

## **[Gift Cards and Gift Certificates Statutes and Recent Legislation](#)**

Statutory Chart last updated: September 3, 2010

Legislation last updated: September 3, 2010

**PLEASE NOTE:** Please note the summaries should be used for general informational purposes and not as a legal reference. NCSL is unable to provide guidance to citizens or businesses regarding gift cards and gift certificate laws and practices. If you have questions regarding issuing or redeeming a gift card or gift certificate or a retailer's practices, please contact the Office of the Attorney General in your state.

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### **FEDERAL STATUTE**

[The Credit Card Accountability Responsibility and Disclosure \(CARD\) Act of 2009](#), Public Law 111-24

[Eco-Gift Card Act](#), Public Law 111-209

Delays certain disclosure requirements in the Credit CARD Act of 2009 until January 31, 2011, as specified.

### **STATE STATUTES**

State:	Definition of Gift Card/Gift Certificate:	Expiration Date Provision:	Fee Provision:	Redeemable for Cash:	Escheat Provision:
Alabama					Ala Code §35-12-72(a)(17) Gift certificates are presumed abandoned, other than those exempt under §35-12-73, three years after June 30 of the year in which the certificate was sold, but if redeemable in merchandise only, the amount abandoned is deemed to be 60 percent of the certificate's face value. Ala. Code §35-12-73(b)(1) A gift certificate, gift card, or in-store merchandise credit issued or maintained by any person engaged primarily in the business of selling tangible personal property at retail is exempt from reporting under this article.

Alaska	<p>Alaska Stat. §34.45.760</p> <p>"Gift certificate" means an obligation of a business association arising from a transaction between the business association and a consumer to provide goods or services at a future date; "gift certificate" includes a gift certificate, stored value card, gift card, on-line gift account, or other representation or evidence of the obligation of a business association.</p>			
Arizona	<p>Ariz. Rev. Stat. Ann. §44-7401</p> <p>"Gift card" means any gift certificate, gift card or electronic gift card or any other medium issued or sold after October 31, 2005 for which the issuer has received payment for the full face value or full banked dollar value of the card for the future purchase or delivery of goods or services.</p>	<p>Ariz. Rev. Stat. Ann. §44-7402</p> <p>Must disclose expiration date.</p>	<p>Ariz. Rev. Stat. Ann. §44-7402</p> <p>Must disclose amount of fee and when fee is incurred.</p>	<p>Ariz. Rev. Stat. Ann. §44-301(15)</p> <p>Gift certificates/cards are not considered property and not subject to escheat laws.</p>
Arkansas	<p>Ark. Stat. Ann. §4-88-702</p> <p>"General use prepaid card" means a card or other electronic payment device issued by a bank or financial institution that is: (i) Usable at multiple, unaffiliated merchants or service providers or at automated teller machines; (ii) Issued in a requested amount whether or not that amount may be, at the option of the issuer, increased in value or</p>	<p>Ark. Stat. Ann. §4-88-703(a) and (c)</p> <p>A person shall not sell or issue a gift certificate, a store gift card, or a general use prepaid card that is subject to an expiration date earlier than two years from the date of issuance or sale of the gift certificate, store gift card, or general use prepaid card.</p>	<p>Ark. Stat. Ann. §4-88-703(c)</p> <p>A dormancy fee, an inactivity charge or fee, or a service fee shall not be charged on a gift certificate, a store gift card, or a general use prepaid card before two years from the date of issuance or sale of the gift certificate, store gift card, or general use prepaid card.</p>	<p>Ark. Stat. Ann. §18-28-201(13)(B)</p> <p>Gift certificates/gift cards, in-store merchandise credits, or layaway accounts issued or maintained by any person in the business of selling tangible personal property at retail are</p>

	<p>reloaded if requested by the holder; (iii) Purchased or loaded on a prepaid basis; and (iv) Honored, upon presentation, by merchants for goods or services, or at automated teller machines.</p> <p>"Gift certificate" means a written promise that is: (i) Usable at a single merchant or an affiliated group of merchants that share the same name, mark, or logo; (ii) Issued in a specific amount and cannot be increased; (iii) Purchased on a prepaid basis in exchange for payment; and (iv) Honored upon presentation by the single merchant or affiliated group of merchants for goods or services.</p> <p>"Store gift card" means a plastic card or other electronic payment device that is: (i) Usable at a single merchant or an affiliated group of merchants that share the same name, mark, or logo; (ii) Issued in a specified amount and may or may not be increased in value or reloaded; (iii) Purchased on a prepaid basis in exchange for payment; and (iv) Honored upon presentation by the single merchant or affiliated group of merchants for goods or services.</p> <p>Ark. Stat. Ann. §4-88-704(3) The Act does not apply</p>	<p>period, a gift certificate, a store gift card, or a general use prepaid card may be subject to expiration if the following disclosures are printed clearly in a conspicuous place on the front or back of the gift certificate, the store gift card, or the general use prepaid card in at least 10-point type: The date on which the gift certificate, the store gift card, or the general use prepaid card expires.</p>	<p>of the two year time period, a gift certificate, a store gift card, or a general use prepaid card may be subject to a post-sale fee, including a service fee, a dormancy fee, an account maintenance fee, a cash out fee, a gift card replacement fee, an activation fee, or a reactivation fee, if the following disclosures are printed clearly in a conspicuous place on the front or back of the gift certificate, the store gift card, or the general use prepaid card in at least 10-point type: With respect to a post sale fee: (A) The amount of the fee; (B) The circumstances under which the fee will be imposed; (C) The frequency with which the fee will be imposed; and (D) Whether the fee is triggered by inactivity.</p>	<p>not considered property and not subject to escheat laws.</p>
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	to "general use prepaid cards," "gift certificates," or "store gift cards" which are usable with multiple, unaffiliated sellers of goods or services and are issued by a financial institution under §4-88-702(3).				
<b>California</b>	Cal. Civil Code §1749.45 Includes gift cards, but does not include any gift card usable with multiple sellers of goods or services, provided the expiration date, if any, is printed on the card. This exemption does not apply to a gift card usable only with affiliated sellers of goods or services.	Cal. Civil Code §1749.5 Expiration date prohibited.	Cal. Civil Code §1749.5 Dormancy fee allowed as specified; all other fees prohibited.	Cal. Civil Code §1749.5(b) (1) Any gift certificate sold after January 1, 1997, is redeemable in cash for its cash value, or subject to replacement with a new gift certificate at no cost to the purchaser or holder.  (2) Notwithstanding paragraph (1), any gift certificate with a cash value of less than \$10 is redeemable in cash for its cash value.	Cal. Civ. Proc. Code §1520.5 Gift certificates purchased after 1997 are not subject to escheat. The escheat law does apply to any gift certificate that has an expiration date and that is given in exchange for money or any other thing of value.
<b>Colorado</b>				<b>2010 Chapter 180</b> On and after the effective date of this section, the issuer shall redeem the remaining value of a gift card for cash if the amount remaining is five dollars or less on request of the holder.	Colo. Rev. Stat. §38-13-108.4 Gift certificate redeemable in cash subject to escheat if unclaimed by owner by more than five years. Certificates issued for food, products, goods or services are not subject to escheat provisions.
<b>Connecticut</b>	Conn. Gen. Stat. §3-56a "Gift certificate" means a record evidencing a promise, made for	Conn. Gen. Stat. §42-460 Prohibits expiration	Conn. Gen. Stat. §3-65c Prohibits service		Conn. Gen. Stat. §3-73a Gift certificates do not escheat to the state.

	consideration, by the seller or issuer of the record that goods or services will be provided to the owner of the record to the value shown in the record and includes, but is not limited to, a record that contains a microprocessor chip, magnetic stripe or other means for the storage of information that is prefunded and for which the value is decremented upon each use, a gift card, an electronic gift card, stored-value card or certificate, a store card, or a similar record or card, but "gift certificate" does not include prepaid calling cards or prepaid commercial mobile radio services, as defined in 47 C.F.R. §20.3	dates.	fees.		
<b>Delaware</b>					Del. Code Ann. tit. 12, §1197 <i>et seq.</i> If owner dies intestate, is missing for more than five years or abandons property the gift certificate/card reverts to the state. The period of dormancy shall be the shorter of five years or the expiration period, if any, of the gift certificate less one day.
<b>District of Columbia</b>					D.C. Code Ann. §41-101 <i>et seq.</i> Gift certificates held or owing in the ordinary course of the holder's business that have remained unclaimed by

					the owner for more than five years after becoming payable or distributable are presumed abandoned. If a gift certificate is redeemable for cash or merchandise, its value for purposes of this chapter shall be the amount paid by the purchaser.
<b>Florida</b>	<p>Fla. Stat. §501.95  "Gift certificate" means a certificate, gift card, stored value card, or similar instrument issued in exchange for monetary consideration when the certificate, card, or similar instrument is redeemable for merchandise, food, or services regardless of whether any cash may be paid to the owner of the certificate, card, or instrument as part of the redemption transaction.</p> <p>"Credit memo" means a certificate, card, stored value card, or similar instrument issued in exchange for returned merchandise when the certificate, card, or similar instrument is redeemable for merchandise, food, or services regardless of whether any cash may be paid to the owner of the certificate, card, or instrument as part of the redemption</p>	<p>Fla. Stat. §501.95  A gift certificate or credit memo sold or issued for consideration in this state may not have an expiration date, expiration period. However, a gift certificate may have an expiration date of not less than three years if it is provided as a charitable contribution when no consideration is given to the issuer by the consumer, or not less than one year if it is provided as a benefit pursuant to an employee-incentive program, consumer-loyalty program, or promotional program when no consideration is given to the issuer by the consumer, and the expiration date is prominently disclosed in writing to the consumer at the time it is provided. In addition, a gift certificate may have</p>	<p>Fla. Stat. §501.95  A gift certificate or credit memo sold or issued for consideration in this state may not have any type of postsale charge or fee imposed on the gift certificate or credit memo, including, but not limited to, service charges, dormancy fees, account maintenance fees, or cash-out fees. Does not apply to a gift certificate or credit memo sold or issued by a financial institution, as defined in s§655.005, or by a money transmitter, as defined in §560.103, if the gift certificate or credit memo is redeemable by multiple unaffiliated merchants.</p>		<p>Fla. Stat. §717.1045  An unredeemed gift certificate or credit memo as defined in §501.95 is not required to be reported as unclaimed property. The consideration paid for an unredeemed gift certificate or credit memo is the property of the issuer of the unredeemed gift certificate or credit memo. An unredeemed gift certificate or credit memo is subject only to any rights of a purchaser or owner thereof and is not subject to a claim made by any state acting on behalf of a purchaser or owner. It is the intent of the Legislature that this section apply to the custodial holding of unredeemed gift certificates and credit memos. However, a gift certificate or credit memo described in §501.95(2)(b) shall be reported as unclaimed property. The consideration paid for</p>

	transaction.	an expiration date if it is provided as part of a larger package related to a convention, conference, vacation, or sporting or fine arts event having a limited duration so long as the majority of the value paid by the recipient is attributable to the convention, conference, vacation, or event. An issuer may honor a gift certificate that has expired on or before the effective date of this act.			such a gift certificate or credit memo is the property of the owner of the gift certificate or credit memo.
<b>Georgia</b>	<p>Ga. Code §10-1-393(b)(33)(B)</p> <p>'General use gift card' means a plastic card or other electronic payment device which is usable at multiple, unaffiliated merchants or service providers; is issued in an amount which amount may or may not be, at the option of the issuer, increased in value or reloaded if requested by the holder; is purchased or loaded on a prepaid basis by a consumer; and is honored upon presentation by merchants for goods or services.</p> <p>'Gift certificate' means a written promise that is usable at a single merchant or an affiliated group of merchants that share the same name, mark, or logo; is issued in a specified amount and cannot be increased in value on the face</p>	<p>Ga. Code §10-1-393(b)(33)(A)(ii)</p> <p>An expiration date must be conspicuous.</p>	<p>Ga. Code §10-1-393(b)(33)(A)(ii)</p> <p>Amount of dormancy/non-use fees must be conspicuously printed.</p>		<p>Ga. Code §44-12-205</p> <p>A gift certificate issued in the ordinary course of an issuer's business which remains unclaimed by the owner for more than five years after becoming payable or distributable is presumed abandoned. The amount presumed abandoned is the price paid by the purchaser for the gift certificate.</p>

	<p>thereof; is purchased on a prepaid basis by a consumer in exchange for payment; and is honored upon presentation for goods or services by such single merchant or affiliated group of merchants that share the same name, mark, or logo.</p> <p>'Store gift card' means a plastic card or other electronic payment device which is usable at a single merchant or an affiliated group of merchants that share the same name, mark, or logo; is issued in a specified amount and may or may not be increased in value or reloaded; is purchased on a prepaid basis by a consumer in exchange for payment; and is honored upon presentation for goods or services by such single merchant or affiliated group of merchants that share the same name, mark, or logo.</p>			
Guam				
Hawaii	<p>Hawaii Rev. Stat. §481B-13(e)</p> <p>"Gift certificate" or "certificate" includes any electronic card with a banked dollar value where the issuer has received payment for the full banked dollar value for the future purchase or delivery of goods or services, any certificate where the issuer has received payment for the full face value of the</p>	<p>Hawaii Rev. Stat. §481B-13</p> <p><b>2010 Act 195</b></p> <p>The date of issuance and the expiration date shall be clearly identified on the face of the gift certificate, or, if an electronic card with a banked dollar value, clearly printed upon a sales receipt transferred to the purchaser of the electronic card upon the completed transaction. The</p>	<p>Hawaii Rev. Stat. §481B-13(a)</p> <p>Prohibits service fees, including for dormancy or inactivity.</p> <p><b>2010 Act 195</b></p> <p>Any activation or issuance fee charged shall not exceed the lesser of 10 percent of the face value of the certificate or \$5.</p>	<p>Hawaii Rev. Stat. §523A-14</p> <p>A gift certificate issued in the ordinary course of an issuer's business which remains unclaimed by the owner for more than five years after becoming payable or distributable is</p>

	certificate for future purchases or delivery of goods or services, and any other medium that evidences the giving of consideration in exchange for the right to redeem the certificate, electronic card, or other medium for goods, food, or services of at least an equal value.	expiration date shall be not less than five years after the date of issuance; provided that the expiration date of certificates issued only in paper form shall be not less than two years after the date of issuance. If the gift certificate does not have an expiration date, it shall be valid in perpetuity.			presumed abandoned. The amount presumed abandoned is the price paid by the purchaser for the gift certificate.
<b>Idaho</b>					<p>Idaho Code §14-501(10)(b)  Gift certificates are considered "intangible property."</p> <p>Idaho Code §14-502(2)(b)  Gift certificates with an expiration date prominently displayed on their face do not constitute abandoned property.</p> <p>Idaho Code §14-514  A gift certificate without an expiration date prominently displayed on its face issued in the ordinary course of an issuer's business which remains unclaimed by the owner for more than five years after becoming payable or distributable is presumed abandoned.</p> <p>In the case of a gift certificate without an expiration date prominently displayed on its face, the amount presumed abandoned is the price paid by the purchaser for the gift certificate.</p>
<b>Illinois</b>	Ill. Rev. Stat. ch. 815, §505/2SS(a) "Gift certificate" means a record evidencing a	Ill. Rev. Stat. ch. 815, §505/2SS(b) On or after January 1, 2008, no person	Ill. Rev. Stat. ch. 815, §505/2SS(b) On or after January 1, 2008, no person		Ill. Rev. Stat. ch. 765, §1025/10.6

	<p>promise, made for consideration, by the seller or issuer of the record that goods or services will be provided to the holder of the record for the value shown in the record and includes, but is not limited to, a record that contains a microprocessor chip, magnetic stripe or other means for the storage of information that is prefunded and for which the value is decremented upon each use, a gift card, an electronic gift card, stored-value card or certificate, a store card or a similar record or card. For purposes of this act, any gift certificate usable with multiple sellers of goods or services is not included in the definition.</p>	<p>shall sell a gift certificate that is subject to an expiration date earlier than five years after the date of issuance.</p>	<p>shall sell a gift certificate that is subject to a post-purchase fee. Any gift certificate issued prior to January 1, 2008 that is subject to a fee must contain a statement clearly and conspicuously printed on the gift certificate stating whether there is a fee, the amount of the fee, how often the fee will occur, that the fee is triggered by inactivity of the gift certificate, and at what point the fee will be charged. The statement may appear on the front or back of the gift certificate in a location where it is visible to any purchaser prior to the purchase.</p> <p>III. Rev. Stat. ch. 815, §505/2SS(c)</p> <p>The face value of a gift certificate issued on or after January 1, 2008 may not be reduced in value and the holder of a gift certificate issued after January 1, 2008 may not be penalized in any way for non-use or untimely redemption of the gift certificate. Any gift certificate issued prior to January 1, 2008 that is subject to an expiration date must contain a statement clearly</p>	<p>Only applies to gift certificates/cards with an expiration date or fees or if the card/certificate was issued before the 93<sup>rd</sup> General Assembly (2003-2004). After property is abandoned, it reverts to the state.</p>
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			<p>and conspicuously printed on the gift certificate stating the expiration date. The statement may appear on the front or back of the gift certificate in a location where it is visible to any purchaser prior to the purchase. Does not apply to any gift certificate issued prior to January 1, 2008 that contains a toll free phone number and a statement clearly and conspicuously printed on the gift certificate stating that holders can call the toll free number to find out the balance on the gift certificate, if applicable, and the expiration date.</p>		
<b>Indiana</b>					<p>Ind. Code §32-34-1-1 Gift certificates and gift cards are exempted from unclaimed property act.</p>
<b>Iowa</b>	<p>Iowa Code §537.1301(22) "Gift certificate" means a merchandise certificate conspicuously designated as a gift certificate, and purchased by a buyer for use by a person other than the buyer. Iowa Code §556.9 "Gift certificate" means a merchandise certificate or electronic gift card conspicuously designated as a gift</p>		<p>Iowa Code §556.9 No fee can be charged unless there is a contract.</p>		<p>Iowa Code §556.1 <i>et seq.</i> Gift certificates unclaimed by the owner three years after issuance are abandoned.</p>

	certificate or electronic gift card, and generally purchased by a buyer for use by a person other than the buyer.				
Kansas	<p>Kan. Stat. Ann. §50,6108</p> <p>"Gift card" means a tangible device, whereon is embedded or encoded in an electronic or other format a value issued in exchange for payment, which promises to provide to the bearer merchandise of equal value to the remaining balance of the device. "Gift card" does not include a prepaid bank card.</p> <p>"Gift certificate" means a written promise given in exchange for full or discounted payment, or without any money or other thing of value being given in exchange, to provide merchandise in a specified amount or of equal value to the bearer of the certificate. "Gift certificate" does not include a prepaid bank card.</p> <p>"Prepaid bank card" means a general use, prepaid card or other electronic payment device that is issued by a bank or other financial institution in a predenominated amount useable at multiple, unaffiliated merchants or at automated teller machines, or both.</p>	<p>Kan. Stat. Ann. §50,6108</p> <p>On and after January 1, 2007, no person, firm, partnership, association or corporation shall sell a gift certificate or gift card to a purchaser containing an expiration date which is less than five years from the date of purchase. A gift certificate or gift card sold without an expiration date is valid until redeemed or replaced.</p>	<p>Kan. Stat. Ann. §50,6108</p> <p>No fees may be charged against the balance of a gift card or gift certificate within 12 months from the date of issuance of the card.</p>	<p>Kan. Stat. ann. §50,6108(b)</p> <p>A merchant shall not be required to redeem a gift card or gift certificate for cash.</p>	<p>Kan. Stat. Ann. §58-3934</p> <p>Gift certificates are not specifically included.</p>
Kentucky	<p>Ky. Rev. Stat. §367.890(1)</p> <p>"Gift card," as used in</p>	<p>Ky. Rev. Stat. §367.890</p> <p>A gift card expiration</p>	<p>Ky. Rev. Stat. §367.890(3)</p> <p>No person or entity</p>		<p>Ky. Rev. Stat. §393.010</p> <p>Gift certificates are not specifically included.</p>

