pennsylvania**

H.B. 837

*Passed House 5/13/15*

<http://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sesYr=2015&sessInd=0&billBody=H&billTyp=B&billNbr=0837&pn=1316>

Authorizes certain financial institutions to conduct savings promotion raffles; and provides for enforcement by the Department of Banking and Securities.

## **South Carolina**

S.B. 652

*Passed Senate 6/2/15*

[http://www.scstatehouse.gov/sess121\\_2015-2016/bills/652.htm](http://www.scstatehouse.gov/sess121_2015-2016/bills/652.htm)

Authorizes financial institutions that do business in South Carolina to conduct savings promotion contests for members and customers of the financial institutions, subject to certain requirements, and authorizes the appropriate federal or state regulatory agency of each financial institution to oversee the conduct of the contests and issue cease and desist orders when necessary.

## **Texas**

H.B. 1628

*Vetoed by governor 6/20/15*

<http://www.legis.state.tx.us/tlodocs/84R/billtext/pdf/HB01628F.pdf#navpanes=0>

Amends the Finance Code to authorize a credit union or financial institution to conduct a savings promotion raffle if each ticket or token representing an entry in the raffle has an equal probability of being drawn and the raffle is conducted in a manner that does not jeopardize the ability of the credit union or financial institution to operate in a safe and sound manner and does not mislead the credit union's members or the financial institution's depositors, as applicable. The bill defines "savings promotion raffle" as a raffle conducted by a credit union or financial institution in which the sole action required for a chance of winning a designated prize is the

deposit of at least a specified amount of money in a savings account or other savings program offered by the credit union or financial institution.

### **Virginia**

H.B. 1487

*Signed by governor 3/16/15, Chapter 154*

<http://leg1.state.va.us/cgi-bin/legp504.exe?151+ful+CHAP0154>

S.B. 737

*Signed by governor 2/26/15, Chapter 12*

<http://leg1.state.va.us/cgi-bin/legp504.exe?151+ful+CHAP0012>

Authorizes banks, savings institutions, and credit unions to sponsor savings promotions, which are contests or promotions (i) conducted for the purposes of encouraging depositors to build and maintain savings deposits and (ii) in which depositors are provided a chance of winning designated prizes.

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## **2014 Legislation**

### **Connecticut**

S.B. 283

*Signed by governor 5/8/14, Public Act 14-7*

<http://www.cga.ct.gov/2014/ACT/PA/2014PA-00007-R00SB-00283-PA.htm>

Expands the types of banks that may offer savings promotion raffles.

S.B. 372

*Failed Joint Favorable deadline 3/20/14*

<http://www.cga.ct.gov/2014/TOB/S/2014SB-00372-R00-SB.htm>

Expands savings promotion raffles to banks, as defined in §36a-2 of the general statutes.

### **Indiana**

H.B. 1235

*Signed by governor 3/25/14, Public Law 135*

<http://iga.in.gov/legislative/2014/bills/house/1235/>

Allows an eligible depository financial institution to offer and conduct a prize linked savings program that: (1) is associated with one or more qualified accounts or qualified financial programs offered by the eligible depository financial institution; and (2) offers eligible individuals one or more chances to win specified prizes. Defines an "eligible depository financial institution" as a credit union that is organized or reorganized under Indiana law. Specifies certain conditions that a prize linked savings program must meet. Provides that a prize linked savings program must allow an eligible individual to obtain an entry to win a prize only by doing either or both of the following: (1) Depositing a minimum specified amount in a qualified account. (2) Participating in one or more qualified financial programs. Provides that a prize linked savings program must be approved by: (1) the director of the department of financial institutions (director); and (2) the eligible depository financial institution's board of directors; before it is offered or promoted to eligible individuals. Permits the director

to: (1) adopt rules, policies, or guidance; and (2) exercise certain enforcement powers; with respect to the conduct of prize linked savings programs by eligible depository financial institutions. Specifies that Indiana Code provisions concerning charity gaming, promotional gifts and contests, and criminal gambling do not apply to a prize linked savings program that is offered or conducted by: (1) an eligible financial institution under the new provisions; or (2) a federal credit union if the prize linked savings program is conducted by the federal credit union in the same manner as a prize linked savings program under the new provisions.

