

CHAPTER 13
FORMERLY
HOUSE BILL NO. 31

AN ACT TO AMEND TITLES 5 AND 11 OF THE DELAWARE CODE RELATING TO PRIZE-LINKED SAVINGS PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Add new section to Title 5 of the Delaware Code as follows:

§ 933. Prize linked savings programs.

(a) For purposes of this section “savings promotion raffle” means a raffle conducted by a bank or credit union doing business in Delaware where the sole action 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.

(b) Any bank or credit union doing business in this state may conduct a savings promotion raffle provided that the bank or credit union:

(1) Conducts the savings promotion raffle in a manner that ensures that each entry has an equal chance of winning the designated prize;

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

(3) Offers an interest rate that is commensurate with the interest rate the bank or credit union offers on comparable savings accounts or savings programs that are not subject to a savings promotion raffle; and

(4) Maintains records sufficient to facilitate an audit of such savings promotion raffle.

(c) A savings promotion raffle is not a lottery for purposes of Chapter 48 of Title 29.

Section 2. Add new section to Title 11 of the Delaware Code as follows:

§ 1408A. Savings promotion raffle not gambling.

A savings promotion raffle that conforms with the requirement of Section 933 of Title 5 is not gambling and does not constitute a lottery unless the chance to win a prize requires consideration. The deposit of a specified minimum amount of money in a savings account or other savings program that results in an entry in a savings promotion raffle is not consideration.

Approved May 2, 2017