	<p>this section, means a certificate, electronic card, or other medium issued by a merchant that evidences the giving of consideration in exchange for the right to redeem the certificate, electronic card, or other medium for goods, food, services, credit, or money of at least an equal value. "Gift card" includes any electronic card issued by a merchant with a monetary value where the issuer has received payment for the full monetary value for the future purchase or delivery of goods or services and any certificate issued by a merchant where the issuer has received payment for the full monetary face value of the certificate for the future purchase or delivery of goods and services. "Gift card" does not include a prepaid calling card used to make telephone calls, or a general-use, prepaid card or other electronic payment device that is issued by a bank or other financial institution that is usable at multiple, unaffiliated merchants, or at automated teller machines, or both, or a gift card issued by a merchant for a promotional program for which no separate monetary consideration is given.</p>	<p>date shall not be less than one year from the date of issuance. If no expiration date is printed on the front or back of the card, it is presumed valid until it is redeemed or replaced.</p>	<p>shall charge service charges or fees relative to that gift card, including dormancy fees, latency fees, or administrative fees, that have the effect of reducing the total amount for which the holder of the gift card may redeem the gift card until the expiration date on the card has expired.</p>		
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Louisiana	<p>La. Rev. Stat. Ann. §51:1423(A)</p> <p>"Gift certificate" shall mean a writing identified as a gift certificate or gift card purchased by a buyer for use by a person not redeemable in cash and usable in its face amount in lieu of cash in exchange for goods or services supplied by the seller. A gift certificate or gift card shall include an electronic card with a banked dollar value, a merchandise credit, a certificate where the issuer has received payment for the full face value of the future purchase or delivery of goods or services and any other medium that evidences the giving of consideration in exchange for the right to redeem the certificate, electronic card or other medium for goods, food, services, credit or money of at least an equal value.</p>	<p>La. Rev. Stat. Ann. §51:1423(B)(1)</p> <p>An expiration date must be more than five years and conspicuous. A gift certificate sold without an expiration date shall be valid until redeemed or replaced.</p>	<p>La. Rev. Stat. Ann. §51:1423(B)(2)</p> <p>Prohibits a service fee, including but not limited to a service fee for dormancy fee. However, nothing shall prevent the issuer from charging a one-time handling fee, which shall not exceed \$1 per gift certificate.</p>		<p>La. Rev. Stat. Ann. §9:151 <i>et seq.</i></p> <p>Gift certificate is presumed abandoned three years after December 31st of the year it was sold.</p>
Maine	<p>Me. Rev. Stat. Ann. tit. 33, §1952</p> <p>"Gift obligation" means an obligation of a business association arising from a transaction between the business association and a consumer to provide goods or services at a future date. This includes, but is not limited to, a gift certificate, gift card, on-line gift account or other representation or</p>	<p>Me. Rev. Stat. Ann. tit. 33, §1953(G)</p> <p>A period of limitation may not be imposed on the owner's right to redeem the gift obligation or stored-value card.</p> <p>Me. Rev. Stat. Ann. tit. 33, §1953(G-1)</p> <p>A period of limitation may not be imposed on the owner's right to redeem the prefunded bank card.</p>	<p>Me. Rev. Stat. Ann. tit. 33, §1953(G)</p> <p>Prohibits fees or charges on gift obligations or stored-value cards, except that the issuer may charge a transaction fee for the initial issuance and for each</p>	<p>Me. Rev. Stat. Ann. tit. 33, §1953(G)</p> <p>Beginning November 1, 2008, if the gift obligation or stored-value card, other than a prepaid telephone service card, a gift obligation or nonreloadable</p>	<p>Me. Rev. Stat. Ann. tit. 33, §1953(G)</p> <p>A gift obligation or stored-value card, two years after December 31st of the year in which the obligation or the most recent transaction involving the obligation or stored-value card occurred, whichever is later, including the initial issuance and any subsequent addition of value to the obligation or stored-value card.</p>

	<p>evidence of the obligation.</p> <p>"Prefunded bank card" means a device issued by a financial organization that enables the holder to transfer the underlying funds to multiple merchants at the merchants' point-of-sale terminals. For purposes of this subsection, "underlying funds" means the funds received by the financial organization that issued the card in exchange for the issuance of the card. A prefunded bank card must provide value from multiple merchants.</p> <p>"Stored-value card" means a record evidencing a promise, made for consideration, by the seller or issuer of the record that goods or services will be provided to the owner of the record to the value shown in the record and includes, but is not limited to, a record that contains a microprocessor chip, magnetic stripe or other means for the storage of information, that is prefunded and for which the value is decreased upon each use.</p>	<p>occurrence of adding value to an existing gift obligation or stored-value card.</p> <p>These transaction fees must be disclosed in a separate writing prior to the initial issuance or referenced on the gift obligation or stored-value card.</p> <p>Me. Rev. Stat. Ann. tit. 33, §1956</p> <p>A holder may deduct from property presumed abandoned a charge imposed by reason of the owner's failure to claim the property within a specified time only if there is a valid and enforceable written contract between the holder and the owner under which the holder may impose the charge and the holder regularly imposes the charge, which is not regularly reversed or otherwise canceled.</p> <p>The amount of the deduction is limited to an amount that is not unconscionable. Nothing in this section prevents the holder from</p>	<p>stored-value card with an initial value of \$5 or less or a stored-value card that is not purchased but provided as a promotion or as a refund for merchandise returned without a receipt, is redeemed in person and a balance of less than \$5 remains following redemption, at the consumer's request the merchant redeeming the gift obligation or stored-value card must refund the balance in cash to the consumer. This paragraph does not apply to prefunded bank cards.</p>	<p>The amount unclaimed is 60 percent of the gift obligation's or stored-value card's face value. Me. Rev. Stat. Ann. tit. 33, §1953(G-1)</p> <p>A prefunded bank card, three years after December 31st of the year in which the obligation or the most recent activity involving the prefunded bank card occurred, whichever is later, including the initial issuance and any subsequent addition of value to the prefunded bank card.</p>
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			<p>deducting fees or charges in lieu of those fees or charges related to the owner's failure to claim the property within a specified period of time when such fees or charges are deducted from the property before the date the property is presumed abandoned.</p>		
<b>Maryland</b>	<p>Md. Commercial Code Ann. §14-1319 "Gift certificate" means a device constructed of paper, plastic, or any other material that is: (i) sold or issued by a person for a cash value that can be used to purchase goods or services; or (ii) issued as a store credit for returned goods.</p> <p>Md. Commercial Code Ann. §14-1320 "Gift card" that (1) Is processed through a national credit or debit card service; and (2) May be used to purchase goods or services from multiple unaffiliated sellers of goods and services.</p>	<p>Md. Commercial Code Ann. §14-1319 A person may not sell or issue a gift certificate that, within four years after the date of purchase, is subject to expiration or a fee or charge of any kind.</p> <p>Md. Commercial Code Ann. §14-1320 A gift card may be subject to expiration, if disclosed as specified.</p>	<p>Md. Commercial Code Ann. §14-1319 A person may not sell or issue a gift certificate that, within four years after the date of purchase, is subject to expiration or a fee or charge of any kind.</p> <p>Md. Commercial Code Ann. §14-1320 A gift card may be subject to a postsale fee, including a service fee, dormancy fee, account maintenance fee, cash-out fee, gift card replacement fee, activation fee, or reactivation fee, if disclosed as specified.</p>		<p>Md. Commercial Code Ann. §17-101(m) Gift certificates are exempted from unclaimed property act.</p>
<b>Massachusetts</b>	<p>Mass. Gen. Laws Ann. ch. 255D, §1 "Gift certificate," a writing identified as a gift certificate purchased by a buyer for use by a person other than the buyer not redeemable in cash and usable in its face amount in lieu of cash in exchange for</p>	<p>Mass. Gen. Laws Ann. ch. 200A, §5D A gift certificate, as defined in section 1 of chapter 255D, sold or offered to be sold shall be valid for not less than seven years after its date of issuance. The date of issuance and the expiration date shall</p>	<p>2008 Chapter 58 Mass. Gen. Laws Ann. ch. 266, §75D Whoever sells or offers to sell a gift certificate, as defined in section 1 of chapter 255D, which imposes dormancy fees, latency fees, administrative fees,</p>	<p>Mass. Gen. Laws Ann. ch. 200A, §5D A purchaser or holder of a gift certificate which, by its terms, prohibits the</p>	

	<p>goods or services supplied by the seller. A gift certificate shall include an electronic card with a banked dollar value, a merchandise credit, a certificate where the issuer has received payment for the full face value for the future purchase or delivery of goods or services and any other medium that evidences the giving of consideration in exchange for the right to redeem the certificate, electronic card or other medium for goods, food, services, credit or money of at least an equal value. A gift certificate shall not include pre-paid calling arrangements, as defined in section 1 of chapter 64H, or any electronic card usable with multiple unaffiliated sellers of goods or services.</p>	<p>be clearly identified on its face, subject to section 75C of chapter 266, or, if an electronic card with a banked dollar value, clearly printed upon a sales receipt transferred to the purchaser of the electronic card upon the completed transaction, or otherwise made available to the purchaser or holder of the electronic card through means of an Internet site or a toll free information telephone line. A gift certificate not clearly marked with an expiration date or for which the expiration date is not otherwise made available as provided in this section shall be redeemable in perpetuity. Once an expiration date has been reached, the issuer of the gift certificate shall not be subject to section 7.</p> <p>Mass. Gen. Laws Ann. ch. 266, §75C</p> <p>Whoever sells or offers to sell a gift certificate as defined in section 1 of chapter 255D, which imposes a time limit of less than seven years within which such certificate may be redeemed, shall be punished by a fine of not more than \$300. This section shall not apply when the purchaser of the gift certificate is not</p>	<p>periodic fees, service fees or other fees that have the effect of reducing the total value amount for which the holder may redeem such gift certificate, shall be punished by a fine of not more than \$300 per violation.</p> <p>2008 Chapter 58 Mass. Gen. Laws Ann. ch. 266, §75E</p> <p>Whoever sells or offers to sell a gift certificate, as defined in section 1 of chapter 255D, which imposes any fees or charges including, but not limited to, purchase fees, activation fees, renewal fees or cancellation fees, shall provide to consumers notice of any such fees, in writing, on the gift certificate, on the packaging of the gift certificate, or on both. Failure to print such notice shall be punished by a fine of not more than \$300 per violation.</p> <p>2008 Chapter 58 Mass. Gen. Laws Ann. ch. 266, §75F</p> <p>Whoever redeems a gift certificate, as defined in section 1 of chapter 255D and deducts a gratuity therefrom without the consent of the holder of the gift certificate, shall be punished by a fine of not more</p>	<p>purchaser or holder from adding value thereto and which has been redeemed for at least 90 percent of its face value shall make an election to receive the balance in cash or continue using the gift certificate. A purchaser or holder of a gift certificate which, by its terms, authorizes the purchaser or holder to add value thereto and which has been redeemed in part, such that the value remaining is \$5 or less, shall make an election to receive the balance in cash or continue using the gift certificate.</p>	
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		<p>obligated to pay for it until the time of use. Whoever, after having sold a gift certificate refuses to redeem the certificate before it has reached the expiration date, shall be punished by a fine of not more than \$300.</p>	<p>than \$300 per violation.</p>		
Michigan	<p>Mich. Comp. Laws §445.903e</p> <p>"Gift certificate" means a written promise or a gift card or other electronic payment device that meets all of the following: 1) Is usable at a single retailer, is usable at an affiliated group of retailers that share the same name, mark, or logo, or is usable at multiple, unaffiliated retailers or service providers. 2) Is issued in a specified amount. 3) May or may not be increased in value or reloaded. 4) Is purchased or loaded on a prepaid basis for the future purchase or delivery of goods or services. 5) Is honored upon presentation.</p> <p>"Gift certificate" does not include any of the following: (a) A general use, prepaid card or other electronic payment device that is issued or sponsored by a financial institution in a predetermined amount and is usable at multiple, unaffiliated retailers or at automated teller machines. As used in this subdivision,</p>	<p>Mich. Comp. Laws §445.903g</p> <p>A person engaged in the retail sale of goods or services shall not sell a gift certificate to a consumer that expires within a period of less than five years.</p>	<p>Mich. Comp. Laws §445.903f</p> <p>A person engaged in the retail sale of goods and services shall not charge an inactivity fee or other service fee to a customer for the possession or use of a gift certificate.</p> <p>As used in this section, "service fee" does not include any fee charged to and paid by a consumer in connection with the sale of a gift certificate, unless the fee is deducted or debited from the face value of the gift certificate.</p>		<p>Mich. Comp. Laws §567.235</p> <p>(1) Except as provided in subsection (4), a gift certificate, gift card, or credit memo is presumed abandoned if either of the following apply: (a) The certificate, card, or memo is not claimed or used for a period of five years after becoming payable or distributable. (b) The certificate, card, or memo was used or claimed one or more times without exhausting its full value, but subsequently was not claimed or used for an uninterrupted period of five years.</p> <p>(2) For purposes of subsection (1), a gift certificate or gift card is considered to have been claimed or used if there is any transaction processing activity on the gift certificate or gift card including, but not limited to, redeeming, refunding, or adding value to the certificate or card. Activity initiated by the issuer of the certificate or card, including, but not limited to, assessing inactivity fees</p>

<p>"financial institution" means a bank, bank and trust, national bank, savings bank, savings and loan association, credit union, or money transmitter organized under the laws of this state, another state, the District of Columbia, the United States, or any territory or protectorate of the United States and their respective subsidiaries, affiliates, or holding companies. (b) An electronic payment device linked to a deposit account. (c) A prepaid telephone calling card regulated under state or federal law or a card used in connection with prepaid wireless telephone service. (d) An electronic payment device used to access an account from which an individual may pay medical expenses, health care expenses, dependent care expenses, or similar expenses on a pretax basis under the internal revenue code, 26 USC 1 to 1789, or regulations adopted pursuant to the internal revenue code. (e) A prepaid discount card or program used to purchase identified goods or services at a price or percentage below the normal and customary price, if any expiration date of the prepaid discount card or program is clearly and conspicuously disclosed. (f) A payroll</p>			<p>or similar service fees, does not constitute transaction processing activity for purposes of this subsection.</p> <p>(3) In the case of a gift certificate or gift card, the owner is presumed to be a gift recipient of the gift certificate or gift card, and the amount presumed abandoned is the price paid by the purchaser for the gift certificate or gift card, less the total of any purchases or fees assessed against the certificate or card. In the case of a credit memo, the amount presumed abandoned is the amount credited to the recipient of the memo.</p> <p>(4) This act does not apply to a gift certificate as defined in section 3e of the Michigan consumer protection act, 1976 PA 331, MCL 445.903e, that is issued for retail goods or services by a person engaged in the retail sale of goods or services.</p>
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	<p>card or other electronic payment device linked to a deposit account and given in exchange for goods or services rendered. (g) A gift certificate sold below face value or at a volume discount to an employee, to a nonprofit or charitable organization, or to an educational institution for fund-raising purposes. (h) A gift certificate distributed to a consumer or employee pursuant to an awards, rewards, loyalty, or promotional program, if the consumer or employee is not required to give consideration for the gift certificate. (i) An electronic credit voucher issued by a person that holds a certificate issued under chapter 411 of title 49 of the United States Code, 49 USC 41101 to 41113, or a permit issued under chapter 413 of title 49 of the United States Code, 49 USC 41301 to 41313.</p>				
<b>Minnesota</b>	<p>Minn. Stat. §325G.53 "Gift certificate" means a tangible record evidencing a promise, made for consideration, by the seller or issuer of the record that goods or services will be provided to the owner of the record to the value shown in the record and includes, but is not limited to, a gift card, stored-value card, store card, or a similar record or card</p>	<p>Minn. Stat. §325G.53 It is unlawful for any person or entity to sell a gift certificate that is subject to an expiration date.</p>	<p>Minn. Stat. §325G.53 It is unlawful for any person or entity to sell a gift certificate that is subject to a service fee of any kind, including, but not limited to, a service fee for dormancy.</p>		<p>Minn. Stat. §345.39 Gift certificates are exempted from definition of intangible property.</p>

	that contains a microprocessor chip, magnetic stripe, or other means for the storage of information, and for which the value is decreased upon each use. The provisions of this section shall not apply to gift certificates issued by a federally chartered or state-chartered bank, bank and trust, savings bank, savings association, or credit union, or by an operating subsidiary or other affiliate of any of them, and that can be used at multiple sellers of goods and services, provided that the issuer discloses any expiration date and fee associated with the gift certificate.				
<b>Mississippi</b>					Miss. Code Ann. §89-12-14 Gift certificates unclaimed by the owner for five years is abandoned.
<b>Missouri</b>					Mo. Rev. Stat. §447.500 <i>et seq.</i> Gift certificates that are redeemable in merchandise only shall be reportable at a rate equal to 60 percent of their respective face value. The state treasurer shall reimburse the owner the full face value.
<b>Montana</b>	Mont. Code Ann. §30-14-102 "Gift certificate" means a record, including a gift card or stored value card, that is provided for paid consideration and that	Mont. Code Ann. §30-14-108(1) A gift certificate is valid until redemption and does not terminate.	Mont. Code Ann. §30-14-108(3) A gift certificate may not be reduced in value by any fee, including a dormancy fee.	Mont. Code Ann. §30-14-108(4) If the original value of the gift certificate was more than \$5 and the remaining value is less than	Mont. Code Ann. §70-9-803(g) A gift certificate is presumed abandoned three years after December 31 of the year in which the certificate was sold, but

	<p>indicates a promise by the issuer or seller of the record that goods or services will be provided to the possessor of the record for the value that is shown on the record or contained within the record by means of a microprocessor chip, magnetic stripe, bar code, or other electronic information storage device. The consideration provided for the gift certificate must be made in advance. The value of the gift certificate is reduced by the amount spent with each use. A gift certificate is considered trust property of the possessor if the issuer or seller of the gift certificate declares bankruptcy after issuing or selling the gift certificate. The value represented by the gift certificate belongs to the possessor, to the extent provided by law, and not to the issuer or seller.</p> <p>(b) The term does not include: (i) prepaid telecommunications and technology cards, including but not limited to prepaid telephone calling cards, prepaid technical support cards, and prepaid internet disks that have been distributed to or purchased by a consumer; (ii) a coupon provided to a</p>		<p>\$5 and the possessor requests cash for the remainder, the issuer or seller shall redeem the gift certificate for cash.</p>	<p>if redeemable in merchandise only, the amount abandoned is considered to be 60 percent of the certificate's face value. A gift certificate is not presumed abandoned if the gift certificate was sold by a person who in the past fiscal year sold no more than \$200,000 in gift certificates, which amount must be adjusted by November of each year by the inflation factor defined in 15-30-101. The amount considered abandoned for a person who sells more than the amount that triggers presumption of abandonment is the value of gift certificates greater than that trigger.</p>
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	<p>consumer pursuant to any award, loyalty, or promotion program without any money or consideration being given in exchange for the card; or (iii) a gift certificate usable with multiple sellers of goods or services.</p>				
<b>Nebraska</b>	<p>Neb. Rev. Stat. §69-1301(d) General-use prepaid card means a plastic card or other electronic payment device usable with multiple, unaffiliated sellers of goods or services.</p>	<p>Neb. Rev. Stat. §69-1305.03 Gift cards/certificates subject to an expiration date shall have a statement clearly and conspicuously stating the expiration date. The statement may appear on the front or back of the gift certificate or gift card in a location where it is visible to a purchaser prior to the purchase. Excludes general-use prepaid cards.</p>	<p>Neb. Rev. Stat. §69-1305.03 A gift certificate or gift card subject to a fee shall contain a statement clearly and conspicuously printed on it stating whether there is a fee, the amount of the fee, how often the fee will occur, that the fee is triggered by inactivity of the gift certificate or gift card, and when the fee will be assessed. The statement may appear on the front or back of the gift certificate or gift card in a location where it is visible to a purchaser prior to the purchase. Excludes general-use prepaid cards.</p>		<p>Neb. Rev. Stat. §69-1305.03 (a) A gift certificate or gift card which is not assessed any fees and does not have an expiration date shall not be presumed to be abandoned. (b) A gift certificate or gift card which contains an expiration date or requires any type of post-sale finance charge or fee which is unredeemed for a period of three years from the date of issuance shall be presumed abandoned. (c) A gift certificate or gift card issued prior to November 2, 2006, which contains an expiration date or requires any type of post-sale finance charge or fee and has not been redeemed shall not be presumed abandoned if the issuer's policy and practice as of July 1, 2006, is to waive all post-sale charges or fees and to honor such gift certificate or gift card, at no additional cost to the holder whenever presented at full face value or the value remaining after any applicable purchases, expiration date notwithstanding.</p>

					written notice of such policy and practice shall be posted conspicuously by July 1, 2006, in not smaller than 10-point type, at each site in all Nebraska locations at which the issuer distributes or redeems a gift certificate or gift card. (d) In the case of a gift certificate or gift card, the amount presumed abandoned is the face amount of the certificate or card itself, less the total amount of any applicable purchases and fees.
<b>Nevada</b>	Nev. Rev. Stat. §598.0921(3) "Gift certificate" means an instrument or a record evidencing a promise by the seller or issuer of the instrument or record to provide goods or services to the holder of the gift certificate for the value shown in, upon or ascribed to the instrument or record and for which the value shown in, upon or ascribed to the instrument or record is decreased in an amount equal to the value of goods or services provided by the issuer or seller to the holder. The term includes, without limitation, a gift card, certificate or similar instrument.	Nev. Rev. Stat. §598.0921(1)(a) Expiration date or toll-free phone number to inquire regarding the balance and expiration date must be conspicuous	Nev. Rev. Stat. §598.0921(1)(b) Requires that a gift certificate cannot have a service fee, unless each of the following is printed plainly and conspicuously on the front or back of the gift certificate in at least 10-point font and in such a manner that the print is readily visible to the buyer of the gift certificate before the buyer purchases the gift certificate: (1) The amount of the service fee; (2) The event or events that will cause the service fee to be imposed; (3) The frequency with which the service fee will be imposed; and (4) If the service fee will be imposed on the basis of inactivity,		Sixty percent of the unredeemed or uncharged value remaining on a gift certificate which is issued or sold in this state and which has an expiration date is presumed abandoned and subject to the provisions of this chapter on the expiration date. If a gift certificate is issued or sold in this state and the seller or issuer does not obtain and maintain in his records the name and address of the owner of the gift certificate, the address of the owner of the gift certificate shall be deemed to be the address of the office of the state treasurer in Carson City.

