

SENATE BILL No. 387

By Senators Bruce, Bowers and Wilborn

1-28

1 AN ACT concerning financial institutions; relating to certain savings
2 account promotions; state bank commissioner; credit union
3 administrator.

4
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. (a) A bank, savings bank, savings and loan association or
7 credit union may conduct a savings promotion in which promotion
8 participants deposit money into a savings account or other savings
9 program in order to obtain entries and participate in the promotion,
10 provided that the bank, savings bank, savings and loan association or
11 credit union:

12 (1) Conducts the promotion in a manner so as to ensure that each
13 entry has an equal chance of winning the designated prize;

14 (2) fully discloses the terms and conditions of the promotion to each
15 of its account holders;

16 (3) maintains records sufficient to facilitate an audit of the promotion;

17 (4) ensures that only account holders 18 years of age and older are
18 permitted to participate in the promotion;

19 (5) does not require any consideration; and

20 (6) offers an interest rate and charges fees on any promotion-
21 qualifying account that are approximately the same as those on a
22 comparable account that does not qualify for the promotion.

23 (b) The state bank commissioner is authorized to promulgate rules
24 and regulations as necessary to effectuate the provisions of this section
25 pertaining to banks, savings banks and savings and loan associations. Such
26 rules and regulations shall be promulgated by July 1, 2017.

27 (c) The credit union administrator is authorized to promulgate rules
28 and regulations as necessary to effectuate the provisions of this section
29 pertaining to credit unions. Such rules and regulations shall be
30 promulgated by July 1, 2017.

31 Sec. 2. This act shall take effect and be in force from and after its
32 publication in the statute book.