### **Michigan**

H.B. 5412

*Signed by governor 12/24/14, Public Act 399*

<http://www.legislature.mi.gov/documents/2013-2014/publicact/pdf/2014-PA-0399.pdf>

Allows savings promotion raffles by state banks.

H.B. 5413

*Signed by governor 12/24/14, Public Act 400*

<http://www.legislature.mi.gov/documents/2013-2014/publicact/pdf/2014-PA-0400.pdf>

Relates to gambling and lottery crimes; clarifies exclusion for savings promotion raffles by state banks.

### **New Jersey**

A.B. 3868

[http://www.njleg.state.nj.us/2014/Bills/A4000/3868\\_I1.HTM](http://www.njleg.state.nj.us/2014/Bills/A4000/3868_I1.HTM)

S.B. 2495

[http://www.njleg.state.nj.us/2014/Bills/S2500/2495\\_I1.HTM](http://www.njleg.state.nj.us/2014/Bills/S2500/2495_I1.HTM)

Authorizes dtate-chartered banks, savings banks, savings and loans, and credit unions to conduct certain savings account promotions.

### **New York**

A.B. 9037

*Signed by governor 9/23/14, Chapter 370*

<http://www.assembly.state.ny.us/leg/?bn=A09037&term=2013>

S.B. 6805

*Substituted 5/20/14*

<http://www.assembly.state.ny.us/leg/?bn=S06805&term=2013>

Authorizes financial institutions to conduct savings promotion prize giveaways.

### **Oregon**

H.B. 4079

<https://olis.leg.state.or.us/liz/2014R1/Measures/Text/HB4079/A-Engrossed>

Directs the Oregon State Lottery to convene a work group to study and make recommendations regarding the feasibility of allowing financial institutions to offer prize-linked savings accounts under the authority of the Oregon State Lottery.

### **Pennsylvania**

H.B. 2543

<http://www.legis.state.pa.us/CFDOCS/Legis/PN/Public/btCheck.cfm?txtType=PDF&sesSyr=2013&sessInd=0&billBody=H&billTyp=B&billNbr=2543&pn=4304>

Authorizes certain financial institutions to conduct savings promotion raffles; and provides for enforcement by the Department of Banking and Securities.

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## 2013 Legislation

### Arkansas

S.B. 119

<http://www.arkleg.state.ar.us/assembly/2013/2013R/Bills/SB119.pdf>

Establishes a prize-linked savings account program operated by the Arkansas Lottery Commission.

### Connecticut

H.B. 5564

*Signed by governor 6/6/13, Public Act 13-96*

<http://www.cga.ct.gov/2013/ACT/PA/2013PA-00096-R00HB-05564-PA.htm>

This act allows Connecticut credit unions and community banks to offer savings promotion raffles under specified conditions. The act defines a “savings promotion raffle” as a raffle in which a person deposits a minimum specified amount of money in a savings account or savings program for a chance to win designated prizes. Each entry in the raffle must have an equal chance of winning. The act requires Connecticut credit unions or community banks offering such a raffle to disclose its terms and conditions to each share account holder or account holder, who must be at least age 18. The institutions must maintain records sufficient to facilitate an audit of any such raffle. The act limits participation to Connecticut credit unions and community banks that have secure financial integrity, as determined by the banking commissioner. It authorizes the commissioner to adopt implementing regulations.

### New York

A.B. 4431

*Enacting clause stricken 5/7/13*

<http://www.assembly.state.ny.us/leg/?bn=A04431&term=2013>

Amends the banking law, in relation to permitting the offering of savings promotion raffles by authorized banking organizations.

A.B. 7341

*Substituted 6/18/13*

<http://www.assembly.state.ny.us/leg/?bn=A07341&term=2013>

S.B. 5145

*Vetoed by governor 9/27/13*

<http://www.assembly.state.ny.us/leg/?bn=S05145&term=2013>

Relates to permitting the offering of savings promotion raffles by authorized banking organizations.