			<p>the duration of inactivity, which must not be less than three continuous years of nonuse, that will cause the service fee to be imposed. Nev. Rev. Stat. §598.0921(1)(c) Regardless of the notice provided, (1) A service fee or a combination of service fees cannot exceed a total of \$1 per month; or (2) A service fee cannot commence or be imposed within the first 12 months after the issuance of the gift certificate.</p>		
<b>New Hampshire</b>	<p>N.H. Rev. Stat. Ann. §358-A:1 "Gift certificate" means a written promise given in exchange for payment to provide the bearer, upon presentation, goods or services in a specified amount.</p>	<p>N.H. Rev. Stat. Ann. §358-A:2 Expiration date prohibited for gift certificates valued at less than \$100.</p>	<p>N.H. Rev. Stat. Ann. §358-A:2 Service fees on gift certificates prohibited.</p>		<p>N.H. Rev. Stat. Ann. §358-A:2 Gift certificates having a face value in excess of \$100 shall expire when escheated to the state as abandoned property pursuant to RSA 471-C. N.H. Rev. Stat. Ann. §471-C:2 Intangible property unclaimed by the owner for five years is abandoned. N.H. Rev. Stat. Ann. §471-C:16 All gift certificates remitted to the state prior to January 1, 1998, and gift certificates that are properly determined to be reportable in any compliance audits initiated prior to January 1, 1998 and subsequently remitted, shall remain in the custody of the state unless and until</p>

					returned to the owner.
<b>New Jersey</b>	<p>N.J. Rev. Stat. §56:8-110(c)</p> <p>Gift card" means a tangible device, whereon is embedded or encoded in an electronic or other format a value issued in exchange for payment, which promises to provide to the bearer merchandise of equal value to the remaining balance of the device. "Gift certificate" means a written promise given in exchange for payment to provide merchandise in a specified amount or of equal value to the bearer of the certificate.</p>	<p>N.J. Rev. Stat. §56:8-110(a)(1)</p> <p>The expiration date of the card/certificate shall not be less than 24 months after the date of sale. Terms regarding expiration date must be disclosed as specified.</p>	<p>N.J. Rev. Stat. §56:8-110(a)</p> <p>No dormancy fee shall be assessed on a gift card/certificate within 24 months of the date of sale or within 24 months of the most recent activity or transaction. Fee shall not exceed \$2 per month. Terms regarding fees must be disclosed as specified.</p>		<p>N.J. Rev. Stat. §46:30B-1</p> <p><b>2010 Chapter 25</b></p> <p>A stored value card for which there has been no stored value card activity for two years is presumed abandoned. The proceeds of a stored value card presumed abandoned shall be the value of the card, in money, on the date the stored value card is presumed abandoned.</p> <p>Nothing in this section shall be construed to prevent an issuer from honoring a stored value card, the unredeemed value of which has been reported to the state treasurer pursuant to R.S.46:30B-1 <i>et seq.</i>, and thereafter seeking reimbursement from the State Treasurer pursuant to R.S.46:30B-62.</p> <p>This section does not apply to a stored value card that is distributed by the issuer to a person under a promotional or customer loyalty program or a charitable program for which no monetary or other consideration has been tendered by the owner and this section does not apply to a stored</p>

					value card issued by any issuer that in the past year sold stored value cards with a face value of \$250,000 or less. For purposes of this subsection, sales of stored value cards by businesses that operate either (1) under the same trade name as or under common ownership or control with another business or businesses in the state, or (2) as franchised outlets of a parent business, shall be considered sales by a single issuer.
<b>New Mexico</b>	<p>N.M. Stat. Ann. §57-12-26(A)</p> <p>"Gift certificate" means a writing identified as a gift certificate that is not redeemable in cash and is usable in its face amount in lieu of cash in exchange for goods or services supplied by a seller, but does not include a gift certificate useable with multiple unaffiliated sellers or goods or services.</p> <p>"Gift certificate" includes an electronic card with a banked dollar value, a merchandise credit, a certificate where the issuer has received payment for the full</p>	<p>N.M. Stat. Ann. §57-12-26(B)</p> <p>A gift certificate shall not have an expiration date less than 60 months after the date upon which the gift certificate was issued. If an expiration date is not conspicuously stated on a gift certificate, that gift certificate shall be presumed to have no expiration date and shall be valid until redeemed or replaced.</p>	<p>N.M. Stat. Ann. §57-12-26(C)</p> <p>An issuer of a gift certificate shall not charge a fee of any kind in relation to the sale, redemption or replacement of a gift certificate other than an initial charge not exceeding the face value of the gift certificate, nor may a gift certificate be reduced in value by any fee, including a service or dormancy fee.</p>		<p>N.M. Stat. Ann. §7-8A-2(A)(7)</p> <p>Gift certificate is presumed abandoned three years after December 31st of the year it was sold. If redeemable in merchandise only, amount abandoned is 60 percent of the certificate's face value.</p>

	<p>face value for the future purchase or delivery of goods or services and any other medium that evidences the giving of consideration in exchange for the right to redeem the certificate, electronic card or other medium for goods or services of at least an equal value.</p> <p>"Gift certificate" does not include gift certificates issued by banks, savings and loan associations and their affiliates and subsidiaries, licensed money transmitters or credit unions operating pursuant to the laws of the United States or New Mexico.</p>				
<b>New York</b>	<p>N.Y. Abandoned Property Law §103</p> <p>"Gift certificate" shall mean a written promise or electronic payment device that:</p> <ul style="list-style-type: none"> <li>(i) is usable at a single merchant or an affiliated group of merchants that share the same name, mark, or logo, or is usable at multiple, unaffiliated merchants or service providers; and</li> <li>(ii) is issued in a specified amount; and</li> <li>(iii) may or may not be increased in value or reloaded; and</li> <li>(iv) is purchased and/or loaded on a prepaid basis for the future purchase or delivery of any goods or services; and</li> <li>(v) is honored upon presentation.</li> </ul>	<p>N.Y. General Business Law §396-i</p> <p>Expiration date must be conspicuously disclosed to purchaser as specified.</p>	<p>N.Y. General Business Law §396-i</p> <p>Any service fees must be conspicuously disclosed to purchaser; no service fee may be assessed before the 13th month after issuance.</p>		<p>N.Y. Abandoned Property Law §1315</p> <p>Any unclaimed amount representing unredeemed gift certificates sold after December 31, 1983, including gift certificates for merchandise only in which case the face value of such certificate shall be deemed the amount deemed abandoned, and owing in this state after five years.</p>
<b>North Carolina</b>	N.C. Gen. Stat. §66-67.5		N.C. Gen. Stat. §66-67.5		N.C. Gen. Stat. §116B-53(c)(8)

	<p>"Gift card" means a record evidencing a promise, made for monetary consideration, by a seller or issuer that goods or services will be provided to the owner of the record to the value shown in the record. A gift card includes a record that contains a microprocessor chip, magnetic strip, or other storage medium that is prefunded and for which the value is adjusted upon each use, a gift certificate, a stored-value card or certificate, a store card.</p> <p>The provisions of this section shall not apply to gift cards that are issued by a financial institution or its operating subsidiary and that are usable at multiple unaffiliated sellers of goods or services.</p>		<p>The seller or issuer of a gift card must conspicuously disclose any maintenance fee charges at the time of purchase. The disclosure must be visible on the gift card itself. No person, firm, or corporation engaged in commerce shall charge any maintenance fee on a gift card for one calendar year following the date of the purchase of the gift card.</p>		<p>Any gift certificate or electronic gift card bearing an expiration date and remaining unredeemed or dormant for more than three years after the gift certificate or electronic gift card was sold is deemed abandoned. The amount abandoned is deemed to be 60 percent of the unredeemed portion of the face value of the gift certificate or the electronic gift card. N.C. Gen. Stat. §116B-54(b)</p> <p>A gift certificate or electronic gift card is not abandoned property when the gift certificate or electronic gift card: (1) Conspicuously states that the gift certificate or electronic gift card does not expire; (2) Bears no expiration date; or (3) States that a date of expiration printed on the gift certificate or electronic gift card is not applicable in North Carolina.</p>
<b>North Dakota</b>	<p>N.D. Cent. Code §51-29-01</p> <p>"Gift certificate" means a record evidencing a promise, made for monetary consideration, by the seller or issuer of the record that goods or services will be provided to the owner of the record to the value shown in the record. The term includes a record that contains a microprocessor chip,</p>	<p>N.D. Cent. Code §51-29-02</p> <p>An expiration date must be more than six years after the date of purchase.</p>	<p>N.D. Cent. Code §51-29-02</p> <p>Prohibits service fees.</p>		<p>N.D. Cent. Code §47-30.1-01 <i>et seq.</i></p> <p>Gift certificates are not specifically included.</p>

	<p>magnetic strip, or other means of storage of information that is prefunded and for which the value is decreased upon each use; a gift card; an electronic gift card; an online gift account; a stored-value card; a store card; a prepaid telephone card; or a similar record or card. The term does not include a general-use prepaid card issued by a prepaid card issuer, including a plastic card or other electronic payment device that is usable at multiple, unaffiliated merchants or service providers or at an automatic teller machine, and purchased or loaded on a prepaid basis; a general-use prepaid card issued by a prepaid card issuer and purchased by a person that is not an individual; or a debit card linked to a deposit account.</p>				
<b>Ohio</b>	<p>Ohio Rev. Code Ann. §1349.61  "Gift card" means a certificate, electronic card, or other medium issued by a merchant that evidences the giving of consideration in exchange for the right to redeem the certificate, electronic card, or other medium for goods, food, services, credit, or money of at least an equal value, including any electronic card issued by a merchant with a monetary value where the issuer has</p>	<p>Ohio Rev. Code Ann. §1349.61  Prohibits an expiration date less than two years after issuance. A gift card sold without an expiration date is valid until redeemed or replaced with new card.</p>	<p>Ohio Rev. Code Ann. §1349.61  Prohibits any fees charged less than two years after issuance.</p>		<p>Ohio Rev. Code Ann. §169.01(B)(2)(d)  Gift certificates are exempted from unclaimed property fund.</p>

	<p>received payment for the full monetary value for the future purchase or delivery of goods or services and any certificate issued by a merchant where the issuer has received payment for the full monetary face value of the certificate for the future purchase or delivery of goods and services.</p>				
Oklahoma	<p>Okl. Stat. tit. 15, §796</p> <p>"Gift card" means a plastic card or other electronic payment device which is: (a) issued in a predenominated amount or in an amount requested by the consumer, (b) usable to purchase goods and/or services only at a single merchant or group of merchants that are affiliated through common corporate ownership or control, and (c) purchased by a consumer on a prepaid basis in exchange for payment.</p> <p>"Gift certificate" means a written promise which is: (a) issued in a specified amount, indicated on its face, and cannot be increased in value, (b) usable to purchase goods and/or services only at a single merchant or group of merchants that are affiliated through common corporate ownership or control, and (c) purchased by a consumer on a prepaid basis in exchange for</p>	<p>Okl. Stat. tit. 15, §797</p> <p>Prohibits expiration dates less than 60 months from the date of purchase. A gift certificate/card sold without an expiration date is valid until redeemed or replaced.</p>	<p>Okl. Stat. tit. 15, §797</p> <p>Service fees prohibited, unless the remaining value on the card/certificate is \$5 or less each time the fee is assessed; the fee does not exceed \$1 per month; there has been no activity for 24 consecutive months including, but not limited to, purchases, the adding of value, or balance inquiries; the holder may reload or add value to the card/certificate; and the fee is disclosed as specified.</p>		<p>Okl. Stat. tit. 60, §651 <i>et seq.</i></p> <p>Gift certificates are not specifically included.</p>

	payment.				
<b>Oregon</b>	Or. Rev. Stat. §646A.274 "Gift card" means a prefunded record evidencing a promise that the issuer will provide goods or services to the owner of the record in the amount shown in the record. 'Gift card' does not include any gift card usable with more than one seller of goods or services.	Or. Rev. Stat. §646A.278 Except as provided below, a person may not sell a gift card that has an expiration date. A person may sell a gift card that has an expiration date if: (1) The gift card bears, in at least 10-point type, the words 'EXPIRES ON' or 'EXPIRATION DATE' followed by the date on which the card expires; (2) The person sells the gift card at a cost below the face value of the card; and (3) The gift card does not expire until at least 30 days after the date of sale.	Or. Rev. Stat. §646A.276 A person may not sell a gift card that has a face value that declines as a result of the passage of time or the lack of use of the card; or that has a fee related to the card, including, but not limited to, an inactivity fee, a maintenance fee or a service fee.		Or. Rev. Stat. §98.302(8) Gift certificates are not specifically included.
<b>Pennsylvania</b>	Pa. Cons. Stat. tit. 72, §1301.1 "General use prepaid cards" shall mean cards issued only by a bank or other similarly regulated financial institutions, or by a licensed money transmitter and shall mean plastic cards or other electronic payment devices which are: (1) usable and honored upon presentation at multiple, unaffiliated merchants or service providers for goods or services or at automated teller machines (ATMs); and issued in a requested prepaid amount which amount may be, at the option of the issuer, increased in value or reloaded if requested by the holder. The				Pa. Cons. Stat. tit. 72, §1301 <i>et seq.</i> The following property held or owing by a business association is presumed abandoned and unclaimed: The consideration paid for a gift certificate or gift card which has remained unredeemed for two years or more after its redemption period has expired or for five years or more from the date of issuance if no redemption period is specified. The provisions of this clause shall not apply to a qualified gift certificate.

	<p>term shall not include debit cards linked to a deposit account or prepaid telephone calling cards.</p> <p>"Gift card" shall mean plastic cards or other electronic payment devices which are: (I) usable and honored upon presentation at a single merchant or an affiliated group or merchants that share the same name, mark or logo, or usable at multiple, unaffiliated merchants or service providers for the future purchase or delivery of any goods or services; and (II) issued in a specified prepaid amount and may or may not be increased in value or reloaded.</p> <p>"Gift certificate" shall mean a written promise which is: usable and honored upon presentation at a single merchant or an affiliated group of merchants that share the same name, mark or logo, or usable at multiple, unaffiliated merchants or service providers for the future purchase or delivery of any goods or services; and(ii) issued in a specific prepaid amount and may or may not be increased in value or reloaded.</p> <p>"Qualified gift certificate" shall mean a gift certificate or gift card that does not contain any of the following: (i) An expiration date or a</p>				
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	period of time after which it expires. (ii) Any type of postsale charge or fee, including, but not limited to, a service charge, dormancy fee, account maintenance fee, cash out fee, replacement card fee or activation or reactivation fee.				
<b>Puerto Rico</b>					
<b>Rhode Island</b>	<p>R.I. Gen. Laws §6-13-12</p> <p>"Gift certificate" means a record evidencing a promise, made for monetary consideration, by the seller or issuer for the record that goods or services will be provided to the owner of the record to the value shown in the record and includes, but is not limited to, a record that contains a microprocessor chip, magnetic strip or other means of storage of information that is pre-funded and for which the value is decremented upon each use, a gift card, an electronic gift card, stored-value card or certificate, a store card, prepaid long distance telephone service that is activated by a prepaid card that requires dialing an access number or an access code for each call in addition to dialing the phone number to which the user of the prepaid card seeks to connect, or a similar record or card.</p>	<p>R.I. Gen. Laws §6-13-12</p> <p>Prohibits expiration dates.</p>	<p>R.I. Gen. Laws §6-13-12</p> <p>It shall be unlawful for any person, firm, or corporation of any kind to charge any surcharge or additional monthly or annual service or maintenance fees on gift certificates. Any person, firm, or corporation that shall violate the provisions of this section shall be punished by a fine of not more than \$200.</p>	<p>R.I. Gen. Laws §6-13-12</p> <p>Any unused portion of a redeemed gift certificate shall be afforded to the consumer by reissuing the gift certificate for the unused amount or providing cash where the balance due the consumer is less than \$1.</p>	<p>R.I. Gen. Laws §6-13-12</p> <p>Due to the unlimited redemption period, the division of taxation shall not escheat the funds paid for those unredeemed gift certificates.</p> <p>R.I. Gen. Laws §33-21.1-1 <i>et seq.</i></p> <p>Pursuant to § 6-13-12, gift certificates shall not be presumed to be abandoned.</p>

<b>South Carolina</b>	S.C. Code Ann. §39-1-55(A) "Gift certificate" means a certificate that is issued or sold by a person engaged in the business of offering goods or services for sale at retail and that entitles a recipient of the certificate to the delivery of goods or services from the person who issued or sold the certificate. This term includes a gift card used for the same purpose as a gift certificate.	S.C. Code Ann. §39-1-55(B) Gift certificates cannot expire before the first anniversary of the date the certificate was sold or issued, unless the expiration date is disclosed as specified.	S.C. Code Ann. §39-1-55(C) Prohibits any fees unless properly disclosed as specified.		S.C. Code Ann. §27-18-10 <i>et seq.</i> Gift certificates are not specifically included.
<b>South Dakota</b>					S.D. Codified Laws Ann. §43-41B-15 A gift certificate issued in the ordinary course of an issuer's business which remains unclaimed by the owner for more than five years after becoming payable or distributable is presumed abandoned. The amount presumed abandoned is the price paid by the purchaser for the gift certificate. <b>2010 S.B. 81</b> Any unredeemed open-loop prepaid card or rewards card is subject only to any rights of a purchaser or owner of such card and is not subject to any claim made by any state acting on behalf of a purchaser or owner.
<b>Tennessee</b>	Tenn. Code Ann. §47-18-127 A gift certificate does not include a prepaid calling card used to make telephone calls or a prepaid card usable at multiple, unaffiliated merchants	Tenn. Code Ann. §47-18-127 Prohibits gift certificates from containing an expiration less than two years after issuance. If sold without an expiration	Tenn. Code Ann. §47-18-127 Prohibits charging a fee to issue a gift certificate. Prohibits service charges or fees less than two years after issuance.		Tenn. Code Ann. §66-29-135 A gift certificate issued in the ordinary course of an issuer's business is presumed abandoned if it remains unclaimed by the owner upon the earlier

	or at automated teller machines, or both.	date, a gift certificate is valid until redeemed or replaced with a new card.		of: (1) The expiration date of the certificate; or (2) Two years from the date the certificate was issued. The amount presumed abandoned is the price paid by the purchaser for the gift certificate. If a gift certificate issued after December 31, 1996, is redeemable for merchandise only, then the amount presumed abandoned is 60 percent of the price paid by the purchaser for the certificate. A gift certificate issued after December 31, 1998, shall not be abandoned property and shall not be subject to this part if the issuer of the certificate does not impose a dormancy charge and when the gift certificate: (1) Conspicuously states that the gift certificate does not expire; (2) Bears no expiration date; or (3) States that a date of expiration printed on the gift certificate is not applicable in Tennessee. Property described above, without regard to any activity or inactivity within the past five years, shall also be presumed abandoned if the owner thereof is known to the holder to have died and left no one to take such property by will and no one to take such property by intestate succession.
<b>Texas</b>	Tex. Business & Commerce Code	Tex. Business & Commerce Code	Tex. Business & Commerce Code	Tex. Property Code Ann. §72.1016

