

Senate Bill 134

By: Senators Shafer of the 48th, Albers of the 56th, Williams of the 27th, Hill of the 6th,  
Mullis of the 53rd and others

**AS PASSED SENATE**

**A BILL TO BE ENTITLED  
AN ACT**

1 To amend Article 1 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated,  
2 relating to provisions applicable to the Department of Banking and Finance and financial  
3 institutions generally, so as to allow banks and credit unions to offer savings promotion raffle  
4 accounts in which deposits to a savings account enter a depositor in a raffle; to provide for  
5 definitions; to amend Code Section 16-12-20 of the Official Code of Georgia Annotated,  
6 relating to definitions relative to gambling and related offenses, so as to provide for an  
7 exception to the definition of "lottery"; to provide for a short title; to provide for legislative  
8 findings; to provide for related matters; to repeal conflicting laws; and for other purposes.

9 **BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:**

10 **SECTION 1.**

11 This Act shall be known and may be cited as the "Save, Earn, Win Act."

12 **SECTION 2.**

13 The General Assembly finds and declares that:

- 14 (1) Having personal savings provides individuals and families with security in the event  
15 of a job loss or an unexpected expense, in addition to financial well-being and confidence  
16 in retirement;
- 17 (2) The personal savings rate in the United States was just 5.5 percent as of  
18 November, 2016;
- 19 (3) Just 47 percent of Americans report having an emergency or rainy day fund that  
20 could cover three months of expenses;
- 21 (4) Forty-six percent of Americans say they would not be able to cover a \$400  
22 emergency expense without borrowing money or selling something;
- 23 (5) Giving Georgians access to tools that encourage savings could improve stability for  
24 individuals and families across the state; and

25 (6) Savings promotion raffles have been shown to increase savings, especially among  
 26 low-income populations and nonsavers.

27 **SECTION 3.**

28 Article 1 of Chapter 1 of Title 7 of the Official Code of Georgia Annotated, relating to  
 29 provisions applicable to the Department of Banking and Finance and financial institutions  
 30 generally, is amended by adding a new part to read as follows:

31 "Part 14

32 7-1-239.10

33 (a) As used in this Code section, the term:

34 (1) 'Bank' means a national bank or a state chartered bank, regardless of which state  
 35 issued the charter, that has federal deposit insurance.

36 (2) 'Credit union' means a federally chartered credit union or a state chartered credit  
 37 union, regardless of which state issued the charter, that has federal deposit insurance.

38 (3) 'Savings promotion raffle' means a contest in which the sole consideration required  
 39 for a chance of winning a designated prize is obtained by the deposit of a specified  
 40 amount of money in a savings account or other savings program offered by a bank or  
 41 credit union, where each ticket or entry has an equal chance of being drawn.

42 (b) A bank or credit union may conduct a savings promotion raffle, provided that the raffle  
 43 is conducted in a manner that does not:

44 (1) Jeopardize the ability of the bank or credit union conducting the savings promotion  
 45 raffle to operate in a safe and sound manner; or

46 (2) Mislead depositors about the chances of winning.

47 (c) A bank or credit union shall provide each person making a deposit in a savings  
 48 promotion raffle account with information on the terms of the raffle and the verifiable retail  
 49 value of each prize which a depositor has a chance of receiving. Such information shall  
 50 state the odds of a depositor receiving a prize.

51 (d) A bank or credit union conducting a savings promotion raffle may contract for and use  
 52 the services of a third party service provider to handle the administrative details of  
 53 conducting a savings promotion raffle.

54 (e) A bank or credit union conducting a savings promotion raffle shall maintain all records  
 55 the department determines are necessary to conduct an examination or audit of a savings  
 56 promotion raffle.

57 (f) A bank or credit union offering a savings promotion raffle account shall provide each  
 58 depositor with information regarding any fees or penalties associated with such account.

59 (g) The provisions of this Code section applicable to credit unions shall apply to an  
 60 organization composed primarily of credit unions and the provisions of this Code section  
 61 applicable to banks shall apply to an organization composed primarily of banks."

62 **SECTION 4.**

63 Code Section 16-12-20 of the Official Code of Georgia Annotated, relating to definitions  
 64 relative to gambling and related offenses, is amended by revising paragraph (4) as follows:

65 "(4) 'Lottery' means any scheme or procedure whereby one or more prizes are distributed  
 66 by chance among persons who have paid or promised consideration for a chance to win  
 67 such prize, whether such scheme or procedure is called a pool, lottery, raffle, gift, gift  
 68 enterprise, sale, policy game, or by some other name. Except as otherwise provided in  
 69 Code Section 16-12-35, a lottery shall also include the payment of cash or other  
 70 consideration or the payment for merchandise or services and the option to participate in  
 71 or play, even if others can participate or play for free, a no skill game or to participate for  
 72 cash, other consideration, other evidence of winnings, or other noncash prizes by lot or  
 73 in a finite pool on a computer, mechanical device, or electronic device whereby the player  
 74 is able to win a cash or noncash prize, other consideration, or other evidence of winnings.  
 75 A lottery shall also include the organization of chain letter or pyramid clubs as provided  
 76 in Code Section 16-12-38. A lottery shall not mean a:

77 (A) Promotional giveaway or contest which conforms with the qualifications of a  
 78 lawful promotion specified in paragraph (16) of subsection (b) of Code  
 79 Section 10-1-393;

80 (B) Scheme whereby a business gives away prizes to persons selected by lot if such  
 81 prizes are made on the following conditions:

82 (i) Such prizes are conducted as advertising and promotional undertakings in good  
 83 faith solely for the purpose of advertising the goods, wares, and merchandise of such  
 84 business;

85 (ii) No person to be eligible to receive such prize shall be required to:

86 (I) Pay any tangible consideration to the operator of such business in the form of  
 87 money or other property or thing of value;

88 (II) Purchase any goods, wares, merchandise, or anything of value from such  
 89 business; or

90 (III) Be present or be asked to participate in a seminar, sales presentation, or any  
 91 other presentation, by whatever name denominated, in order to win such prizes; and

92 (iii) The prizes awarded shall be noncash prizes and cannot be awarded based upon  
 93 the playing of a game on a computer, mechanical device, or electronic device at a  
 94 place of business in this state;

95 (C) Raffle authorized under Code Section 16-12-22.1; ~~or~~

96 (D) National or regional promotion, contest, or sweepstakes conducted by any  
97 corporation or wholly owned subsidiary or valid franchise of such corporation, either  
98 directly or through another entity, provided that, at the time of such promotion, contest,  
99 or sweepstakes, such corporation:

100 (i) Is registered under the federal Securities Exchange Act of 1934; and

101 (ii) Has total assets of not less than \$100 million; or

102 (E) Savings promotion raffle that conforms with the requirements of Code Section  
103 7-1-239.10.

104 The provisions of this part shall not be applicable to games offered by the Georgia  
105 Lottery Corporation pursuant to Chapter 27 of Title 50."

106 **SECTION 5.**

107 All laws and parts of laws in conflict with this Act are repealed.