

FINANCE CODE

TITLE 3. FINANCIAL INSTITUTIONS AND BUSINESSES

SUBTITLE Z. MISCELLANEOUS PROVISIONS RELATING TO FINANCIAL  
INSTITUTIONS AND BUSINESSES

CHAPTER 280. SAVINGS PROMOTION RAFFLE

Sec. 280.001. SHORT TITLE. This chapter may be cited as the Texas Savings Promotion Act.

Added by Acts 2017, 85th Leg., R.S., Ch. 978 (H.B. 471), Sec. 3, eff. November 7, 2017.

Sec. 280.002. DEFINITIONS. In this chapter:

(1) "Credit union" means:

(A) a credit union as defined by Section 121.002;

or

(B) a federal credit union doing business in this state.

(2) "Deposit," with respect to a financial institution, has the meaning assigned by Section 31.002.

(3) "Finance commission" means the Finance Commission of Texas.

(4) "Financial institution" has the meaning assigned by Section 31.002.

(5) "Savings promotion raffle" means 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.

Added by Acts 2017, 85th Leg., R.S., Ch. 978 (H.B. 471), Sec. 3, eff. November 7, 2017.

Sec. 280.003. SAVINGS PROMOTION RAFFLE BY CREDIT UNION. (a) A credit union may conduct a savings promotion raffle if:

(1) each ticket or token representing an entry in the raffle has an equal probability of being drawn; and

(2) the raffle is conducted in a manner that:

(A) does not jeopardize the ability of the credit union to operate in a safe and sound manner; and

(B) does not mislead the credit union's members.

(b) A credit union may not require consideration for participation in a savings promotion raffle. A deposit of an amount of money in a savings account or other savings program that results in an entry in a savings promotion raffle is not consideration.

(c) A credit union may not require a person to pay a premium or fee for opening or using a savings account or other savings program that is subject to a savings promotion raffle, unless the premium or fee is commensurate with the premium or fee that the credit union charges for opening or using comparable savings accounts or savings programs that are not subject to a savings promotion raffle.

(d) A credit union may not limit the withdrawal of money from a savings account or other savings program that is subject to a savings promotion raffle, unless the withdrawal limits are commensurate with the withdrawal limits that the credit union imposes on comparable savings accounts or savings programs that are not subject to a savings promotion raffle. This subsection does not prohibit a credit union from requiring a deposit of an amount of money to remain in a savings account or other savings program for a certain period of time in order for the deposit to represent an entry in a savings promotion raffle.

(e) A credit union shall pay interest or dividends on a savings account or other savings program that is subject to a savings promotion raffle at a rate that is commensurate with the interest or dividend rate that the credit union pays on comparable savings accounts or savings programs that are not subject to a savings promotion raffle.

(f) A credit union that conducts a savings promotion raffle under this section shall maintain all records that the Credit Union Commission determines are necessary for the Credit Union Department to examine the raffle.

(g) The provisions of this section applicable to a credit union apply to an organization composed exclusively of credit

unions.

(h) The Credit Union Commission shall adopt rules and procedures for the administration of this section.

Added by Acts 2017, 85th Leg., R.S., Ch. 978 (H.B. 471), Sec. 3, eff. November 7, 2017.

Sec. 280.004. SAVINGS PROMOTION RAFFLE BY FINANCIAL INSTITUTION. (a) A financial institution may conduct a savings promotion raffle if:

(1) each ticket or token representing an entry in the raffle has an equal probability of being drawn; and

(2) the raffle is conducted in a manner that:

(A) does not jeopardize the ability of the financial institution to operate in a safe and sound manner; and

(B) does not mislead the institution's depositors.

(b) A financial institution may not require consideration for participation in a savings promotion raffle. A deposit of an amount of money in a savings account or other savings program that results in an entry in a savings promotion raffle is not consideration.

(c) A financial institution may not require a person to pay a premium or fee for opening or using a savings account or other savings program that is subject to a savings promotion raffle, unless the premium or fee is commensurate with the premium or fee that the financial institution charges for opening or using comparable savings accounts or savings programs that are not subject to a savings promotion raffle.

(d) A financial institution may not limit the withdrawal of money from a savings account or other savings program that is subject to a savings promotion raffle, unless the withdrawal limits are commensurate with the withdrawal limits that the financial institution imposes on comparable savings accounts or savings programs that are not subject to a savings promotion raffle. This subsection does not prohibit a financial institution from requiring a deposit of an amount of money to remain in a savings account or other savings program for a certain period of time in order for the

deposit to represent an entry in a savings promotion raffle.

(e) A financial institution shall pay interest or dividends on a savings account or other savings program that is subject to a savings promotion raffle at a rate that is commensurate with the interest or dividend rate that the financial institution pays on comparable savings accounts or savings programs that are not subject to a savings promotion raffle.

(f) A financial institution that conducts a savings promotion raffle under this section shall maintain all records that the finance commission determines are necessary for the financial regulatory agency of this state having regulatory jurisdiction over that financial institution to examine the raffle.

(g) The provisions of this section applicable to a financial institution apply to an organization composed exclusively of financial institutions.

(h) The finance commission shall adopt rules and procedures for the administration of this section.

Added by Acts 2017, 85th Leg., R.S., Ch. 978 (H.B. 471), Sec. 3, eff. November 7, 2017.

Sec. 280.005. ACCOUNT OR DEPOSIT NOT CONSIDERATION. For purposes of Chapter 47, Penal Code, or other state law, opening or making a deposit in an account is not considered a purchase, payment, or provision of a thing of value for participation in a savings promotion raffle and is not considered to require a substantial expenditure of time, effort, or inconvenience.

Added by Acts 2017, 85th Leg., R.S., Ch. 978 (H.B. 471), Sec. 3, eff. November 7, 2017.