

CHAPTER 236

AN ACT concerning certain savings account promotions and supplementing Title 17 and Title 5 of the Revised Statutes.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

C.17:9A-224.1 Savings account promotions conducted by bank.

1. a. A bank or savings bank may conduct a savings promotion provided that the bank or savings bank:

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

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

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

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

(5) does not require any consideration, other than the requirement that the participant deposit money into a savings account or other savings program to obtain entries in the promotion, to participate in the promotion; and

(6) offers an interest rate and charges fees on any qualifying account that are approximately the same as those on a comparable non-qualifying account.

b. For the purposes of this section, "savings promotion" means a raffle 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.

C.17:12B-112.1 Savings promotion conducted by savings and loan association.

2. a. A State savings and loan association may conduct a savings promotion provided that the association:

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

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

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

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

(5) does not require any consideration, other than the requirement that the participant deposit money into a savings account or other savings program to obtain entries in the promotion, to participate in the promotion; and

(6) offers an interest rate and charges fees on any qualifying account that are approximately the same as those on a comparable non-qualifying account.

b. For the purposes of this section, "savings promotion" means a raffle 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.

C.17:13-101.1 Savings promotion conducted by credit union.

3. a. A credit union may conduct a savings promotion provided that the credit union:

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

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

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

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

(5) does not require any consideration, other than the requirement that the participant deposit money into a savings account or other savings program to obtain entries in the promotion, to participate in the promotion; and

(6) offers an interest rate and charges fees on any qualifying account that are approximately the same as those on a comparable non-qualifying account.

b. For the purposes of this section, "savings promotion" means a raffle 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, and "credit union" means credit union as defined in section 2 of P.L.1984, c.171 (C.17:13-80).

C.5:8-9.1 Exemptions for certain savings promotions.

4. Notwithstanding the provisions of any other law to the contrary, a savings promotion offered pursuant to sections 1 through 3 of P.L.2015, c.236 (C.17:9A-224.1, C.17:12B-112.1 and C.17:13-101.1) shall not:

a. constitute unlawful gambling under the laws of this State, and shall not subject the participant or the sponsor of the promotion, or any officer, employee, or agent of the sponsor, to any civil or criminal liability under the laws of this State that prohibit gambling; and

b. be subject to any of the provisions of chapter 8 of Title 5 of the Revised Statutes.

5. The Commissioner of Banking and Insurance shall promulgate regulations pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to effectuate the provisions of this act.

6. This act shall take effect on the 180th day following enactment, except the Commissioner of Banking and Insurance may take such anticipatory action as may be necessary for the implementation of this act.

Approved January 19, 2016.