	<p>§35.42 "Stored value card" means a record that evidences a promise made for monetary consideration by the seller or issuer of the record that goods or services will be provided to the owner of the record in the value shown in the record, that is prefunded, and the value of which is reduced on redemption. The term includes a gift card or gift certificate.</p>	<p>Commerce Code Ann. §35.42 Expiration date must be disclosed as specified.</p>	<p>Ann. §35.42 May charge a handling fee, access fee, or replacement fee if disclosed as specified. Dormancy fees cannot be assessed until after the first anniversary of the card was sold or issued and the fee must be reasonable and disclosed as specified.</p>		<p>The stored value card is presumed abandoned to the extent of its unredeemed value on the earlier of: the card's expiration date; or three years after the card was issued, if the card is not used after it is issued, or the date the card was last used.</p>
Utah	<p>Utah Code Ann. §67-4a-102 Effective July 1, 2011: "Gift card" means a payment device such as a plastic card that: (a) is usable at: (i) a single merchant; (ii) an affiliated group of merchants; or (iii) multiple, unaffiliated merchants; (b) contains a means for the electronic storage of information including: (i) a microprocessor chip; (ii) a magnetic stripe; or (iii) a bar code; (c) is prefunded before it is used, whether or not monies may be added to the payment</p>	<p>Utah Code Ann. §13-11-4(4)(a) A gift certificate, instrument, or other record that does not print an expiration date on the gift certificate or its packaging in accordance with Subsection (2)(v) does not expire. Does not apply to a gift certificate, instrument, or other record useable at multiple, unaffiliated sellers of goods or services if an expiration date is printed on the gift certificate, instrument, or other record. Utah Code Ann. §13-11-4(4)(a) A gift certificate, instrument, or other record that does not print an expiration date in accordance with Subsection (2)(v) does not expire.</p>	<p>Utah Code Ann. §13-11-4(2)(v) Makes it a violation of the Utah Consumer Sales Practices Act to issue a gift certificate that deducts a fee without disclosing the fee on the gift certificate or its packaging. Does not apply to a gift certificate, instrument, or other record useable at multiple, unaffiliated sellers of goods or services if an expiration date is printed on the gift certificate, instrument, or other record. Utah Code Ann. §13-11-4(4)(b) A gift certificate, instrument, or other record that does not include printed information concerning a fee to be charged and deducted from the balance of the gift</p>		<p>Utah Code Ann. §67-4a-211 Effective until June 30, 2011: (1) A gift certificate greater than \$25 or a credit memo that remains unreconsidered for more than five years after issuance is considered abandoned. (2) (a) In the case of a gift certificate, the amount considered abandoned is the price paid for the certificate itself. Effective July 1, 2011: Notwithstanding that one or more of the following remain unreconsidered, it may</p>

	device after it is used; and (d) is redeemable for goods or services.	certificate, instrument, or other record is not subject to the charging and deduction of the fee. Does not apply to a gift certificate, instrument, or other record useable at multiple, unaffiliated sellers of goods or services if an expiration date is printed on the gift certificate, instrument, or other record.		not be considered abandoned for purposes of this chapter: (1) a gift certificate; (2) a gift card; or (3) a credit memo.	
<b>Vermont</b>	Vt. Stat. Ann. tit. 8, §2701 "Gift certificate" means a record evidencing a promise made for consideration by the seller or issuer of the record that money, goods, or services will be provided to the holder of the record for the value shown in the record. A "gift certificate" includes, but is not limited to, a record that contains a microprocessor chip, magnetic strip, or other means for the storage of information that is prefunded and for which the value is decremented upon each use; a gift card; an electronic gift card; a stored-value card or certificate; a store card; or a similar record or card.	Vt. Stat. Ann. tit. 8, §2702 A gift certificate sold or offered to be sold shall be valid for not less than three years after its date of issuance. A gift certificate not clearly marked with an expiration date or for which the expiration date is not otherwise made available as provided in this section shall be deemed to have no expiration date.	Vt. Stat. Ann. tit. 8, §2703 Prohibits dormancy fees, latency fees, issuance fees, redemption fees, or any other administrative fees or service charges in connection with a gift certificate.	Vt. Stat. Ann. tit. 8, §2704 If the remaining value of a gift certificate is less than \$1, the gift certificate shall be redeemable in cash for its remaining value upon the demand of the holder of the gift certificate.	Vt. Stat. Ann. tit. 27, §1208 <i>et seq.</i> Gift certificates are not specifically included.
<b>Virginia</b>	Va. Code §59.1-530 "Gift certificate" or "certificate" means a certificate, electronic card, or other medium issued by a merchant that evidences the giving of consideration	Va. Code §59.1-531 Each gift certificate issued by a merchant in the Commonwealth that has an expiration date shall include either (i) a statement	Va. Code §59.1-531 Each gift certificate issued by a merchant in the Commonwealth that diminishes in value over time shall include a telephone		Va. Code §55-210.8:1 A gift certificate or credit balance issued in the ordinary course of the issuer's business that has remained unclaimed by the owner for more than

	<p>in exchange for the right to redeem the certificate, electronic card, or other medium for goods, food, services, credit, or money of at least an equal value, including any electronic card issued by a merchant with a banked dollar value where the issuer has received payment for the full banked dollar value for the future purchase, or delivery, of goods or services and any certificate issued by a merchant where the issuer has received payment for the full face value of the certificate for future purchases, or delivery, of goods or services.</p>	<p>of the expiration date of the certificate or (ii) a telephone number or Internet address where the holder of the certificate may obtain information regarding the expiration date of the certificate.</p>	<p>number or Internet address where the holder of the certificate may obtain information regarding the diminution in the value of the certificate over time.</p>		<p>five years after becoming payable is presumed abandoned, unless redeemable in merchandise, in services, or through future purchases.</p>
<b>Virgin Islands</b>					<p>V.I.C. tit. 28, §665 A gift certificate issued in the ordinary course of an issuer's business which remains unclaimed by the owner for more than five years after becoming payable or distributable is presumed abandoned. The amount presumed abandoned is the price paid by the purchaser for the gift certificate.</p>
<b>Washington</b>	<p>Wash. Rev. Code §19.240.010 "Gift card" means a record as described in subsection (5) of this section in the form of a card, or a stored value card or other physical medium, containing stored value primarily intended to be exchanged for consumer goods and</p>	<p>Wash. Rev. Code §19.240.020(1)(a) and §19.240.030 Expiration date is not allowed unless no money was paid for gift certificate or when certificate is valid for artistic or cultural organizations and disclosed to the user.</p>	<p>Wash. Rev. Code §19.240.040 Can enforce a dormancy or inactivity charge if: (1) disclosed as specified; (2) The remaining value of the gift card is \$5 or less each time the charge is assessed; (3) The charge does not exceed \$1 per</p>	<p>Wash. Rev. Code §19.240.020(3) If a purchase is made with a gift certificate for an amount that is less than the value of the gift certificate, the issuer must</p>	<p>Wash. Rev. Code §63.29.140 (1) A gift certificate or a credit memo issued in the ordinary course of an issuer's business which remains unclaimed by the owner for more than</p>

	<p>services.</p> <p>"Gift certificate" means an instrument evidencing a promise by the seller or issuer of the record that consumer goods or services will be provided to the bearer of the record to the value or credit shown in the record and includes gift cards.</p>	<p>month; (4) The charge can only be assessed when there has been no activity on the gift card for 24 consecutive months, including but not limited to, purchases, the adding of value, or balance inquiries; (5) The bearer may reload or add value to the gift card; and (6) After a dormancy or inactivity charge is assessed, the remaining value of the gift certificate is redeemable in cash on demand.</p>	<p>make the remaining value available to the bearer in cash or as a gift certificate at the option of the issuer. If after the purchase the remaining value of the gift certificate is less than \$5, the gift certificate must be redeemable in cash for its remaining value on demand of the bearer.</p>	<p>three years after becoming payable or distributable is presumed abandoned.</p> <p>(2) In the case of a gift certificate, the amount presumed abandoned is the price paid by the purchaser for the gift certificate. In the case of a credit memo, the amount presumed abandoned is the amount credited to the recipient of the memo.</p> <p>(3) A gift certificate that is presumed abandoned under this section may, but need not be, included in the report as provided under RCW 63.29.170(4). If a gift certificate that is presumed abandoned under this section is not timely reported as provided under RCW 63.29.170(4), RCW 19.240.005 through 19.240.110 apply to the gift certificate.</p> <p>Wash. Rev. Code §19.240.005 <i>et seq.</i></p>
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					<p>It is the intent of the legislature to relieve businesses from the obligation of reporting gift certificates as unclaimed property. In order to protect consumers, the legislature intends to prohibit acts and practices of retailers that deprive consumers of the full value of gift certificates, such as expiration dates, service fees, and dormancy and inactivity charges, on gift certificates. The legislature does not intend that chapter 168, Laws of 2004 be construed to apply to cards or other payment instruments issued for payment of wages or other intangible property. To that end, the legislature intends that chapter 168, Laws of 2004 should be liberally construed to benefit consumers and that any ambiguities should be resolved by</p>
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					<p>applying the uniform unclaimed property act to the intangible property in question. An issuer is not required to honor a gift certificate presumed abandoned under RCW 63.29.110, reported, and delivered to the department of revenue in the dissolution of a business association.</p> <p>Wash. Rev. Code §63.29.110</p> <p>Intangible property distributable in the course of a dissolution of a business association which remains unclaimed by the owner for more than one year after the date specified for final distribution is presumed abandoned.</p>
West Virginia					<p>W. Va. Code §36-8-2(a)(7)</p> <p>Gift certificate, three years after the thirty-first day of December of the year in which the certificate was sold, but if redeemable in merchandise only, the amount abandoned is deemed to be 60 percent of the</p>

					certificate's face value.
Wisconsin					Wis. Stat. §177.01 <i>et seq.</i> Gift certificates are not specifically included.
Wyoming					Wyo. Stat. §34-24-114 A gift certificate in an amount greater than \$100 that remains unredeemed for more than three years after issuance is deemed abandoned. The amount deemed abandoned is the price paid for the certificate itself.

**PLEASE NOTE:** Please note the summaries should be used for general informational purposes and not as a legal reference. NCSL is unable to provide guidance to citizens or businesses regarding gift cards and gift certificate laws and practices. If you have questions regarding issuing or redeeming a gift card or gift certificate or a retailer's practices, please contact the Office of the Attorney General in your state.

## STATE LEGISLATION

[2010](#) | [2009](#) | [2008](#) | [2007](#) | [2006](#)

### 2010 Legislation

#### California

##### [A.B. 2185](#)

This bill prohibits a retailer from advertising as a gift certificate or gift card any promotional item, award, or loyalty that does not comply with the laws pertaining to gift certificates. The bill requires any of those items resembling a gift certificate or gift card to include on the front of the item the terms and conditions of use as well as a notice in 10-point boldface type that the item is not a gift certificate or gift card. The bill also prohibits the sale of a gift card usable with multiple sellers of goods or services that requires a service fee, including, but not limited to, a service fee for activation, application, installation, or dormancy.

##### [S.B. 885](#)

*To enrollment 8/25/10*

Existing law provides that a gift certificate sold after January 1, 1997, is redeemable in cash or subject to replacement with a new gift certificate. Existing law also provides that a gift certificate with a cash value of less than \$10 may be redeemed in cash, as defined, for its cash value. Existing law prohibits the sale of a gift certificate that contains a dormancy fee, subject to specified exceptions. This bill deletes those exceptions and expressly prohibits the sale of a gift certificate that contains a dormancy fee.

#### Colorado

##### [S.B. 155](#)

*Signed by governor 4/29/10, Chapter 180*

The bill requires an issuer of a gift card to redeem the gift card for cash if the amount remaining is less than \$5 on request of the holder. The bill prohibits an issuer of a gift card from charging any fees in connection with the issuance of the card. The bill also makes violation of the limitations regarding gift cards a deceptive trade practice.

**Connecticut****S.J.R. 4***Failed in committee 4/28/10*

Calls upon the Congress of the United States to pass appropriate legislation to specifically authorize states to prohibit gift card expiration dates, inactivity fees or any other deductions from the value of a gift card.

**District of Columbia****B18-323**

Prohibits gift certificates and gift cards from expiring or being subject to fees or charges for a period of four years; makes violations of this Act an unlawful trade practice; and amends the Uniform Disposition of Unclaimed Property Act of 1980 to include gift cards.

**Florida****S.B. 2164***Died in committee 4/30/10*

Provides that a violation of provisions relating to the expiration date of a gift certificate or credit memo is a deceptive and unfair trade practice that violates the Florida Deceptive and Unfair Trade Practices Act and subjects the violator to the penalties and remedies of that act.

**Georgia****H.B. 1383**

Relates to disposition of unclaimed property, so as to provide for disposition of a gift card when the owner dies intestate or is missing; provides for amount presumed abandoned if gift card is redeemable for merchandise only.

**Hawaii****H.B. 2289***Became law without governor's signature 7/7/10, Act 195*

Extends the minimum expiration period for gift certificates from two to five years except for paper gift certificates. Allows limited issuance or activation fees to be imposed; Amends the definition of "gift certificate;" Defines "service fee" to exclude activation or issuance fees.

**S.B. 2376**

Extends the minimum expiration period for gift certificates from two to five years and requires issuers to honor gift certificates during this period. Defines "service fee."

**Illinois****H.B. 339**

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that the holder of a gift certificate issued on or after January 1, 2010 that has a balance of less than \$10 must be given the option of receiving that balance in cash.

**H.B. 3703**

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that any value remaining after the expiration date on a gift certificate issued by a nonprofit organization shall revert back to the nonprofit organization.

**H.B. 4702**

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that the holder of a gift certificate issued on or after January 1, 2011 that has a balance of less than \$10 must be given the option of receiving that balance in cash.

**Indiana****H.B. 1083***Signed by governor 3/17/10, Public Law 64*

Reduces from five years to three years the period after which the following property is considered abandoned for purposes of the state's unclaimed property act: (1) A demand, savings, or matured time deposit. (2) Property payable as a result of a demutualization, rehabilitation, or related reorganization of a mutual insurance company. (3) All other property not otherwise specified under the act. Makes a technical amendment to one provision of the unclaimed property act to reflect another provision of the unclaimed property act that specifies that the act does not apply to: (1) a business to business credit memorandum; or (2) gift certificates.

**S.B. 303**

Reduces from five years to three years the period after which the following property is considered abandoned for purposes of the state's unclaimed property act: (1) A demand, savings, or matured time deposit. (2) Property payable as a result of a demutualization, rehabilitation, or related reorganization of a mutual insurance company. (3) All other property not otherwise specified under the unclaimed property act. Makes a technical amendment to one provision of the unclaimed property act to reflect another provision of the unclaimed property act that specifies that the act does not apply to: (1) a business to business credit memorandum; or (2) gift certificates.

**Kentucky****S.B. 83**

*Signed by governor 4/1/10, Chapter 54*

Amends KRS 367.890 to delete gift cards distributed by an issuer as an award, loyalty, or promotional program from the minimum one year expiration requirement.

**Louisiana****S.B. 342**

*Signed by governor 6/9/10, Act 174*

Requires the gift certificate or gift card issuer to redeem the remaining value of the gift certificate for cash if the remaining value is \$5 or less, upon request of the holder. Repeals the provisions that the relevant laws relating to gift certificates shall not apply to those gift certificates that are usable with multiple sellers of goods or services.

**Massachusetts****H.B. 239**

Amends the definitions of gift card and gift certificate. Provides that a person may not sell a gift card: (1) that has an expiration date; (2) that has a face value that declines as a result of the passage of time or the lack of use of the card; or (3) that has a fee. A gift card with a remaining value of \$10 or less may be redeemed in cash for its cash value. The value paid by a purchaser of a gift card to the issuer of the gift card is trust property held by the issuer, or its successors in interest, as trustee for the benefit of the holder of the gift card.

**H.B. 314**

Amends the definition of a gift certificate to include a writing identified as a gift certificate or a credit backed or bank issued gift card, purchased by a buyer for use by a person other than the buyer not redeemable in cash and usable in its face amount in lieu of cash in exchange for goods or services supplied by the seller.

**H.B. 3865**

Provides that whoever sells gift certificates shall maintain a bank escrow account segregated from its other assets sufficient to reimburse holders of such certificates.

**H.B. 3870**

Provides that the commission shall assess a fee to be determined by him on all sellers of gift certificates in the commonwealth. Said fees shall be deposited in a bank escrow fund separate from all others assets of the seller. Said funds shall be used to reimburse holders of such certificates if the issue of the certificate goes out of business.

**S.B. 126**

Provides that all gift certificates and gift cards will retain the original value except for deduction occurring due to purchases using the card or certificate by the holder of the card.

**Michigan****H.B. 4925**

Revises the definition of gift certificate in the consumer protection act.

**Mississippi****H.B. 73**

*Died in committee 2/2/10*

Enacts the Mississippi Uniform Unclaimed Property Act; provides for abandoned gift certificates.

**H.B. 415**

*Died in committee 2/2/10*

Enacts the Mississippi Uniform Unclaimed Property Act; provides for abandoned gift certificates.

**S.B. 2167**

*Died in committee 2/2/10*

Enacts the Mississippi Uniform Unclaimed Property Act; provides for abandoned gift certificates.

**Missouri****H.B. 1522**

This bill prohibits any person or business entity from selling gift certificates that have an expiration date or any kind of service fee. Abandoned or unused gift certificates will not be subject to state unclaimed property provisions or become property of the state treasurer. Anyone violating the provisions of the bill will be guilty of unfair merchandising practices and subject to penalties under §407.020, RSMo.

**S.B. 872**

This act prohibits the use of expiration dates or service fees on gift certificates. Abandoned or unused gift certificates shall not be subject to state unclaimed property provisions and shall not become the property of the state treasurer. Violations of the act shall be considered unfair marketing practices subject to certain unlawful merchandising practice penalties.

**Nebraska****L.B. 720**

Relates to customer loyalty or incentive programs; provides that if a retail business establishes a customer loyalty, bonus, or incentive program which provides a general-use prepaid card, the business shall also offer the incentive in the form of cash or a negotiable check; provides that the check or general-use prepaid card shall not expire for a specified time and the value of the check or general-use prepaid card shall not be decreased for administrative, shipping, or handling fees.

**New Jersey****A.B. 638**

This bill makes it an unlawful practice to sell gift cards unless they are packaged or displayed in a manner that prevents a person from viewing the gift card account number prior to purchasing the gift card. The bill allows the display of a gift card account number, provided a unique personal identification number, code, or password is required to use the gift card to make a remote purchase and that number, code, or password is hidden from view until after purchase; and there is a notice alerting the consumer of the number, code, or password, and that the gift card should be packaged or displayed in a manner that prevents people from viewing that number, code, or password prior to purchase. The bill defines "remote purchase" as a purchase made with a gift card for which the gift card does not need to be physically presented to a cashier or other representative of the seller or merchant. A popular scam for criminals is to record gift card account numbers while in a store, and use the customer service telephone number to verify if the card has been activated. Once it is, they quickly make Internet purchases using the gift card account number. This legislation is designed to protect consumers by guaranteeing that their gift card account numbers remain private prior to purchase. An unlawful practice under the Consumer Fraud Act is punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, a violation can result in cease and desist orders issued by the attorney general, the assessment of punitive damages and the awarding of treble damages and costs to the injured party.

**A.B. 1635**

This bill clarifies that, for the purpose of the statute which regulates expiration dates and dormancy fees for gift cards and gift certificates, prepaid bank cards which disclose their expiration dates and dormancy fees are not included in the definition of "gift card" or "gift certificate." In order to be excluded: (i) the card's expiration date and a notice that dormancy or other fees may apply, along with a toll-free customer service telephone number, consumers may use to access all fee information related to the card are printed on the card or a decal or sticker affixed to the card; and (ii) all terms, conditions, and limitations are printed on the prepaid bank card, its packaging, or a decal or sticker affixed to the card, including but not limited to a description of all fees which are associated with the prepaid bank card. By excluding prepaid bank cards which make these disclosures from the existing gift card and gift certificate statutory requirements, these cards are not: (i) prohibited from expiring within 24 months immediately following the date of sale; (ii) prohibited from charging a dormancy fee within 24 months immediately following the date of sale, or within 24 months immediately following the most recent activity or transaction in which the card is used; (iii) limited to charging no more than \$2 per month for the dormancy fee; or (iv) required to make certain disclosures. The bill also specifies that payroll wage cards and debit cards linked to deposit or loan accounts are not included in the definition of a "prepaid bank card." In addition, the bill requires merchants to exchange the unused value of a gift card for cash when it is used for a purchase and \$5 or less remains on the card.

**A.B. 1836**

This bill provides that a gift certificate or gift card sold after the effective date of the bill will retain full unused value until presented in exchange for merchandise. Thus, this bill creates a gift certificate or gift card that never expires nor has a dormancy fee charged against it. Under existing law, a gift card or gift certificate may contain certain conditions and limitations, which are disclosed to the purchaser at the time of purchase. Those conditions and limitations are as follows: (i) In no case shall a gift certificate or gift card expire within the 24 months immediately following the date of sale. (ii) No dormancy fee shall be charged against a gift certificate or a gift card within the 24 months immediately following the date of sale, nor shall one be charged within the 24 months immediately following the most recent activity or transaction in which the certificate or card was used. (iii) A dormancy fee charged against a gift certificate or gift card shall not exceed \$2 per month.

**A.B. 2085**

This bill would make it an unlawful practice under the Consumer Fraud Act to sell certain products via an Internet auction. The bill targets those products typically stolen from retailers by shoplifting gangs and resold over the Internet. The bill similarly makes it an unlawful practice for a person to sell a value loaded card via Internet auction unless the seller provides to the auctioneer, as well as the company's general counsel, a written or electronic record of the purchase or acquisition of the value loaded card, including the serial number and amount of the value loaded card; the date of purchase of the value loaded card; and the name, address and phone number of the person from whom that value loaded card was purchased or acquired. If a person sells an aggregate of five or more value loaded cards in contemporaneous Internet auctions conducted by an Internet auctioneer, the Internet auctioneer has 24 hours to notify the retailer of the sale in writing or electronically. The auctioneer must give the retailer relevant information about the seller, including the sales history and all aliases and accounts used by the person.

