

**Legislature - First Session - 2015**

**Introducer's Statement of Intent**

**LB160**

---

**Chairperson: Senator Tyson Larson**

**Committee: General Affairs**

**Date of Hearing: January 26, 2015**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 190 would authorize all state and federally chartered financial institutions to conduct a “savings promotion raffle.” Under current law, only state and federally chartered credit unions are authorized to conduct a “savings promotion raffle.” Until recently, federal law prohibited state and national banks and savings and loans from offering prize-linked savings products or from conducting a “savings promotion raffle,” on the basis that such activities constituted an impermissible lottery.

These restrictions have been lifted with recent enactment of the American Savings Promotion Act by Congress, which allows states to pass laws authorizing all financial institutions to offer prize-linked savings products or to participate in a “savings promotion raffle.” A “savings promotion raffle” is a contest where depositing a specific amount of money into a savings account or program may earn a chance at winning a designated prize. Each entry must have an equal chance at winning.

**Principal Introducer:** \_\_\_\_\_

**Senator Tyson Larson**