S T A T E O F N E W Y O R K

10487

I N A S S E M B L Y

May 29, 2012

Introduced by M. of A. RAIA -- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to authorizing credit unions to conduct savings promotion prize giveaways

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The banking law is amended by adding a new section 456-a to read as follows:

S 456-A. SAVINGS PROMOTION PRIZE GIVEAWAY. 1. A CREDIT UNION MAY OFFER A SAVINGS PROMOTION PRIZE GIVEAWAY IN WHICH THE SOLE CONSIDERATION REQUIRED FOR A CHANCE OF WINNING DESIGNATED PRIZES IS THE DEPOSIT OF A MINIMUM SPECIFIED AMOUNT OF MONEY IN A SAVINGS ACCOUNT OR OTHER SAVINGS PROGRAM OFFERED BY SUCH CREDIT UNION.

2. SUCH CREDIT UNION SHALL:

(A) MAINTAIN RECORDS SUFFICIENT TO FACILITATE AN AUDIT OF THE SAVINGS PROMOTION PRIZE GIVEAWAY BY THE SUPERINTENDENT;

(B) CONDUCT THE SAVINGS PROMOTION PRIZE GIVEAWAY IN A NON-MISLEADING, SAFE AND SOUND MANNER; AND

(C) FULLY DISCLOSE THE TERMS AND CONDITIONS OF THE PROMOTION TO ACCOUNT HOLDERS AND PROSPECTIVE ACCOUNT HOLDERS OF SUCH CREDIT UNION.

3. SUCH CREDIT UNION SHALL INSURE THAT EACH TOKEN OR TICKET REPRESENTING AN ENTRY IN SUCH SAVINGS PROMOTION PRIZE GIVEAWAY HAS AN EQUAL CHANCE OF BEING DRAWN.

S 2. This act shall take effect immediately.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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