**A.B. 3002**

*Signed by governor 6/29/10, Chapter 25*

**S.B. 2112**

*Substituted 6/28/10*

This bill modifies the state's unclaimed property laws to adjust the time periods for presumptions of abandonment, limit issuer imposed dormancy fees, and provide for related administration of certain unclaimed property. The bill provides the following presumptions of abandonment: (i) Adjusts the period of time which triggers abandonment for travelers checks from 15 to three years; (ii) Adjusts the period of time which triggers abandonment for money orders from seven to three years; and (iii) Creates a two year trigger for abandonment of stored value cards. The bill's definition of stored value cards, includes, but is not limited to, paper gift certificates, gift cards and rebate cards. The bill also limits the imposition of dormancy fees as follows: Precludes the imposition of dormancy fees on travelers checks or money orders in the first 12 months after issuance and limits permissible dormancy fees to \$2 per month; and precludes the imposition of dormancy fees on stored value cards, credit balances, overpayments, security deposits, unused tickets, refunds, credit memoranda and similar instruments. The bill also includes stored value cards into an existing reimbursement process for escheated properties so that if an escheated stored value card is subsequently claimed by an owner and honored by the issuer, the state can reimburse the issuer. Additionally, the bill requires stored value card issuers to obtain the name and address of purchasers and to maintain, at a minimum, a record of the zip code of the purchaser. In instances where an issuer does not have the name and address of a purchaser, the address of the purchaser shall assume the address of the place where the stored value card is purchased, if that place is located in New Jersey. These provisions are designed to modernize the state's unclaimed property processes relative to other states and enhance New Jersey's capacity to protect its residents' stored value cards from being subject to the escheatment processes of other states. Stored value cards issued under a promotional program, customer loyalty program, charitable program or by a business selling \$250,000 or less of stored value cards in the prior year are exempted from the stored value card provisions of the bill. The bill also authorizes the state treasurer to grant an exemption from such provisions concerning stored value cards, on such terms and conditions as the state treasurer may require, for a business or class of businesses that demonstrate good cause. In determining whether to exercise the discretion to grant an exemption, the state treasurer may consider relevant factors including, but not limited to, the amount of stored value card transactions processed, the technology in place, whether or not stored value cards issued contain a microprocessor chip, magnetic strip, or other means designed to trace and capture information about place and date of purchase, and such other factors as the state treasurer shall deem relevant. The bill specifies that only stored value cards exempted from the unclaimed property provisions of the bill shall be deemed gift cards or gift certificates subject to the consumer protections provided under P.L.2002, c.14 (C.56:8-110 *et seq.*). The bill takes effect July 1, 2010 and applies to stored value cards, travelers checks, money orders and certain similar instruments outstanding on and after July 1, 2010, including, but not limited to, those issued before July 1, 2010.

**A.B. 3067**

This bill modifies the state's unclaimed property laws to adjust the time periods for presumptions of abandonment, limit issuer imposed dormancy fees, and provide for related administration of certain unclaimed property. The bill provides the following presumptions of abandonment: (i) Adjusts the period of time which triggers abandonment for travelers checks from 15 to three years; (ii) Adjusts the period of time which triggers abandonment for money orders from seven to three years; and (iii) Creates a one year trigger for abandonment of stored value cards. The bill's definition of stored value cards, includes, but is not limited to, paper gift certificates, gift cards and rebate cards. Stored value cards do not include similar cards issued under a promotional or charitable program. The bill also limits the imposition of dormancy fees as follows: Precludes the imposition of dormancy fees on travelers checks or money orders in the first 12 months after issuance and limits permissible dormancy fees to \$2 per month; and precludes the imposition of dormancy fees on stored value cards, credit balances, overpayments, security deposits, unused tickets, refunds, credit memoranda and similar instruments. The bill also includes stored value cards into an existing reimbursement process for escheated properties so that if an escheated stored value card is subsequently claimed by an owner and honored by the issuer, the state can reimburse the issuer. Additionally, the bill requires stored value card issuers to obtain the name and address of purchasers and to maintain, at a minimum, a record of the zip code of the purchaser. In instances where an issuer does not have the name and address of a purchaser, the address of the purchaser shall assume the address of the place where the stored value card is purchased, if that place is located in New Jersey. These provisions are designed to modernize the state's unclaimed property processes relative to other states and enhance New Jersey's capacity to protect its residents' stored value cards from being subject to other state's escheatment processes. The bill also authorizes the state treasurer to grant an exemption from such provisions concerning stored value cards, on such terms and conditions as the state treasurer may require, for a business or class of businesses that demonstrate good cause. In determining whether to exercise the discretion to grant an exemption, the state treasurer may consider relevant factors including, but not limited to, the amount of stored value card transactions processed, the technology in place, whether or not stored value cards issued contain a microprocessor chip, magnetic strip, or other means designed to trace and capture information about place and date of purchase, and such other factors as the state treasurer shall deem relevant. The bill takes effect July 1, 2010 and applies to stored value

cards, travelers checks, money orders and certain similar instruments outstanding on and after July 1, 2010, including, but not limited to, those issued before July 1, 2010.

**A.B. 3091**

This bill adjusts the period triggering abandonment for stored value cards from two to five years and exempts stored value cards useable solely for telephone services from the state's escheatment processes. The purposes of this measure are to alleviate the potential burdens that may be imposed upon consumers and issuers by subjecting stored value cards to a two year abandonment trigger and prepaid phone cards to the state's escheatment processes. Senate Bill No. 2112 of 2010 and Assembly Bill No. 3002 of 2010 propose to bring stored value cards into the grasp of the state's escheatment processes, which allows the state to confiscate and hold the value of those cards upon the triggering of a presumption of abandonment. Though the value of the card remains subject to the claim of the card owner, the processes involved in escheatment may cause a significant disruption in the use and reliance upon stored value cards, particularly in the case of prepaid phone cards. To remedy these potential hazards, this bill makes two modifications to the processes for escheatment of stored value cards. The bill adjusts the abandonment period that triggers the escheatment of stored value cards from two to five years. The bill also provides an exemption to the state's escheatment process for stored value cards which are useable solely for telephone services. Stored value cards usable solely for telephone services include, but are not limited to, stored value cards redeemable for long-distance telephone service, prepaid cards for wireless telephone service and prepaid cards for other services that function similar to telephone services. The bill is to take effect immediately, but to remain inoperative until the date of enactment of Senate Bill No. 2112 or Assembly Bill No. 3002.

**S.B. 800**

This bill incorporates prepaid bank cards, defined in the bill as a form of gift card, into the existing statutory provisions which regulate the expiration dates and dormancy fees for gift cards and gift certificates generally. These prepaid bank cards include mall gift cards issued by third party banks or other financial institutions which are usable at multiple, unaffiliated merchants within a particular shopping mall. By incorporating prepaid bank cards into the existing gift card and gift certificate statutory requirements, the bill: 1) prohibits the expiration of prepaid bank cards within 24 months immediately following the date of sale by the original purchaser of the card; 2) prohibits the charging of a dormancy fee against a prepaid bank card within 24 months immediately following the date of sale, and within 24 months immediately following the most recent activity or transaction in which the card is used; 3) limits the dormancy fee, when applicable, charged against a prepaid bank card to no more than \$2 per month; and 4) requires appropriate disclosure of the above card expiration and dormancy fee provisions to prepaid bank card consumers.

**S.B. 1292**

This bill provides that a gift certificate, prepaid bank card or gift card sold after the effective date of the bill will retain full unused value until presented in exchange for merchandise. Thus, this bill creates a gift certificate, prepaid bank card or gift card that never expires nor has a dormancy fee charged against it. Existing statutory provisions regulate the expiration dates and dormancy fees for gift cards and gift certificates generally. As currently provided by law, a gift card or gift certificate may contain certain conditions and limitations, which are disclosed to the purchaser at the time of purchase. Those conditions and limitations are as follows: In no case shall a gift certificate or gift card expire within the 24 months immediately following the date of sale. No dormancy fee shall be charged against a gift certificate or a gift card within the 24 months immediately following the date of sale, nor shall one be charged within the 24 months immediately following the most recent activity or transaction in which the certificate or card was used. A dormancy fee charged against a gift certificate or gift card shall not exceed \$2 per month.

**New York**

**A.B. 1541**

Requires retailers issuing gift certificates to hold the amount equal to the issued gift certificate in escrow to be paid out upon closing of such retailer.

**A.B. 2567**

Relates to gift certificates; deletes any references to the "dormancy" of gift certificates.

**A.B. 5739**

Prohibits the sale of gift certificates and gift cards that diminish in value due to dormancy; and prohibits surcharges and fees on gift certificates and gift cards.

**A.B. 6956**

Provides that gift certificates and store credits shall not contain expiration dates, except in limited circumstances where they are issued for promotional purposes without value being given by the consumer; makes certificates or credit with an expiration date redeemable in cash or replaceable by a certificate or credit without an expiration date.

**A.B. 7523**

Relates to the sale and use of gift certificates; requires that gift certificates last for at least seven years; requires that the date of issuance and the date of expiration of a gift certificate be either printed on the gift certificate, printed on a customer's receipt, or available through an Internet and toll-free telephone service.

**A.B. 7555**

Requires that gift certificates, gift cards, or store credits have no expiration or diminution in value over time.

**A.B. 10438****S.B. 7184**

Provides that a gift certificate issued by a single merchant or an affiliated group of merchants that share the same name, mark or logo may be used by the holder thereof to pay down any debt owed to or any credit card issued by such merchant or affiliated group of merchants.

**Pennsylvania****H.B. 206**

Amends provisions regarding abandoned and unclaimed property; provides for definitions, for property subject to custody and control of the Commonwealth and for property held by business associations.

**H.B. 207**

Amends the definitions of "unfair methods of competition" and "unfair and deceptive acts or practices" to include selling or offering to sell, by a person engaged in the retail sale of goods or services, a gift certificate to a consumer that expires within a certain number of years, charging an inactivity or other service fee, refusing to accept the gift certificate under certain circumstances, restricting use of the gift certificate, altering terms after issuance and failing to adequately disclose terms and conditions in advertising.

**S.B. 1209**

Amends the Unfair Trade Practices and Consumer Protection Act. Defines unfair methods of competition and unfair or deceptive acts or practices to include selling gift certificates with expiration dates or imposing fees.

**Rhode Island****S.B. 2108**

Provides that no service or maintenance fees may be charged on gift cards and certificates less than two years old, and eliminates certain exceptions in the existing statute.

**South Carolina****S.B. 381**

Amends the Code of Laws of South Carolina, 1976, by adding chapter 17 to title 27 so as to enact the "South Carolina Uniform Unclaimed Property Act of 2009"; and repeals chapter 18 of title 27 relating to unclaimed property; provides for abandoned gift certificates.

**South Dakota****S.B. 81**

*Signed by governor 3/24/10*

Exempts open-loop prepaid cards from unclaimed property provisions.

**Tennessee****H.B. 764****S.B. 1737**

Requires gift certificates with a monetary value of less than \$10.00 to be redeemable in cash for cash value.

**H.B. 1612****S.B. 1119**

Requires gift certificates with a monetary value of less than \$10.00 to be redeemable in cash for cash value.

**Virginia****H.B. 181**

*Tabled 2/4/10*

Prohibits the issuance of a gift card that automatically, as a result of the passage of a period of time following its purchase or activation (i) expires, (ii) diminishes in value by the assessment of a maintenance fee or inactivity fee, or (iii) otherwise becomes unredeemable.

**2009 Legislation****Alaska****H.B. 64**

Relates to gift certificates and gift cards and to unclaimed property; and makes a violation of certain gift card prohibitions an unlawful trade practice.

**Arizona****H.B. 2304**

Stipulates that any dollar amount on a retail gift card that is not used is presumed abandoned on the expiration date. Mandates that any property from an expired gift card that is presumed abandoned shall be distributed as follows three years after its expiration date: The first \$25 to the issuer if the issuer has employees, an office or a retail place of business located in Arizona. The remaining monies to the General Fund.

**California****A.B. 77**, Third Special Session

Includes gift certificates within the unclaimed property law and requires the full value of a gift certificate issued commencing July 1, 2006, or portion thereof that has not been redeemed within three years after issuance of the gift certificate to escheat to the state and be forwarded to the controller. The bill provides that it does not alter the rights and responsibilities of the seller and buyer under the terms of the gift certificate and authorizes a seller to claim the value of a subsequently redeemed gift certificate as a credit against the seller's next payment to the controller. Establishes the Escheated Gift Certificate/Poison Control Center Funding Account within the State Treasury and requires deposit of the funds collected pursuant to this bill into the account for the purposes of funding poison control centers, upon appropriation by the Legislature, and requires the transfer of excess funds to the General Fund.

**Connecticut****S.B. 874**

*Failed Joint Favorable deadline 3/12/09*

Exempts any electronic card usable with multiple unaffiliated sellers of goods or services from escheat provisions in the general statutes.

**S.B. 892**

*Failed Joint Favorable deadline 3/10/09*

Prohibits selling gift certificates with a dormancy charge or fee, escheat charge or fee, inactivity charge or fee or any similar charge, fee or penalty for inactivity. Requires any person selling or issuing a gift certificate to maintain a secured line of credit or hold in trust in a separate escrow account in an amount equal to the unredeemed value of all outstanding gift certificates issued or sold by such person.

**S.B. 925**

Establishes the Connecticut Retail Gift Card and Certificate Guaranty Fund, imposes an annual \$25 fee to pay for the fund, and (3) authorizes the Department of Consumer Protection (DCP) to administer the fund and applications to it. Amends the definition of gift certificates to include a record evidencing a promise donated to a charitable organization; prohibits the sale of gift cards or certificates with dormancy, escheat, or inactivity charges, fees, or penalties; and requires gift certificates not subject to state law to contain clear and conspicuous descriptions of any expirations, charges, fees, or penalties.

**S.J.R. 14**

*Link not available*

Calls upon the Congress of the United States to adopt legislation to prohibit any person or entity from charging consumers a fee for or related to a gift card, other than payment in an amount equal to the actual face value of such card.

**S.J.R. 62**

*Link not available*

Memorializes Congress to ban gift card fees.

**District of Columbia****B18-323**

Prohibits gift certificates and gift cards from expiring or being subject to fees or charges for a period of four years; makes violations of this Act an unlawful trade practice; and amends the Uniform Disposition of Unclaimed Property Act of 1980 to include gift cards.

**Illinois****H.B. 339**

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that the holder of a gift certificate issued on or after January 1, 2010 that has a balance of less than \$10 must be given the option of receiving that balance in cash.

**H.B. 3703**

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that any value remaining after the expiration date on a gift certificate issued by a nonprofit organization shall revert back to the nonprofit organization.

**Indiana****H.B. 1122**

Provides that a person may not issue a gift card that is subject to an expiration date or a fee.

**H.B. 1529**

*Passed House 2/16/09*

Provides that a person may not issue a gift card that is subject to an expiration date or a fee.

**Kentucky****S.B. 85**

*Passed Senate 3/2/09*

Amends KRS 367.890 relating to gift cards to remove the requirement that the gift card be issued by a merchant and to provide that gift cards issued with expiration dates are not subject to escheat.

**Maryland****H.B. 126**

*Withdrawn 2/17/09*

**S.B. 418**

*Withdrawn 2/23/09*

Provides that on a specified date the balance remaining on a gift certificate sold in the state shall be presumed to be abandoned; requires each issuer of gift certificates sold in the state to report to the comptroller specified information regarding gift certificate transactions in the state and to remit to the comptroller 70 percent of the remaining balances on specified gift certificates on or before March 1 of each year.

**Massachusetts****H.B. 239**

Amends the definitions of gift card and gift certificate. Provides that a person may not sell a gift card: (1) that has an expiration date; (2) that has a face value that declines as a result of the passage of time or the lack of use of the card; or (3) that has a fee. A gift card with a remaining value of \$10 or less may be redeemed in cash for its cash value. The value paid by a purchaser of a gift card to the issuer of the gift card is trust property held by the issuer, or its successors in interest, as trustee for the benefit of the holder of the gift card.

**H.B. 314**

Amends the definition of a gift certificate to include a writing identified as a gift certificate or a credit backed or bank issued gift card, purchased by a buyer for use by a person other than the buyer not redeemable in cash and usable in its face amount in lieu of cash in exchange for goods or services supplied by the seller.

**H.B. 3865**

Provides that whoever sells gift certificates shall maintain a bank escrow account segregated from its other assets sufficient to reimburse holders of such certificates.

**H.B. 3870**

Provides that the commission shall assess a fee to be determined by him on all sellers of gift certificates in the commonwealth. Said fees shall be deposited in a bank escrow fund separate from all others assets of the seller. Said funds shall be used to reimburse holders of such certificates if the issue of the certificate goes out of business.

**S.B. 126**

Provides that all gift certificates and gift cards will retain the original value except for deduction occurring due to purchases using the card or certificate by the holder of the card.

**Michigan****H.B. 4925**

Revises the definition of gift certificate in the consumer protection act.

**Minnesota****H.F. 2123**

*Signed by governor with line item veto 5/7/09, Chapter 37*

Authorizes the Department of Natural Resources to sell department gift cards and certificates.

**H.F. 2295****S.F. 1353**

Authorizes the Department of Natural Resources to sell department gift cards and certificates.

**Mississippi****H.B. 420**

*Died in committee 2/3/09*

Enacts the Mississippi Uniform Unclaimed Property Act; provides that gift certificates will be presumed abandoned three years after December 31<sup>st</sup> of the year in which the certificate was sold, but if redeemable in merchandise only, the amount abandoned is deemed to be 60 percent of the certificate's face value.

**S.B. 2363**

*Died in committee 2/3/09*

Enacts the Mississippi Uniform Unclaimed Property Act; provides that gift certificates will be presumed abandoned three years after December 31<sup>st</sup> of the year in which the certificate was sold, but if redeemable in merchandise only, the amount abandoned is deemed to be 60 percent of the certificate's face value.

**Missouri**

**H.B. 198**

Prohibits the use of expiration dates earlier than five years after the date of issuance or post-purchase fees on gift certificates sold in Missouri. Any gift certificate issued on or after August 28, 2009, will not reduce in value and the holder cannot be penalized in any way for non-use or untimely redemption. Violations of the provisions of the bill will be considered unfair merchandising practices and subject to penalties.

**S.B. 371**

Prohibits the use of expiration dates or service fees on gift certificates. Abandoned or unused gift certificates shall not be subject to state unclaimed property provisions and shall not become the property of the State Treasurer. Violations of the act shall be considered unfair marketing practices subject to certain unlawful merchandising practice penalties.

**Nevada**

**S.B. 82**

*Signed by governor 6/1/09, Chapter 404*

Establishes procedures to allow law enforcement to identify funds associated with prepaid or stored value cards. This bill allows a peace officer to determine the name, personal information and amount of funds associated with a prepaid or stored value card in certain circumstances where there is probable cause to believe that the prepaid or stored value card is an instrumentality of a crime. Finally, this bill allows the attorney general or a state or local law enforcement agency to enter into a contract to carry out the provisions of this bill concerning the identification of funds.

**New Jersey**

**A.B. 2449**

**S.B. 612**

Incorporates prepaid bank cards, defined in the bill as a form of gift card, into the existing statutory provisions which regulate the expiration dates and dormancy fees for gift cards and gift certificates generally. These prepaid bank cards include mall gift cards issued by third party banks or other financial institutions which are usable at multiple, unaffiliated merchants within a particular shopping mall. By incorporating prepaid bank cards into the existing gift card and gift certificate statutory requirements, the bill: 1) prohibits the expiration of prepaid bank cards within 24 months immediately following the date of sale by the original purchaser of the card; 2) prohibits the charging of a dormancy fee against a prepaid bank card within 24 months immediately following the date of sale, and within 24 months immediately following the most recent activity or transaction in which the card is used; 3) limits the dormancy fee, when applicable, charged against a prepaid bank card to no more than \$2.00 per month; and 4) requires appropriate disclosure of the above card expiration and dormancy fee provisions to prepaid bank card consumers.

**A.B. 3495**

**S.B. 2509**

Provides that a gift certificate, prepaid bank card or gift card sold after the effective date of the bill will retain full unused value until presented in exchange for merchandise. Thus, this bill creates a gift certificate, prepaid bank card or gift card that never expires nor has a dormancy fee charged against it. Existing statutory provisions regulate the expiration dates and dormancy fees for gift cards and gift certificates generally. As currently provided by law, a gift card or gift certificate may contain certain conditions and limitations, which are disclosed to the purchaser at the time of purchase. Those conditions and limitations are as follows: (i) In no case shall a gift certificate or gift card expire within the 24 months immediately following the date of sale. (ii) No dormancy fee shall be charged against a gift certificate or a gift card within the 24 months immediately following the date of sale, nor shall one be charged within the 24 months immediately following the most recent activity or transaction in which the certificate or card was used. (iii) A dormancy fee charged against a gift certificate or gift card shall not exceed \$2.00 per month.

**New York**

**A.B. 1541**

Requires retailers issuing gift certificates to hold the amount equal to the issued gift certificate in escrow to be paid out upon closing of such retailer.

**A.B. 2567**

Relates to gift certificates; deletes any references to the "dormancy" of gift certificates.

**A.B. 5739**

Prohibits the sale of gift certificates and gift cards that diminish in value due to dormancy; and prohibits surcharges and fees on gift certificates and gift cards.