### Oregon

H.B. 3274

<http://www.leg.state.or.us/13reg/asures/hb3200.dir/hb3274.intro.html>

Permits credit union to conduct savings promotion raffle, subject to specified conditions. Exempts savings promotion raffle from definition of gambling.



## 2012 Legislation

### Connecticut

S.B. 358

<http://www.cga.ct.gov/2012/FC/2012SB-00358-R000266-FC.htm>

This bill allows any Connecticut credit union or community bank with secure financial integrity to hold a savings promotion raffle if the credit union or bank: 1. ensures that each entry has an equal chance of winning the designated prize, 2. fully discloses the terms and conditions of the raffle to each of its share account holders, and 3. maintains sufficient records to facilitate an audit of the raffle. The bill defines a "savings promotion raffle" as a raffle where the only requirement for a chance to win a prize is the deposit of a specified minimum amount of money in a savings account or other savings program offered by the credit union or community bank. The bill allows the Banking commissioner to adopt regulations in accordance with the Uniform Administrative Procedure Act to carry out the bill's provisions.

### Hawaii

S.B. 2257

[http://www.capitol.hawaii.gov/session2012/bills/SB2257\\_.htm](http://www.capitol.hawaii.gov/session2012/bills/SB2257_.htm)

Authorizes credit unions to offer savings promotion raffles. Amends the Hawaii penal code to clarify that savings promotion raffles do not constitute gambling or a lottery.

### Maryland

H.B. 786

*Signed by governor 5/2/12, Chapter 393*

[http://mgaleg.maryland.gov/2012rs/chapters\\_noln/Ch\\_393\\_hb0786T.pdf](http://mgaleg.maryland.gov/2012rs/chapters_noln/Ch_393_hb0786T.pdf)

S.B. 1053

*Passed Senate 3/27/12*

<http://mgaleg.maryland.gov/2012rs/bills/sb/sb1053t.pdf>

Repeals a contingency on provisions of law that authorize specified depository institutions and credit unions to conduct savings promotion raffles; alters the circumstances under which depository institutions may conduct savings promotion raffles; requires a depository institution or credit union offering a savings promotion raffle to post and disclose in specified materials a statement describing the terms and conditions of the raffle.

### Mississippi

H.B. 61

*Died in committee 3/6/12*

<http://billstatus.ls.state.ms.us/documents/2012/pdf/HB/0001-0099/HB0061IN.pdf>

Amends §81-13-11 to authorize credit unions to conduct savings promotion raffles; defines "savings promotion raffle" as a raffle conducted by a credit union where the sole consideration required for a chance of winning designated prizes is the deposit of

at least a specified amount of money in a savings account or other savings program offered by the credit union; provides that the credit union shall conduct a savings promotion raffle so that each token or ticket representing an entry in the raffle has an equal chance of being drawn; provides that a credit union shall not conduct a savings promotion raffle in a manner that jeopardizes the credit union's safety and soundness or misleads its members; authorizes the commissioner of Banking to examine the conduct of a savings promotion raffle, and to issue cease and desist orders for violations of this act; amends §§97-33-31 through 97-33-49 to exempt savings promotion raffles conducted by credit unions from the criminal prohibitions against lotteries and raffles.

#### **New York**

A.B. 10487

<http://assembly.state.ny.us/leg/?bn=A10487&term=2011>

Authorizes credit unions to conduct savings promotion prize giveaways.



### **2011 Legislation**

#### **Arkansas**

S.B. 905

<http://www.arkleg.state.ar.us/assembly/2011/2011R/Bills/SB905.pdf>

Establishes a prize-linked savings account program operated by the Arkansas Lottery Commission and authorizes financial institutions in Arkansas to participate in the prize-linked savings account program.

