

VIRGINIA ACTS OF ASSEMBLY -- 2015 SESSION

CHAPTER 154

An Act to amend the Code of Virginia by adding in Article 1 of Chapter 6 of Title 6.2 a section numbered 6.2-603.1, relating to the authority of depository institutions to sponsor savings promotions.

[H 1487]

Approved March 16, 2015

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Article 1 of Chapter 6 of Title 6.2 a section numbered 6.2-603.1 as follows:

§ 6.2-603.1. Savings promotions.

A. As used in this section, unless the context requires a different meaning:

"Depository institution" means a bank, savings institution, or credit union that is subject to any provision of this title and that offers savings accounts, share accounts, certificates of deposit, or other savings products or programs.

"Nonqualifying account" means a savings account, share account, certificate of deposit, or other savings product or program offered by a depository institution that is not a qualifying account.

"Qualifying account" means a savings account, share account, share certificate, or other savings product or program offered by a depository institution through which depositors may obtain chances to win prizes in a savings promotion.

"Savings promotion" means a contest or promotion sponsored by a depository institution in which a chance of winning designated prizes is obtained by its depositors for the purposes of encouraging depositors to build and maintain savings deposits.

B. Any depository institution may sponsor a savings promotion in accordance with the provisions of this section, to the extent (i) the savings promotion is not prohibited by federal law or regulation and (ii) the savings promotion complies with the following requirements:

1. Participants in the savings promotion shall not be required to provide any consideration in order to obtain entries to win. For purposes of this subdivision, participants shall not be deemed to have provided consideration due to the requirement that they deposit a specified amount of money for a specified time period in a qualifying account in order to obtain entries to win, provided that:

a. The interest rate associated with any such qualifying account is not reduced when compared with other comparable nonqualifying accounts offered by any depository institution, to account for the possibility of depositors winning specified prizes; and

b. The depository institution does not charge a fee for participating in the savings promotion;

2. All fees charged in connection with a qualifying account shall be comparable with all fees charged in connection with other comparable nonqualifying accounts, if any, offered by the depository institution;

3. The savings promotion shall be conducted such that each entry in the savings promotion has an equal chance of being drawn;

4. Participants in the savings promotion shall not be required to be present at a prize drawing in order to win; and

5. The savings promotion is conducted in a manner that complies with the applicable requirements of Chapter 31 (§ 59.1-415 et seq.) of Title 59.1.

C. For purposes of Article 1 (§ 18.2-325 et seq.) of Chapter 8 of Title 18.2, a savings promotion offered in accordance with this section shall not constitute illegal gambling or otherwise be deemed to entail the promotion of gambling or a lottery.