**A.B. 6956**

Provides that gift certificates and store credits shall not contain expiration dates, except in limited circumstances where they are issued for promotional purposes without value being given by the consumer; makes certificates or credit with an expiration date redeemable in cash or replaceable by a certificate or credit without an expiration date.

**A.B. 7523**

Relates to the sale and use of gift certificates; requires that gift certificates last for at least seven years; requires that the date of issuance and the date of expiration of a gift certificate be either printed on the gift certificate, printed on a customer's receipt, or available through an Internet and toll-free telephone service.

**A.B. 7555**

Requires that gift certificates, gift cards, or store credits have no expiration or diminution in value over time.

**Pennsylvania**

**H.B. 206**

Amends provisions regarding abandoned and unclaimed property; provides for definitions, for property subject to custody and control of the Commonwealth and for property held by business associations.

**H.B. 207**

Amends the definitions of "unfair methods of competition" and "unfair and deceptive acts or practices" to include selling or offering to sell, by a person engaged in the retail sale of goods or services, a gift certificate to a consumer that expires within a certain number of years, charging an inactivity or other service fee, refusing to accept the gift certificate under certain circumstances, restricting use of the gift certificate, altering terms after issuance and failing to adequately disclose terms and conditions in advertising.

**Rhode Island**

**H.B. 5904**

Requires issuers of gift certificates to deposit and hold funds used to purchase the gift certificate in escrow for one year or until the gift certificate is redeemed and restricts certain redemption terms in event of bankruptcy.

**S.B. 291**

Provides that no service or maintenance fees may be charged on gift cards and certificates less than two years old, and eliminates certain exceptions in the existing statute.

**S.B. 859**

Requires issuers of gift certificates to deposit and hold funds used to purchase the gift certificate in escrow for one year or until the gift certificate is redeemed and restricts certain redemption terms in event of bankruptcy.

**South Carolina**

**S.B. 381**

Amends the Code of Laws of South Carolina, 1976, by adding chapter 17 to title 27 so as to enact the "South Carolina Uniform Unclaimed Property Act of 2009"; and repeals chapter 18 of title 27 relating to unclaimed property; provides for abandoned gift certificates.

**Tennessee**

**H.B. 764**

**S.B. 1737**

Requires gift certificates with a monetary value of less than \$10.00 to be redeemable in cash for cash value.

**H.B. 1612**

**S.B. 1119**

Requires gift certificates with a monetary value of less than \$10.00 to be redeemable in cash for cash value.

**H.B. 1876**

*Substituted 4/30/09*

**S.B. 1623**

*Signed by governor 5/21/09, Public Chapter 277*

Excludes prepaid cards that are usable with multiple, unaffiliated merchants and/or ATM machines from the gift certificate statute.

**Texas**

**H.B. 1007**

*Passed House 5/4/09*

Amends the Business & Commerce Code to prohibit a person from issuing or selling a stored value card that expires after a certain date and specifies that a condition providing for the expiration of a stored value card is void. The bill makes conforming changes to this code and to the Property Code. The bill removes a specification that provisions for the sale or issuance of a stored

value card do not apply to a card for which a seller does not charge a fee other than a fee related to the issuance and handling of a card. Amends the Property Code to require a holder of unclaimed value on a stored value card delivered to the comptroller of public accounts as abandoned property to honor the unclaimed value of the card and authorizes the holder to request, in a form prescribed by the comptroller, reimbursement from the comptroller in an amount equal to the value honored by the holder. The bill requires the comptroller to provide reimbursement to the holder in an amount equal to the value of such a card and requires the comptroller to adopt rules to administer this provision.

**H.B. 1771**

*Passed House 5/1/09*

Prohibits retailers from assessing fees on a stored value card, including: a handling fee in connection with the issuance of or adding value to the card; an access fee for a card transaction conducted at an unmanned teller machine; a reissue or replacement charge; or a periodic fee or other charge that caused the unredeemed balance to decrease over time. Allows the comptroller to claim a gift card that did not expire as abandoned property.

**H.B. 3155**

Relates to the expiration and abandonment of stored value cards.

**Utah****S.B. 270**

*Signed by governor 3/25/09, Chapter 343*

Modifies the Unclaimed Property Act to address gift cards. Defines "gift card"; exempts a gift card, gift certificate, or credit memo from the Unclaimed Property Act.

**Virginia****H.B. 1658**

*Passed House 1/30/09*

Provides that campaign contributions made through a stored value card may never be accepted. The bill also defines the term "stored value card."

## 2008 Legislation

**Alaska****H.B. 49**

Relates to credit memos, gift certificates, and gift cards, and to unclaimed property; and makes a violation of certain gift card prohibitions an unlawful trade practice.

**Colorado****H.B. 1154**

*Postponed indefinitely 2/13/08*

Makes it unlawful to sell via an internet auction A value-loaded card, unless the seller provides certain information to the auctioneer and the company's general counsel; when a person who sells a total of five or more value-loaded cards in concurrent internet auctions conducted by an auctioneer, requires the auctioneer to notify the retailer of the sale in writing or electronically within 24 hours. Requires the auctioneer to give the retailer relevant information about the seller, including the sales history and all aliases and accounts used by the seller.

**Florida****S.B. 324**

*Died in committee 5/2/08*

Revises expiration dates for gift certificates. Clarifies the term "gift certificate" to exclude discount or promotional coupons or tickets to specified theme parks or entertainment complexes and permanent exhibitions or recreational activities within such theme parks or entertainment complexes.

**Hawaii****H.B. 2591**

*To conference committee 4/14/08*

Requires retailers to pay out in cash the balance of any gift card worth less than \$5, if requested by the consumer.

**Illinois****H.B. 4719**

Provides that the holder of a gift certificate issued on or after January 1, 2009 that has a balance of less than \$10 must be given the option of receiving that balance in cash.

**Iowa**

**H.S.B. 797**

*Became H.F. 2700 4/24/08*

The division enacts new Code §537.3312, under the consumer credit code, that provides that a seller or issuer of a gift certificate shall redeem the gift certificate at full value and shall not assess a fee with respect to the gift certificate, include an expiration date, or impose any condition on the ability of the owner to redeem the gift certificate. A violation of this new section is an unfair practice for purposes of consumer frauds and also subjects the violator to the penalty provision of Code §537.5201 under the consumer credit code. Amends Code §556.9, subsection 2, concerning gift certificates, to eliminate the ability of an issuer to deduct any charge from the value of the gift certificate under a written contract.

**S.F. 2091**

*Became S.F. 2372 3/10/08*

Relates to the issuance or redemption of gift certificates, establishing restrictions on fees and charges, prohibiting expiration dates; makes penalties applicable.

**S.F. 2372**

Relates to the issuance or redemption of gift certificates, establishing restrictions on fees and charges, prohibiting expiration dates; makes penalties applicable.

**S.S.B. 3245**

New Code §537.3312, under the consumer credit code, provides that a seller or issuer of a gift certificate shall redeem the gift certificate at full value and shall not assess a fee with respect to the gift certificate, include an expiration date, or impose any condition on the ability of the owner to redeem the gift certificate. The bill provides that a violation of this new section is an unfair practice for purposes of consumer frauds and also subjects the violator to the penalty provision of Code §537.5201 under the consumer credit code. Strikes Code §556.9, subsection 2, concerning gift certificates, which provided that an issuer of a gift certificate shall not deduct any charge from the value of the gift certificate unless a written contract exists which imposes such a charge.

**Maine**

**L.D. 2181**

*Signed by governor 4/14/08, Chapter 696*

Requires a merchant redeeming a gift obligation or stored-value card to refund a balance on the card of less than \$5 to the consumer as long as the card is redeemed in person by the customer.

**Maryland**

**H.B. 613**

**S.B. 998**

Provides that after a specified date, the balance remaining on a gift certificate shall be presumed abandoned; requires a person that issues a gift certificate sold in the State to remit to the Comptroller a specified percentage of the remaining balance on the gift card on or before a specified date each year.

**H.B. 1297**

Prohibits a person in the state from selling or offering to sell, by means of an Internet auction, any food, drug or cosmetic product that is subject to expiration dating requirements, any infant formula or baby food, or more than five value loaded cards in a month; establishing penalties for a violation of the Act.

**Massachusetts**

**H.B. 326**

Relates to credit backed or bank issued gift cards.

**H.B. 347**

Eliminates surcharges on purchases of gift certificates.

**S.B. 176**

Provides for returning merchandise purchased with a gift card.

**S.B. 2345**

*Signed by governor 3/3/08, Chapter 58*

Provides updates to the gift certificate law.

**S.B. 2419**

Allows cash redemption of certain gift certificates.

**Michigan**

**H.B. 4050**

*Signed by the governor 7/10/08, Public Act 210*

Amends the Michigan Consumer Protection Act to prohibit a person engaged in the retail sale of goods or services from doing any of the following: Refusing to accept a gift certificate, except after an expiration date that was at least five years after the purchase date. Restricting the holder of a gift certificate from using it in a manner that was consistent with its terms and conditions. Altering terms or conditions of a gift certificate after it was issued. Failing to disclose the terms and conditions of a gift certificate or card, or failing to disclose that terms and conditions applied. Refusing to accept a gift certificate and apply it to a purchase if its value were less than the purchase price.

**H.B. 4317**

*Signed by governor 7/10/08, Public Act 211*

Amend the Michigan Consumer Protection Act to prohibit a person engaged in the retail sale of goods or services from charging an inactivity fee or other service fee for the possession or use of a gift certificate. "Service fee" would not include any fee charged to and paid by a consumer in connection with the sale of a gift certificate, unless the fee were deducted or debited from the face value of the gift certificate. In addition, the Act provides that unfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce are unlawful, and contains a list of such practices. The attorney general may bring an action to enjoin a method, act, or practice that violates the Act.

**H.B. 4680**

*Signed by governor 7/10/08, Public Act 209*

Prohibits a person engaged in the retail sale of goods or services from selling to a consumer a gift certificate that expired within a period of less than five years.

**S.B. 388**

*Signed by governor 7/10/08, Public Act 208*

Amends the Uniform Unclaimed Property Act (MCL 567.222 et al.) to address when a gift certificate or gift card is considered abandoned property.

**Mississippi**

**H.B. 788**

*Died in committee 2/19/08*

Requires merchants to pay customers the full amount of the remaining balance on a gift card or certificate when the customer uses the card or certificate to purchase goods or services from the merchant within 90 days after the date of issuance of the card or certificate and the balance is \$10 or less.

**S.B. 2318**

*Died in committee 2/19/08*

Makes unlawful the sale of a gift certificate that contains an expiration date or a service fee, with certain exceptions.

**Missouri**

**H.B. 1494**

Prohibits the use of expiration dates or service fees on gift certificates. Violations of the provisions of the bill will be considered unfair merchandising practices and be subject to penalties.

**H.B. 1718**

Prohibits the use of expiration dates earlier than five years after the date of issuance or post-purchase fees on gift certificates sold in Missouri. Any gift certificate issued after August 28, 2008, will not reduce in value and the holder cannot be penalized in any way for non-use or untimely redemption. Violations of the provisions of the bill will be considered unfair merchandising practices and be subject to penalties.

**H.B. 1966**

Prohibits the use of expiration dates earlier than five years after the date of issuance or post-purchase fees on gift certificates sold in Missouri. Any gift certificate issued after August 28, 2008, will not reduce in value and the holder cannot be penalized in any way for non-use or untimely redemption. Violations of the provisions of the bill will be considered unfair merchandising practices and be subject to penalties.

**H.B. 2519**

Prohibits any post-sale charge or fee on credit memos and gift certificates sold in Missouri. A gift certificate can have an expiration date of not less than three years if it is provided as a charitable contribution and no consideration is given to the issuer by the consumer or not less than one year if provided under an employee-incentive program, consumer-loyalty program, or promotional program that is disclosed in writing and no consideration is given to the issuer by the consumer. A gift certificate provided as part of a larger package for a convention, conference, vacation, sporting event, or fine arts event having a limited duration can have an expiration date if most of the value paid is for the convention, conference, vacation, or event. These provisions do not apply to a gift certificate or credit memo sold or issued by a financial institution or by a money transmitter if it is redeemable by multiple unaffiliated merchants.

**Nebraska**

**L.B. 668**

*Signed by governor 3/10/08*

Amends Nebraska law regarding gift cards and gift certificates to prohibit unredeemed gift cards which are over \$100 in value and do not contain any post sale finance charges or fees, from being presumed abandoned after three years.

**New Jersey**

**A.B. 1261**

*Passed Assembly 3/13/08*

**S.B. 566**

Makes it an unlawful practice to sell gift cards unless they are packaged or displayed in a manner that would prevent a person from viewing the gift card account number prior to purchasing the gift card. An unlawful practice under the Consumer Fraud Act is punishable by a monetary penalty of not more than \$10,000 for a first offense and not more than \$20,000 for any subsequent offense. In addition, a violation can result in cease and desist orders issued by the attorney general, the assessment of punitive damages and the awarding of treble damages and costs to the injured party.

**A.B. 2363**

Makes it an unlawful practice under the Consumer Fraud Act to sell certain products via an Internet auction. The bill targets those products typically stolen from retailers by shoplifting gangs and resold over the Internet. Makes it an unlawful practice for a person to sell a value loaded card via Internet auction unless the seller provides to the auctioneer, as well as the company's general counsel, a written or electronic record of the purchase or acquisition of the value loaded card, including the serial number and amount of the value loaded card; the date of purchase of the value loaded card; and the name, address and phone number of the person from whom that value loaded card was purchased or acquired. If a person sells an aggregate of five or more value loaded cards in contemporaneous Internet auctions conducted by an Internet auctioneer, the Internet auctioneer has 24 hours to notify the retailer of the sale in writing or electronically. The auctioneer must give the retailer relevant information about the seller, including the sales history and all aliases and accounts used by the person.

**A.B. 2449**

**S.B. 612**

Incorporates prepaid bank cards, defined in the bill as a form of gift card, into the existing statutory provisions which regulate the expiration dates and dormancy fees for gift cards and gift certificates generally. These prepaid bank cards include mall gift cards issued by third party banks or other financial institutions which are usable at multiple, unaffiliated merchants within a particular shopping mall. By incorporating prepaid bank cards into the existing gift card and gift certificate statutory requirements, the bill: 1) prohibits the expiration of prepaid bank cards within 24 months immediately following the date of sale by the original purchaser of the card; 2) prohibits the charging of a dormancy fee against a prepaid bank card within 24 months immediately following the date of sale, and within 24 months immediately following the most recent activity or transaction in which the card is used; 3) limits the dormancy fee, when applicable, charged against a prepaid bank card to no more than \$2.00 per month; and 4) requires appropriate disclosure of the above card expiration and dormancy fee provisions to prepaid bank card consumers.

**A.B. 2477**

Provides that a gift certificate or gift card sold after the effective date of the bill will retain full unused value until presented in exchange for merchandise. Thus, this bill creates a gift certificate or gift card that never expires nor has a dormancy fee charged against it.

**A.B. 2603**

Requires abandoned gift card balances to escheat to state.

**A.B. 2751**

*Withdrawn 6/23/08*

Requires that the unclaimed or unused value of a gift card would, in time, escheat to the state and be deposited into the Property Tax Relief Fund. In doing so, it would dedicate these unclaimed funds to property tax relief for New Jersey residents, rather than allowing retail merchants to retain possession of them. The bill specifies that the unclaimed balance of a gift card would be presumed abandoned, and thereby escheat to the state, after the card is not used for more than seven years from the date of its purchase or the last transaction for which it was used. In addition, the bill requires merchants to exchange the unused value of a gift card for cash when it is used for a purchase and \$5 or less remains on the card.

**A.B. 3495**

Provides that a gift certificate, prepaid bank card or gift card sold after the effective date of the bill will retain full unused value until presented in exchange for merchandise. Thus, this bill creates a gift certificate, prepaid bank card or gift card that never expires nor has a dormancy fee charged against it. Existing statutory provisions regulate the expiration dates and dormancy fees for gift cards and gift certificates generally. As currently provided by law, a gift card or gift certificate may contain certain conditions and limitations, which are disclosed to the purchaser at the time of purchase. Those conditions and limitations are as follows: (i) In no case shall a gift certificate or gift card expire within the 24 months immediately following the date of sale. (ii) No dormancy fee shall be charged against a gift certificate or a gift card within the 24 months immediately following the date of sale,

nor shall one be charged within the 24 months immediately following the most recent activity or transaction in which the certificate or card was used. (iii) A dormancy fee charged against a gift certificate or gift card shall not exceed \$2.00 per month.

**S.B. 1087**

Makes it an unlawful practice under the Consumer Fraud Act to sell certain products via an Internet auction. The bill targets those products typically stolen from retailers by shoplifting gangs and resold over the Internet. Makes it an unlawful practice for a person to sell a value loaded card via Internet auction unless the seller provides to the auctioneer, as well as the company's general counsel, a written or electronic record of the purchase or acquisition of the value loaded card, including the serial number and amount of the value loaded card; the date of purchase of the value loaded card; and the name, address and phone number of the person from whom that value loaded card was purchased or acquired. If a person sells an aggregate of five or more value loaded cards in contemporaneous Internet auctions conducted by an Internet auctioneer, the Internet auctioneer has 24 hours to notify the retailer of the sale in writing or electronically. The auctioneer must give the retailer relevant information about the seller, including the sales history and all aliases and accounts used by the person.

**New Mexico**

**S.B. 414**

Specifies expiration date for gift certificates and amends the Uniform Unclaimed Property Act.

**New York**

**A.B. 10641**

Requires retailers issuing gift certificates to hold the amount equal to the issued gift certificate in escrow to be paid out upon closing of such retailer.

**A.B. 11013**

**S.B. 8052**

Relates to gift certificates; deletes any references to the "dormancy" of gift certificates.

**A.B. 11034**

**S.B. 7891**

Prohibits gift certificates and gift cards from having expiration dates, service fees, dormancy fees, retroactive fees or any other fee; establishes gift certificates or gift cards shall not include store credits of any kind which have been transferred in exchange for returned merchandise so long as such information is conspicuously stated by the store's terms and condition.

**Pennsylvania**

**H.B. 2736**

Provides that gift cards and gift certificates have the same meaning given to them under section 2 of the act of December 17, 1968 (P.L.1224, No.387), known as the "Unfair Trade Practices and Consumer Protection Law.

**H.B. 2737**

Amends the Unfair Trade Practices and Consumer Protection Act of 1968. Provides that it is an unfair or deceptive act or practice to sell a gift certificate to a consumer that expires within less than five years, charge an inactivity or other service fee, refuse to accept the gift certificate if the goods or services are for personal use or advertised on sale or pursuant to a liquidation or closeout, altering terms after issuance and failing to disclose terms in advertisements.

**Rhode Island**

**H.B. 7398**

*Effective without governors signature 7/4/08, Chapter 251*

Prohibits any person, firm, or corporation from charging a surcharge of any kind relating to gift certificates and/or gift cards.

**S.B. 2066**

*Passed House in concurrence 6/21/08*

Prohibits any person, firm, or corporation from charging a surcharge of any kind relating to gift certificates and/or gift cards.

**South Dakota**

**H.B. 1258**

*Vetoed by governor 3/13/08*

Requires that gift certificates conspicuously disclose information regarding fees and expiration dates

**Tennessee**

**H.B. 2522**

**S.B. 3209**

Allows gift certificates with a monetary value of less than \$10 to be redeemed in cash.

**H.B. 3897**

Prohibits the diminution in value of gift cards and certificates.

**H.B. 4023**

**S.B. 4038**

Prohibits the diminution in value of gift cards and certificates.

**Utah****S.J.R. 11***Adopted 3/13/08*

Gives the Legislative Management Committee items of study it may assign to the appropriate interim committee, including a study treating expired gift certificates as unclaimed property.

**Virginia****H.B. 329**

Requires each gift certificate that is charged a fee for maintenance, service, or inactivity to include a telephone number or Internet address where the holder of the certificate may obtain information regarding such fees. The measure also requires that any gift certificate that has a limit on the time for redemption, other than an expiration date, to include a telephone number or Internet address where the holder of the certificate may obtain information regarding about such limit.

**H.B. 859**

Prohibits the issuer of a gift certificate from (i) charging, within the 12 months following the date of its issuance, a maintenance fee or inactivity fee on a gift certificate or (ii) issuing a gift certificate that, within the 24 months following the date of its issuance, automatically expires, diminishes in value, or otherwise becomes unredeemable. Merchants issuing gift certificates with a permissible maintenance fee or inactivity fee are required to disclose to the purchaser the terms pertaining to such a fee. If a gift certificate is issued with an expiration date or other time limit on its redemption, the issuer is required to provide a statement thereof. The required disclosures shall be provided prior to the completion of the certificate's purchase. Required information may be imprinted on the packaging material attached to the certificate at the time of sale. The definition of a gift certificate is expanded to include any record that contains a microprocessor chip, magnetic strip, or other storage medium that is prefunded and for which the value is adjusted upon each use.