#### **Iowa**

H.S.B. 22

[http://coolice.legis.iowa.gov/linc/84/external/HSB22\\_Introduced.pdf](http://coolice.legis.iowa.gov/linc/84/external/HSB22_Introduced.pdf)

This bill allows a financial institution or multiple financial institutions to be licensed by the Department of Inspections and Appeals to conduct savings promotions raffles. The bill sets an annual license fee for individual financial institutions and for a joint applicant license at \$100. The bill requires that a participant deposit a stated amount of money into specified types of savings accounts in order to participate in the raffle. A savings promotion raffle may only be conducted by a financial institution, which includes state or federally chartered credit unions and banks. The bill provides that a savings promotion raffle is not a raffle which is otherwise regulated by the department. The bill requires that participants in a savings promotion raffle be at least 18 years of age and have opened a savings promotion raffle account with the licensed financial institution. The bill requires a financial institution engaging in a savings promotion raffle to have received a savings promotion raffle license from the Department of Inspections and Appeals, and requires that the institution display the license prominently during the raffle drawing. The bill requires the licensed financial institution to distribute the rules of the raffle to all savings promotion raffle participants, and specifies that savings promotion raffles are not open to members of the public who are not participants as provided in the rules provided by the financial institution. The bill requires that licensed financial institutions conduct the raffles fairly and honestly, not mislead participants, and that the raffles not jeopardize the

institution's financial soundness. The bill also requires that licensed financial institutions maintain records of the raffles and the number of participants, and requires that they provide annual reports to the department. The reports must include the number of raffles held, when the raffles were held, the description and value of all raffle prizes, the names and addresses of winning participants, a copy of the financial institution's rules, and the names and addresses of two persons who observed the raffle drawing. The bill allows for multiple institutions participating in one raffle to submit a joint annual report. The bill provides that prizes awarded for savings promotions raffles may be in cash or any form of property without limit on dollar amount, value, or quantity. The bill allows financial institutions to compensate employees or hire a third-party to conduct the raffles.

S.F. 490

*Passed Senate 3/15/11*

[http://coolice.legis.iowa.gov/linc/84/external/SF490\\_Reprinted.pdf](http://coolice.legis.iowa.gov/linc/84/external/SF490_Reprinted.pdf)

S.S.B. 1019

*Became S.F. 490 3/8/11*

[http://coolice.legis.iowa.gov/linc/84/external/SSB1019\\_Introduced.pdf](http://coolice.legis.iowa.gov/linc/84/external/SSB1019_Introduced.pdf)

Authorizes and regulates savings promotion drawings, and granting licensing authority to the Department of Inspections and Appeals.

## **Mississippi**

H.B. 1361

*Died in committee 2/1/11*

<http://billstatus.ls.state.ms.us/documents/2011/pdf/HB/1300-1399/HB1361IN.pdf>

Amends §81-13-11 to authorize credit unions to conduct savings promotion raffles; defines "savings promotion raffle" as a raffle conducted by a credit union where the sole consideration required for a chance of winning designated prizes is the deposit of at least a specified amount of money in a savings account or other savings program offered by the credit union; provides that the credit union shall conduct a savings promotion raffle so that each token or ticket representing an entry in the raffle has an equal chance of being drawn; provides that a credit union shall not conduct a savings promotion raffle in a manner that jeopardizes the credit union's safety and soundness or misleads its members; authorizes the commissioner of Banking to examine the conduct of a savings promotion raffle, and to issue cease and desist orders for violations of this act; amends §§97-33-31 through 97-33-49 to exempt savings promotion raffles conducted by credit unions from the criminal prohibitions against lotteries and raffles.

## **Nebraska**

L.B. 524

*Signed by governor 4/26/11*

<http://nebraskalegislature.gov/FloorDocs/102/PDF/Slip/LB524.pdf>

Authorizes credit unions to conduct savings promotion raffles in which a chance of winning a prize is obtained by the deposit of an amount of money in a savings account or other savings program if each entry has an equal chance of winning; requires disclosure of terms and conditions of a gift enterprise; provides that a credit union may limit the number of chances that a participant in a savings promotion raffle may obtain for making the required deposits but shall not limit the number of deposits.

## **New Mexico**

H.B. 340

<http://www.nmlegis.gov/Sessions/11%20Regular/bills/house/HB0340.pdf>

Allows credit unions to conduct savings promotion raffles.

S.B. 229

<http://www.nmlegis.gov/Sessions/11%20Regular/bills/senate/SB0229.pdf>

Allows state banks and credit unions to conduct savings promotion raffles.