**Wisconsin****A.B. 360***Failed to pass pursuant to Senate Joint Resolution 3/21/08*

Regulates the sale of gift certificates, gift cards, or similar items (gift obligations). Under the bill, a seller of a gift obligation must provide to a purchaser at the point of sale a conspicuous disclosure of any expiration date that applies to the gift obligation and the terms and amount of any service charge that apply to the gift obligation. The disclosure requirements under the bill do not apply to a document that evidences a transaction in which the obligation to provide goods or services extends to more than one seller of goods or services or to a gift obligation sold by a charitable organization or educational institution. The bill specifies that the bill's disclosure requirements are not satisfied by a disclosure made available by telephone, at a physical address, by mail, or on an Internet Web site, unless the gift obligation is purchased on the Internet. Under the bill, if the Department of Agriculture, Trade and Consumer Protection (DATCP) has reasonable cause to believe a person has violated the provisions of the bill, and the person has not committed a previous violation, DATCP must send the person a warning letter. If a person has already received a warning letter relating to a separate violation, DATCP may seek injunctive relief or a fine up to \$250 per violation.

**A.B. 471***Failed to pass pursuant to Senate Joint Resolution 3/21/08*

Regulates the sale and redemption of gift certificates, gift cards, and similar items (gift obligations). The bill prohibits the following: 1) failing to honor a valid gift obligation; 2) selling a gift obligation that is subject to an expiration date; 3) reducing the value of a gift obligation except for the sale price of goods or services provided to the bearer; and 4) reducing the value of a gift obligation as a condition of disclosing the value of the gift obligation. Under the bill, the prohibitions numbered 2 and 3, above, do not apply to a gift obligation given or sold for less than face value to a nonprofit organization or to a person who transfers the gift obligation to another primarily for the benefit of a nonprofit organization or to a gift obligation issued for no consideration. Also under the bill, if a person that owns a business intends to transfer ownership of the business or otherwise cease to operate the business, the person may not issue gift obligations that may be redeemed at the business, unless the intended transferee agrees to honor gift obligations issued by the person. The provisions of the bill do not apply to certain state chartered financial institutions to the extent that federal law preempts or prohibits the application of the provisions of the bill to certain federally chartered financial institutions. The Department of Agriculture, Trade and Consumer Protection or the district attorney, under the bill, may enforce the provisions of the bill by bringing an action for a forfeiture (civil penalty) of up to \$10,000. Also, the bill creates a private right of action in which a person may recover the greater of twice the person's pecuniary loss or \$200 for each violation.

**S.B. 191***Failed to pass pursuant to Senate Joint Resolution 3/21/08*

Regulates the sale of gift certificates, gift cards, or similar items (gift obligations). Under the bill, a seller of a gift obligation must provide to a purchaser at the point of sale a conspicuous disclosure of any expiration date that applies to the gift obligation and the terms and amount of any service charge that apply to the gift obligation. The disclosure requirements under the bill do not apply to a document that evidences a transaction in which the obligation to provide goods or services extends to more than one

seller of goods or services or to a gift obligation sold by a charitable organization or educational institution. The bill specifies that the bill's disclosure requirements are not satisfied by a disclosure made available by telephone, at a physical address, by mail, or on an Internet Web site, unless the gift obligation is purchased on the Internet. Under the bill, if the Department of Agriculture, Trade and Consumer Protection (DATCP) has reasonable cause to believe a person has violated the provisions of the bill, and the person has not committed a previous violation, DATCP must send the person a warning letter. If a person has already received a warning letter relating to a separate violation, DATCP may seek injunctive relief or a fine up to \$250 per violation.

**S.B. 245**

*Failed to pass pursuant to Senate Joint Resolution 3/21/08*

Regulates the sale and redemption of gift certificates, gift cards, and similar items (gift obligations). The bill prohibits the following: 1) failing to honor a valid gift obligation; 2) selling a gift obligation that is subject to an expiration date; 3) reducing the value of a gift obligation except for the sale price of goods or services provided to the bearer; and 4) reducing the value of a gift obligation as a condition of disclosing the value of the gift obligation. Under the bill, the prohibitions numbered 2 and 3, above, do not apply to a gift obligation given or sold for less than face value to a nonprofit organization or to a person who transfers the gift obligation to another primarily for the benefit of a nonprofit organization or to a gift obligation issued for no consideration. Also under the bill, if a person that owns a business intends to transfer ownership of the business or otherwise cease to operate the business, the person may not issue gift obligations that may be redeemed at the business, unless the intended transferee agrees to honor gift obligations issued by the person. The provisions of the bill do not apply to certain state chartered financial institutions to the extent that federal law preempts or prohibits the application of the provisions of the bill to certain federally chartered financial institutions. The Department of Agriculture, Trade and Consumer Protection or the district attorney, under the bill, may enforce the provisions of the bill by bringing an action for a forfeiture (civil penalty) of up to \$10,000. Also, the bill creates a private right of action in which a person may recover the greater of twice the person's pecuniary loss or \$200 for each violation.

## 2007 Legislation

### Alaska

**H.B. 49**

Relates to credit memos, gift certificates, and gift cards, and to unclaimed property; and makes a violation of certain gift card prohibitions an unlawful trade practice.

**S.B. 115**

Relates to gift certificates and gift cards, and to unclaimed property; makes it a violation of certain gift card prohibitions an unlawful trade practice.

### Arkansas

**H.B. 1455**

*Signed by governor 3/16/07, Act 304*

Regulates unfair and deceptive acts and practices in connection with gift cards; creates the Fair Gift Card Act.

**S.B. 818**

Requires certain disclosures on gift cards and gift certificates; provides penalties for failure to make required disclosures; provides for a miscellaneous fund for unclaimed gift cards and gift certificates.

### California

**S.B. 250**

*Signed by governor 10/13/07, Chapter 640*

Allows any gift certificate with a cash value of less than \$10 to be redeemed in cash, as defined, for its cash value, and excepts donated gift certificates from the described prohibitions. The bill also deletes the exception described for food product gift certificates, thereby prohibiting those gift certificates from containing an expiration date or service fee, unless issued for perishable food products.

### Connecticut

**H.B. 5739**

*Failed Joint Favorable deadline 3/26/07*

Limits the sale of gift certificates redeemable for plastic or cosmetic surgery services to individuals who have an established patient relationship with the medical facility or entity providing the gift certificate.

**S.B. 560**

*Failed Joint Favorable deadline 3/13/07*

Prohibits retailers from charging a consumer a fee if the consumer does not cash in a gift card within a specified time period.

**S.B. 1233**

*Failed Joint Favorable deadline 3/13/07*

Prohibits retailers from charging a consumer a fee if the consumer does not use a gift card within a specified time period.

**Delaware**

**H.B. 52**

*Substituted 6/13/07*

Defines gift cards and gift certificates, prohibits fees against the value of the card or certificate for inactivity; exempts those certificates or cards which are given at no cost from application under this Act.

**H.S. 1 for H.B. 52**

Defines gift cards and gift certificates, requires that an expiration date appear on the front of the cards and prohibits fees against the value of the card or certificate for inactivity without a signed agreement by the merchant and purchaser. Certain certificates or cards including but not limited to those which are given at no cost are exempt from the provisions of this Act.

**Florida**

**H.B. 1259**

**S.B. 1638**

*Signed by governor 6/28/07, Chapter 256*

Defines terms "credit memo" and "gift certificate"; provides that a holder of an unredeemed gift certificate or credit memo is not required to report said certificate or memo as unclaimed property to DFS; provides that consideration paid for said certificate or memo is property of issuer, subject only to any rights of purchaser or owner and is not subject to claim made by any state acting on behalf of purchaser or owner.

**H.B. 5011, Third Special Session**

*Laid on table 10/5/07*

Amends provision relating to gift certificates and credit memos; amends definition.

**S.B. 22, Third Special Session**

*Signed by governor 10/26/07, Chapter 334*

Relates to the Department of Agriculture and Consumer Services; amends §501.95, F.S., relating to gift certificates and credit memos; limits application of prohibitions to purchased instruments; provides for enforcement by the department.

**Hawaii**

**H.B. 936**

*To conference committee 4/16/07*

Prohibits a gift certificate issuer from charging service fees for dormancy or inactivity within 24 months after date of issuance of the certificate. Requires disclosure of fees on electronic card or certificate.

**S.B. 687**

Prohibits a certificate issuer from charging service fees for dormancy or inactivity within six months after the date of issuance of the certificate. Requires disclosure of fees on an electronic card or certificate.

**Illinois**

**H.B. 369**

*Signed by governor 8/28/07, Public Act 95-0525*

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that no person shall sell a gift certificate that is subject to an expiration date or a fee. Provides that, on or after January 1, 2008, no person shall sell a gift certificate that is subject to (i) an expiration date earlier than five years after the date of issuance or (ii) a post-purchase fee. Provides that the face value of a gift certificate, issued on or after January 1, 2008, may not be reduced in value and the holder of a gift certificate may not be penalized in any way for non-use or untimely redemption of the gift certificate.

**H.B. 3522**

Amends the Consumer Fraud and Deceptive Business Practices Act. Applies to gift cards that meet these criteria: the card is purchased at a retail establishment on a prepaid basis in a certain dollar value; a unique account or code number is printed on the card; the account or code number printed on the card is not hidden by a coating that is removed after the card is purchased; the card is honored by one or more retail establishments and also by one or more online merchants for goods or services, and the amount of the purchase is deducted from the value of the card; and purchases may be made with the card through an online merchant by entering the account or code number printed on the card without any requirement that the card itself be presented. Provides that if a consumer who purchased a gift card from a retail establishment presents to the retail establishment the gift card and the purchase receipt indicating the original value of the gift card and informs the retail establishment that part or all of the dollar value of the gift card has been deducted but was not used by the purchaser or the intended recipient of the gift card,

the retail establishment shall refund to the consumer the amount so deducted. Makes violation an unlawful practice within the meaning of the Act.

**Indiana**

**H.B. 1124**

Provides that a person that issues certain gift cards may not charge fees that reduce the value of the gift cards.

**Iowa**

**H.S.B. 201**

A study bill for an act relating to the issuance of gift cards and gift certificates, including providing for abandonment, establishing restrictions on fees and charges, prohibiting expiration dates and other restrictive terms, and making penalties applicable.

**S.S.B. 1230**

A study bill for an act relating to the issuance of gift cards and gift certificates, including providing for abandonment, establishing restrictions on fees and charges, prohibiting expiration dates and other restrictive terms, and making penalties applicable.

**Kansas**

**H.B. 2179**

Expands the Kansas Consumer Protection Act. Current law requires certain gift cards and gift certificates, issued on or after January 1, 2007, to have an expiration date of no less than five years. HB 2179 allows gift certificates and gift cards that are sold or distributed by non-profit organizations to be issued for less than five years as long as the expiration date appears on the front of the certificate or card. These types of certificates and cards must be used to promote civic improvements, including economic development.

**Kentucky**

**H.B. 254**

Amends KRS 367.890, relating to gift cards, to provide for record of issuance; prohibits various use restrictions; makes violation of this statute an unfair trade practice; provides for enforcement by county attorneys and the attorney general; amends KRS 393.020, relating to property subject to escheat, to include gift cards.

**Maryland**

**H.B. 1080**

Establishes the Maryland Education Fund; provides that after a specified time, the balance remaining on a gift certificate shall be presumed abandoned; requires a person that sells or issues a gift certificate in the state to remit to the Comptroller the remaining balance on certain gift certificates on or before a specified date each year.

**H.B. 30, First Special Session**

Establishes the Maryland Education Fund; provides that after a specified date, the balance remaining on a gift certificate shall be presumed abandoned; requires a person that sells or issues a gift certificate in the state to remit to the Comptroller the remaining balance on gift certificates on or before a specified date each year.

**Massachusetts**

**H.B. 326**

Relates to credit backed or bank issued gift cards.

**H.B. 347**

Eliminates surcharges on purchases of gift certificates.

**S.B. 176**

Relates to returning purchases made with a gift card.

**S.B. 211**

*Accompanied a new draft, see S.B. 2345 9/27/07*

Relates to providing updates to the gift certificate law.

**S.B. 2345**

*Passed Senate 11/20/07*

Provides updates to the gift certificate law.

**S.B. 2419**

Allows cash redemption of certain gift certificates.

**Michigan**

**H.B. 4050**

*Passed House 11/28/07*

Regulates and requires disclosures for gift cards and gift certificates.

**H.B. 4317**

*Passed House 11/28/07*

Prohibits expiration dates and other certain fees on gift cards and gift certificates.

**H.B. 4680**

*Passed House 11/28/07*

Prohibits fees and expiration dates on gift certificates.

**S.B. 274**

Prohibits expiration dates or fees on gift certificates and retail gift cards.

**S.B. 387**

*Passed Senate 6/13/07*

Amends the Michigan Consumer Protection Act to make it an unlawful trade practice for a person engaged in the retail sale of goods or services to do any of the following in connection with a gift certificate or gift card for retail goods or services: 1) Issue to a consumer a gift certificate or card that expired in less than five years. 2) Fail to disclose the expiration date by conspicuously printing it on the gift certificate or card, if the certificate or card had an expiration date. 3) Fail to honor a gift certificate or card after it was issued and before its expiration date, if any. 4) Charge an inactivity fee or other similar service fee if the consumer did not use a gift certificate or card. "Gift certificate or gift card" would not include a certificate or card issued or sponsored by a financial institution or usable at multiple sellers of goods or services. (Separate subsidiaries of the same parent entity or separate franchisees of the same franchisor would not be considered multiple sellers.)

**S.B. 388**

*To Senate for concurrence 11/28/07*

Amends the Uniform Unclaimed Property Act to specify that a gift certificate, gift card, or credit memo would be presumed abandoned if it were not claimed or used five years after becoming payable or distributable, or if it were partially used or claimed but subsequently not claimed or used for five years.

**Minnesota**

**H.F. 512**

**S.F. 69**

*Signed by governor 5/21/07, Chapter 93*

Prohibits expiration dates and service fees on gift certificates and gift cards.

**H.F. 1136**

**S.F. 935**

Requests Congress to limit fees and expiration dates associated with gift cards issued by federal banks.

**Mississippi**

**H.B. 260**

*Died in committee 2/27/07*

Prohibits the sales of gift certificates with expiration dates, service fees or dormancy fees; allows cash redemption or replacement of gift certificates; provides exceptions.

**S.B. 2040**

*Died in committee 1/30/07*

Makes unlawful the sale of a gift certificate that contains an expiration date or a service fee, with certain exceptions; provides for application of this law; amends §75-24-5, Mississippi Code of 1972, to provide that violations of this act are subject to civil and criminal penalties under the consumer protection statutes.

**Missouri**

**H.B. 299**

Prohibits the use of expiration dates or service fees on gift certificates. Violations of the provisions of the bill will be considered unfair merchandising practices and be subject to penalties.

**S.B. 76**

Prohibits the use of expiration dates or service fees on gift certificates. Consumers are entitled to receive the remaining balance of a gift certificate in cash, provided they have used at least 50 percent of the original value of the certificate. Violations of the act shall be considered unfair marketing practices subject to certain unlawful merchandising practice penalties.

**Montana**

**H.B. 430**

*Missed deadline for general bill transmittal 4/3/07*

Establishes state equity in the value of abandoned gift certificates and stored value cards; revises and clarifies certain provisions of the consumer protection act related to gift certificates in order to provide conformity between that act and the uniform unclaimed property act; requires issuers of gift certificates and issuers of stored value cards to obtain the name and the address of the person entitled to the property; provides that the Department of Revenue, as administrator of the uniform unclaimed property act, is presumed the owner of a gift certificate or stored value card under certain conditions; requires that the amount of value of abandoned gift certificates and stored value cards acquired by the state be deposited in the affordable housing revolving loan account.

**H.B. 755**

*Signed by governor 4/30/07, Chapter 331*

Provides the Uniform Unclaimed Property Act does not apply to gift certificates.

**S.B. 135**

*Missed deadline for general bill transmittal 2/28/07*

Establishes state equity in the value of abandoned gift certificates and stored value cards; revises and clarifies certain provisions of the consumer protection act related to gift certificates in order to provide conformity between that act and the Uniform Unclaimed Property Act; requires issuers of gift certificates and issuers of stored value cards to obtain the name and the address of the person entitled to the property; provides that the Department of Revenue, as administrator of the Uniform Unclaimed Property Act, is presumed the owner of a gift certificate or stored value card under certain conditions.

**Nebraska**

**L.B. 668**

Eliminates provisions relating to gift cards and gift certificates as prescribed.

**Nevada**

**A.B. 279**

*Signed by governor 5/23/07, Chapter 107*

Prohibits an issuer from charging a service fee on the basis of inactivity if the inactivity is for less than three continuous years; requires a certain portion of the unused value of certain gift certificates to escheat to the state; provides for the use of the proceeds from abandoned gift certificates for educational purposes.

**New Jersey**

**A.B. 2258**

**S.B. 1249**

Incorporates prepaid bank cards, defined in the bill as a form of gift card, into the existing statutory provisions which regulate the expiration dates and dormancy fees for gift cards and gift certificates generally. These prepaid bank cards include mall gift cards issued by third party banks or other financial institutions which are usable at multiple, unaffiliated merchants within a particular shopping mall. By incorporating prepaid bank cards into the existing gift card and gift certificate statutory requirements, the bill: 1) prohibits the expiration of prepaid bank cards within 24 months immediately following the date of sale by the original purchaser of the card; 2) prohibits the charging of a dormancy fee against a prepaid bank card within 24 months immediately following the date of sale, and within 24 months immediately following the most recent activity or transaction in which the card is used; 3) limits the dormancy fee, when applicable, charged against a prepaid bank card to no more than \$2.00 per month; and 4) requires appropriate disclosure of the above card expiration and dormancy fee provisions to prepaid bank card consumers.

**A.B. 3866**

Makes it an unlawful practice under the Consumer Fraud Act to sell certain products via an Internet auction. The bill targets those products typically stolen from retailers by shoplifting gangs and resold over the Internet. The bill makes it an unlawful practice for a person to sell a value loaded card via Internet auction unless the seller provides to the auctioneer, as well as the company's general counsel, a written or electronic record of the purchase or acquisition of the value loaded card, including the serial number and amount of the value loaded card; the date of purchase of the value loaded card; and the name, address and phone number of the person from whom that value loaded card was purchased or acquired. If a person sells an aggregate of five or more value loaded cards in contemporaneous Internet auctions conducted by an Internet auctioneer, the Internet auctioneer has 24 hours to notify the retailer of the sale in writing or electronically. The auctioneer must give the retailer relevant information about the seller, including the sales history and all aliases and accounts used by the person. The bill requires Internet auctioneers to immediately terminate an Internet auction if they receive information providing a reasonable basis to conclude that the auction violates the bill's provisions or that the merchandise is stolen. Internet auctioneers who affirmatively demonstrate that they have received the information required by the bill will not be deemed liable.

**A.B. 3979**

*Passed Assembly 6/21/07*

**S.B. 2732**

Makes it an unlawful practice to sell gift cards unless they are packaged or displayed in a manner that would prevent a person from viewing the gift card account number prior to purchasing the gift card.

**New Mexico**

**H.B. 127**

*Signed by governor 4/2/07, Chapter 125*

Regulates the sale and redemption of gift certificates, establishes penalties and amends a section of the unclaimed property act.

**S.B. 1030**

*Passed Senate 3/8/07*

Regulates the sale and redemption of gift certificates, establishes penalties and amends a section of the unclaimed property act.

Gift certificate, in this section, means writing identified as a gift certificate that is not redeemable in cash and is usable in its face amount in lieu of cash in exchange for goods or services supplied by a seller, but does not include a gift certificate useable with multiple unaffiliated sellers or goods or services. "Gift certificate" includes an electronic card with a banked dollar value, a merchandise credit, a certificate where the issuer has received payment for the full face value for the future purchase or delivery of goods or services and any other medium that evidences the giving of consideration in exchange for the right to redeem the certificate, electronic card or other medium for goods or services of at least an equal value.

**New York**

A.B. 41

Prohibits the sale of gift certificates and gift cards that diminish in value due to dormancy; and prohibits surcharges and fees on gift certificates and gift cards.

A.B. 3751

Relates to the sale and use of gift certificates; requires that gift certificates last for at least seven years; requires that the date of issuance and the date of expiration of a gift certificate be either printed on the gift certificate, printed on a customer's receipt, or available through an Internet and toll-free telephone service.

A.B. 5002

Requires that gift certificates, gift cards, or store credits have no expiration or diminution in value over time.

A.B. 5878

S.B. 4026

Provides that gift certificates and store credits shall not contain expiration dates, except in limited circumstances where they are issued for promotional purposes without value being given by the consumer; makes certificates or credit with an expiration date redeemable in cash or replaceable by a certificate or credit without an expiration date.

A.B. 8652

S.B. 5362

Prohibits the expiration of gift cards before five years from the date of purchase and prohibits decreasing the value of such cards for anything other than purchases.

**North Carolina**

[S.B. 1517](#)

*Signed by governor 8/17/07, Chapter 363*

Requires the conspicuous disclosure of any maintenance fees charged for gift cards and prohibits issuers of gift cards from charging maintenance fees for one year after the date of purchase.

**North Dakota**

[S.B. 2355](#)

*Failed to pass Senate 2/7/07*

Relates to the redemption of gift certificates.