S.B. 270

<http://www.nmlegis.gov/Sessions/11%20Regular/bills/senate/SB0270.pdf>

Allows state banks and credit unions to conduct savings promotion raffles.

## **North Carolina**

H.B. 583

<http://www.ncga.state.nc.us/Sessions/2011/Bills/House/PDF/H583v1.pdf>

S.B. 513

*Signed by governor 6/16/11, Chapter 146*

<http://www.ncga.state.nc.us/Sessions/2011/Bills/Senate/PDF/S513v3.pdf>

Allows credit unions to conduct savings promotion raffles.

## **Rhode Island**

H.B. 5729

*Signed by governor 6/15/11, Chapter 71*

<http://webserver.rilin.state.ri.us/BillText/BillText11/HouseText11/H5729.pdf>

S.B. 797

*Signed by governor 6/8/11, Chapter 59*

<http://webserver.rilin.state.ri.us/BillText/BillText11/SenateText11/S0797.pdf>

This act amends certain procedures necessary to conduct a savings promotion raffle under state law and repeals the provisions of state law which authorized credit union savings lotteries.

## **Vermont**

H.B. 162

<http://legislature.vermont.gov/assets/Documents/2012/Docs/BILLS/H-0162/H-0162%20As%20Introduced.pdf>

Requires the Department of Banking, Insurance, Securities, and Health Care Administration to conduct a feasibility study of authorizing and implementing lottery-linked development accounts in Vermont or in partnership with other New England states or regional partners.

## **Washington**

H.B. 1326

<http://apps.leg.wa.gov/documents/billdocs/2011-12/Pdf/Bills/House%20Bills/1326-S.pdf>

S.B. 5232

*Signed by governor 3/10/11, Chapter 303*

<http://apps.leg.wa.gov/documents/billdocs/2011-12/Pdf/Bills/Session%20Laws/Senate/5232-S.SL.pdf>

Encourages financial institutions to develop innovative products that create incentives to encourage consumer savings, particularly savings by low-income consumers. Authorizes financial institutions to conduct a promotional contest of chance under certain circumstances.



## 2010 Legislation

### Maine

L.D. 1673

*Signed by governor 4/2/10, Chapter 599*

[http://www.mainelegislature.org/legis/bills/bills\\_124th/chappdfs/PUBLIC599.pdf](http://www.mainelegislature.org/legis/bills/bills_124th/chappdfs/PUBLIC599.pdf)

Amends the laws governing raffles to allow any Maine-chartered bank or credit union, to conduct a savings promotion raffle; provides that the sole consideration required for a chance of winning the designated prizes in the raffle is the deposit of at least a specified amount of money into a savings account or other savings program offered by the Maine-chartered financial institution; provides that the savings account must have a comparable interest rate and prize costs do not exceed a certain amount.

### Maryland

H.B. 990

*Signed by governor 5/20/10, Chapter 628*

[http://mgaleg.maryland.gov/2010rs/chapters\\_noln/Ch\\_628\\_hb0990E.pdf](http://mgaleg.maryland.gov/2010rs/chapters_noln/Ch_628_hb0990E.pdf)

S.B. 886

*Signed by governor 5/20/10, Chapter 627*

[http://mgaleg.maryland.gov/2010rs/chapters\\_noln/Ch\\_627\\_sb0886E.pdf](http://mgaleg.maryland.gov/2010rs/chapters_noln/Ch_627_sb0886E.pdf)

Authorizes a credit union, subject to the approval of the commissioner of Financial Regulation, to conduct a savings promotion raffle under specified conditions; authorizes a depository institution to conduct a savings promotion raffle for the exclusive benefit of eligible customers; exempts specified savings promotion raffles from specified provisions of law relating to the award of prizes by chance; authorizes the commissioner of Financial Regulation to take specified actions relating to a savings promotion raffle.

### Rhode Island

S.B. 2399

*Became law without governor's signature 6/25/10, Chapter 222*

<http://webserver.rilin.state.ri.us/BillText/BillText10/SenateText10/S2399Aaa.pdf>

This act permits credit unions authorized to do business in Rhode Island to conduct savings promotion raffles.