**Oklahoma**

S.B. 1034

*Passed Senate 3/6/07*

Clarifies language in the Gift Certificate and Gift Card Disclosure Act.

**Oregon**

[H.B. 2513](#)

*Signed by governor 7/16/07, Chapter 772*

Prohibits a person from selling a gift card that expires or has face value that declines over time or with lack of use. Prohibits person from charging fee related to gift card. Creates exceptions. Makes violation of prohibition unlawful trade practice.

[S.B. 460](#)

*Passed Senate 5/24/07*

Provides that unused gift cards become abandoned property. Provides that if issuer of gift card does not have address for owner of gift card, value of gift card presumed abandoned is subject to custody of this state if purchase, issuance or last transaction by owner of gift card occurred in this state. Prohibits expiration dates for gift cards and certain fees related to gift cards. Provides that violation of prohibitions is unlawful trade practice.

**Pennsylvania**

[H.B. 124](#)

Further defines "unfair methods of competition" and "unfair or deceptive acts or practices" to include selling gift certificate with an expiration date or fees.

[S.B. 928](#)

Prohibits the sale or issuance of certain gift certificates with expiration dates and the imposition of transaction, service or convenience fees. Provides the attorney general certain powers and duties. Makes a repeal.

**Rhode Island****H.B. 5105***Passed House 6/19/07*

Prohibits any person, firm or corporation from charging a surcharge of any kind relating to gift certificates and or gift cards.

**S.B. 125**

Prohibits any person, firm or corporation from charging a surcharge of any kind relating to gift certificates and or gift cards.

**Tennessee****H.B. 55****S.B. 249**

Requires any retailer issuing a gift certificate to permit the recipient of the gift certificate to redeem 50 percent of the face value of the certificate in cash.

**H.B. 1840****S.B. 1693**

Concerns Consumer Protection; expands certain requirements for gift certificates by removing exemption for gift certificates usable with multiple, unaffiliated sellers of goods or services.

**Utah****H.B. 261***Signed by governor 2/27/07, Chapter 19*

Makes it a violation of Title 13, Chapter 11, Utah Consumer Sales Practices Act, to issue a gift certificate that has an expiration date or deducts a fee without disclosing the expiration date or fee on the gift certificate or its packaging; provides that a gift certificate that does not disclose an expiration date or fee neither expires nor is subject to a fee; and makes technical changes.

**Virginia****H.B. 2552**

Expands the existing provisions regarding gift certificate disclosures to prohibit the issuer of a gift certificate from charging a maintenance fee, service fee, inactivity fee, or other fee on the gift certificate. Gift certificate issuers are also prohibited from placing an expiration date or otherwise limiting the time for the redemption of a gift certificate and from issuing a gift certificate that diminishes in value over time unless the gift certificate was issued pursuant to an awards or loyalty program where no money or thing of value exchanged or was donated to a charitable organization. The definition of a gift certificate is expanded to include any record that contains a microprocessor chip, magnetic strip, or other storage medium that is prefunded and for which the value is adjusted upon each use. The definition also includes card-activated prepaid long distance telephone service. The measures apply to all issuers of gift certificates in the Commonwealth; currently, the gift certificate disclosure requirements apply only to merchants.

**Wisconsin****A.B. 360**

Regulates the sale of gift certificates, gift cards, or similar items (gift obligations). Under the bill, a seller of a gift obligation must provide to a purchaser at the point of sale a conspicuous disclosure of any expiration date that applies to the gift obligation and the terms and amount of any service charge that apply to the gift obligation. The disclosure requirements under the bill do not apply to a document that evidences a transaction in which the obligation to provide goods or services extends to more than one seller of goods or services or to a gift obligation sold by a charitable organization or educational institution. The bill specifies that the bill's disclosure requirements are not satisfied by a disclosure made available by telephone, at a physical address, by mail, or on an Internet Web site, unless the gift obligation is purchased on the Internet. Under the bill, if the Department of Agriculture, Trade and Consumer Protection (DATCP) has reasonable cause to believe a person has violated the provisions of the bill, and the person has not committed a previous violation, DATCP must send the person a warning letter. If a person has already received a warning letter relating to a separate violation, DATCP may seek injunctive relief or a fine up to \$250 per violation.

**A.B. 471**

Regulates the sale and redemption of gift certificates, gift cards, and similar items (gift obligations). The bill prohibits the following: 1) failing to honor a valid gift obligation; 2) selling a gift obligation that is subject to an expiration date; 3) reducing the value of a gift obligation except for the sale price of goods or services provided to the bearer; and 4) reducing the value of a gift obligation as a condition of disclosing the value of the gift obligation. Under the bill, the prohibitions numbered 2 and 3, above, do not apply to a gift obligation given or sold for less than face value to a nonprofit organization or to a person who transfers the gift obligation to another primarily for the benefit of a nonprofit organization or to a gift obligation issued for no consideration. Also under the bill, if a person that owns a business intends to transfer ownership of the business or otherwise cease to operate the business, the person may not issue gift obligations that may be redeemed at the business, unless the intended transferee agrees to honor gift obligations issued by the person. The provisions of the bill do not apply to certain state chartered financial institutions to the extent that federal law preempts or prohibits the application of the provisions of the bill to certain federally chartered financial institutions. The Department of Agriculture, Trade and Consumer Protection or the district attorney, under the

bill, may enforce the provisions of the bill by bringing an action for a forfeiture (civil penalty) of up to \$10,000. Also, the bill creates a private right of action in which a person may recover the greater of twice the person's pecuniary loss or \$200 for each violation.

**S.B. 191**

Regulates the sale of gift certificates, gift cards, or similar items (gift obligations). Under the bill, a seller of a gift obligation must provide to a purchaser at the point of sale a conspicuous disclosure of any expiration date that applies to the gift obligation and the terms and amount of any service charge that apply to the gift obligation. The disclosure requirements under the bill do not apply to a document that evidences a transaction in which the obligation to provide goods or services extends to more than one seller of goods or services or to a gift obligation sold by a charitable organization or educational institution. The bill specifies that the bill's disclosure requirements are not satisfied by a disclosure made available by telephone, at a physical address, by mail, or on an Internet Web site, unless the gift obligation is purchased on the Internet. Under the bill, if the Department of Agriculture, Trade and Consumer Protection (DATCP) has reasonable cause to believe a person has violated the provisions of the bill, and the person has not committed a previous violation, DATCP must send the person a warning letter. If a person has already received a warning letter relating to a separate violation, DATCP may seek injunctive relief or a fine up to \$250 per violation.

**S.B. 245**

Regulates the sale and redemption of gift certificates, gift cards, and similar items (gift obligations). The bill prohibits the following: 1) failing to honor a valid gift obligation; 2) selling a gift obligation that is subject to an expiration date; 3) reducing the value of a gift obligation except for the sale price of goods or services provided to the bearer; and 4) reducing the value of a gift obligation as a condition of disclosing the value of the gift obligation. Under the bill, the prohibitions numbered 2 and 3, above, do not apply to a gift obligation given or sold for less than face value to a nonprofit organization or to a person who transfers the gift obligation to another primarily for the benefit of a nonprofit organization or to a gift obligation issued for no consideration. Also under the bill, if a person that owns a business intends to transfer ownership of the business or otherwise cease to operate the business, the person may not issue gift obligations that may be redeemed at the business, unless the intended transferee agrees to honor gift obligations issued by the person. The provisions of the bill do not apply to certain state chartered financial institutions to the extent that federal law preempts or prohibits the application of the provisions of the bill to certain federally chartered financial institutions. The Department of Agriculture, Trade and Consumer Protection or the district attorney, under the bill, may enforce the provisions of the bill by bringing an action for a forfeiture (civil penalty) of up to \$10,000. Also, the bill creates a private right of action in which a person may recover the greater of twice the person's pecuniary loss or \$200 for each violation.

## 2006 Legislation

### Connecticut

**S.B. 503**

Requires retailers holding closing-out sale licenses to (1) honor their gift cards and certificates, (2) allow gift card and certificate holders to redeem them for either consumer goods or their cash value, and (3) include in all advertisements a notice that gift cards and certificates may be redeemed before the store closes. Prohibits them from selling, offering to sell, or advertising the sale of gift cards or certificates after applying for a closing-out sale license.

**Hawaii**

**H.B. 1980**

*Passed House 3/7/06*

Exempts multi-use gift cards from definition of gift certificate.

**H.B. 3084**

Adds maintenance fees as a fee that is prohibited from being charged to dormant or inactive gift certificates.

**S.B. 2096**

Exempts multi-use gift cards from definition of gift certificate.

**Illinois**

**H.B. 4205**

*Passed House 2/21/06*

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that no person shall sell a gift certificate that is subject to an expiration date or fee on or after January 1, 2007. Provides that the face value of a gift certificate may not be reduced in value and the holder of a gift certificate may not be penalized in any way for non-use or untimely redemption of the gift certificate. Deletes language requiring that a gift certificate subject to a fee or expiration date contain a statement clearly and conspicuously printed on the gift certificate stating the expiration date or whether there is a fee.

**S.B. 2196**

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that no person shall sell a gift certificate that is subject to an expiration date or a fee. Provides that the face value of a gift certificate may not be reduced in value and the holder of a gift certificate may not be penalized in any way for non-use or untimely redemption of the gift certificate. Deletes language requiring that a gift certificate subject to a fee or expiration date contain a statement clearly and conspicuously printed on the gift certificate stating the expiration date or whether there is a fee.

**S.B. 2451**

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that no person shall sell a gift certificate that is subject to an expiration date or a fee. Provides that the face value of a gift certificate may not be reduced in value and the holder of a gift certificate may not be penalized in any way for non-use or untimely redemption of the gift certificate. Deletes language requiring that a gift certificate subject to a fee or expiration date contain a statement clearly and conspicuously printed on the gift certificate stating the expiration date or whether there is a fee.

**Iowa****H.F. 600**

Relates to the redemption, sale, and issuance of gift certificates. Provides a definition of "gift certificate" which includes a writing or instrument usable for the purchase of goods, property, or services sold or provided by the seller or issuer of the gift certificate. Provides that gift certificates shall be considered abandoned property under Code chapter 556 if the gift certificate is not redeemed within three years after the later of the date the gift certificate was purchased or issued or the date of the last transaction using the gift certificate. Abandoned property is required to be annually reported to the state treasurer who publishes a list of the abandoned property for public view. Provides, in new Code section 537.3312, that a gift certificate shall be redeemable for its full value and prohibits a seller, issuer, or holder of a gift certificate from assessing any fee or charge against the value of a gift certificate or selling or issuing a gift certificate with an expiration date. The bill also prohibits a seller, issuer, or holder from imposing any other term or condition that limits the ability of the owner to redeem the gift certificate for its full value, including the ability to receive cash for the unredeemed value of the gift certificate. A person who assesses a fee or charge, issues a gift certificate with an expiration date, or imposes any other term limiting the redemption of the certificate in violation of new Code section 537.3312 commits a consumer fraud under Code section 714.16 and may be subject to civil penalties and a civil action brought by the attorney general for damages incurred as a result of the violation. A person in violation of new Code section 537.3312 is also subject to a civil action brought by the injured consumer for penalties in an amount not less than \$100 nor more than \$1,000 per violation.

**Kansas****H.B. 2658**

*Signed by governor 4/14/06, Chapter 116*

Makes it a violation of the Kansas Consumer Protection Act from and after January 1, 2007, to sell a gift card or gift certificate containing an expiration date which is less than five years from the date of purchase. A gift certificate is defined to mean a written promise given in exchange for full or discounted payment or without any money or other thing of value being given in exchange to provide merchandise in a specified amount or of equal value to the bearer of the certificate. A prepaid bank card is defined to mean a general use, prepaid card or other electronic payment device that is issued by a bank or other financial institution in a predenominated amount useable at multiple, unaffiliated merchants or at automated teller machines, or both.

**Kentucky****H.B. 259**

Creates a new section of KRS Chapter 367 to define "gift card"; requires that gift cards shall not be sold without an expiration date that is at least one year from the date of purchase; prohibits any fees being assessed to deduct the value of the card before the expiration date; and provides that any fees to be assessed must be disclosed.

**S.B. 49**

*Signed by governor 3/24/06, Chapter 28*

Creates a new section of KRS Chapter 367 to provide minimum lengths of time for the expiration of gift cards issued by businesses or charitable organizations; limits service charges or fees that may have the effect of reducing the value of the card, and mandates that a gift card sold without an expiration date is valid until redeemed or replaced. Exempts a general-use, prepaid card or other electronic payment device that is issued by a bank or other financial institution that is usable at multiple, unaffiliated merchants, or at automated teller machines, or both, from the definition of a "gift card."

**Massachusetts****H.B. 3715**

Regulates credit backed or bank issued gift cards.

**H.B. 3723**

Relates to gift certificates.

**H.B. 3824**

Reinstitutes gift certificates, gift cards and general use prepaid cards as reportable abandoned property if unused three years from the date of issuance or last activity.

**H.B. 5012**

Prohibits excessive fees on gift certificates and gift cards.

**S.B. 2214**

*Substituted by S.B. 2442 3/21/06*

Regulates gift cards, gift certificates and electronic wage cards.

**S.B. 2442**

*Passed Senate 3/22/06*

Prohibits excessive fees on gift certificates and gift cards.

**Michigan**

**S.B. 950**

Regulates the sale of certain gift certificates by a person engaged in a trade or commerce under the Michigan Consumer Protection Act.

**Minnesota**

**S.F. 3693**

Requires a state employer that has an employee recognition program that awards gifts to its employees based on years of service must allow the employees the option of choosing a gift certificate of equivalent value from the Minnesota Historical Society for use in a historical society store or the online store. For the purposes of this section, "state employer" means any state department, office, board, commission, authority, legislative office, judicial office, and the Metropolitan Council.

**Mississippi**

**H.B. 128**

*Died in committee 1/31/06*

Prohibits the sales of gift certificates with expiration dates, service fees or dormancy fees; allows cash redemption or replacement of gift certificates; provide exceptions.

**S.B. 2172**

*Died in committee 1/31/06*

Makes unlawful the sale of a gift certificate that contains an expiration date or a service fee, with certain exceptions; provides for application of this law; provides that violations of this act are subject to civil and criminal penalties under the consumer protection statutes.

**Missouri**

**S.B. 685**

Prohibits expiration dates or service fees for dormancy on gifts certificates issued by companies. Allows the consumer to receive the remaining balance of a gift certificate in cash, provided they have already used fifty percent of the original value of the certificate. Violations of the act shall be considered unfair marketing practices subject to the penalties outlined in Section 407.020, RSMo.

**Nebraska**

**L.B. 173**

*Signed by governor 3/7/06*

Relates to the Uniform Disposition of Unclaimed Property Act. Changes provisions regarding gift certificates.

**New Jersey**

**A.B. 720**

Under the provisions of P.L.2002, c.14 (C.56:8-110) a gift certificate issued by a retail merchandise establishment remains valid until the certificate is redeemed, unless conditions and limitations on redemption are disclosed to the purchaser and are conspicuously printed on the certificate. This bill provides that such gift certificates shall be valid and redeemable at full face value until redeemed.

**A.B. 2258**

**S.B. 1249**

Incorporates prepaid bank cards, defined in the bill as a form of gift card, into the existing statutory provisions which regulate the expiration dates and dormancy fees for gift cards and gift certificates generally. These prepaid bank cards include mall gift cards issued by third party banks or other financial institutions which are usable at multiple, unaffiliated merchants within a particular shopping mall. By incorporating prepaid bank cards into the existing gift card and gift certificate statutory requirements, the bill: 1) prohibits the expiration of prepaid bank cards within 24 months immediately following the date of sale by the original purchaser of the card; 2) prohibits the charging of a dormancy fee against a prepaid bank card within 24 months immediately following the date of sale, and within 24 months immediately following the most recent activity or transaction in which the card is

used; 3) limits the dormancy fee, when applicable, charged against a prepaid bank card to no more than \$2.00 per month; and 4) requires appropriate disclosure of the above card expiration and dormancy fee provisions to prepaid bank card consumers.

**Ohio**

[S.B. 33](#)

*Signed by governor 4/17/06, Chapter 59*

Prohibits the sale of a gift certificate that has an expiration date that is less than two years after the date the gift certificate is issued and prohibits service charges or fees having the effect of reducing the value of the gift certificate.

**Oklahoma**

[H.B. 2635](#)

*Signed by governor 4/17/06, Chapter 59*

Relates to the Gift Certificate and Gift Card Disclosure Act; adds definition and modifying exemptions.

**Pennsylvania**

[H.B. 311](#)

Relates to dormancy fees on a gift certificate or gift card.

[H.B. 552](#)

*Signed by governor 11/9/06, Act 138*

Defines gift card, gift certificate and qualified gift certificate. Provides for unclaimed property.

**Tennessee**

[H.B. 132](#)

[S.B. 385](#)

Requires any retailer issuing a gift certificate to permit the recipient of the gift certificate to redeem 50 percent of the face value of the certificate in cash.

[H.B. 1245](#)

[S.B. 831](#)

Prohibits gift certificates from expiring unless expiration date is clearly stated on gift certificate; makes violations subject to Consumer Protection Act.

[H.B. 1742](#)

*Signed by governor 6/20/06, Public Chapter 929*

[S.B. 2069](#)

Specifies that a gift certificate exempt from the prohibition on gift certificates having an expiration date within two years of issuance are also exempt from the prohibition on service charges or fees being imposed on the gift certificates.

[H.B. 2574](#)

*Signed by governor 5/5/06, Public Chapter 622*

[S.B. 2702](#)

Prohibits sale of gift certificates that decrease in value or expire after a certain date.

[H.B. 3279](#)

[S.B. 3680](#)

Prohibits the sale of gift certificates with an expiration date after July 1, 2006, and the imposition of any fee associated with such gift certificates and requires the redemption of gift certificates for full cash value upon request.

**West Virginia**

[S.B. 780](#)

*Passed Senate 3/1/06*

Relates to gift certificates generally; defines terms; prohibits expiration dates on gift certificates of less than three years; states exceptions; limits imposition of various fees and charges which reduce the value of a gift certificate; and imposes penalties.

**Wisconsin**

[A.B. 583](#)

*Failed to pass pursuant to Senate Joint Resolution 1 5/11/06*

Regulates the sale and redemption of gift certificates, gift cards, and similar items (gift obligations). The bill prohibits the following: 1) failing to honor a valid gift obligation; 2) selling a gift obligation that is subject to an expiration date; and 3) reducing the value of a gift obligation except for the sale price of goods or services provided to the bearer. Furthermore, when a person redeems a gift obligation and the resulting balance of the gift obligation is less than \$5, the bill requires the person redeeming the gift obligation to refund the balance in cash, upon the request of the person redeeming the gift obligation. The bill also requires a merchant, upon presentation of a gift obligation, to disclose the date when the gift obligation was issued and the remaining balance. Under the bill, the prohibitions numbered 2 and 3, above, do not apply to a gift obligation given or sold for less than face value to a nonprofit organization or to a person who transfers the gift obligation to another primarily for the benefit of a nonprofit organization. The Department of Agriculture, Trade and Consumer Protection or the district attorney, under the

bill, may enforce the provisions of the bill by bringing an action for a forfeiture up to \$10,000. Also, the bill creates a private right of action in which a person may recover the greater of twice the person's pecuniary loss or \$200 for each violation. Violations may also constitute unfair competition or unfair trade practices.

**S.B. 292**

*Failed to pass pursuant to Senate Joint Resolution 1 5/11/06*

Regulates the sale and redemption of gift certificates, gift cards, and similar items (gift obligations). The bill prohibits the following: 1) failing to honor a valid gift obligation; 2) selling a gift obligation that is subject to an expiration date; and 3) reducing the value of a gift obligation except for the sale price of goods or services provided to the bearer. Furthermore, when a person redeems a gift obligation and the resulting balance of the gift obligation is less than \$5, the bill requires the person redeeming the gift obligation to refund the balance in cash, upon the request of the person redeeming the gift obligation. The bill also requires a merchant, upon presentation of a gift obligation, to disclose the date when the gift obligation was issued and the remaining balance. Under the bill, the prohibitions numbered 2 and 3, above, do not apply to a gift obligation given or sold for less than face value to a nonprofit organization or to a person who transfers the gift obligation to another primarily for the benefit of a nonprofit organization. The Department of Agriculture, Trade and Consumer Protection or the district attorney, under the bill, may enforce the provisions of the bill by bringing an action for a forfeiture up to \$10,000. Also, the bill creates a private right of action in which a person may recover the greater of twice the person's pecuniary loss or \$200 for each violation. Violations may also constitute unfair competition or unfair trade practices.

**S.B. 392**

*Failed to pass pursuant to Senate Joint Resolution 1 5/11/06*

Regulates the sale of gift certificates, gift cards, or similar items (gift obligations). A seller of a gift obligation must conspicuously disclose to a purchaser any expiration date that applies to the gift obligation and the terms and amount of any service charge that apply to the gift obligation. The disclosure requirements do not apply to a gift obligation that is valid at more than one seller of goods or services.

**PLEASE NOTE:** Please note the summaries should be used for general informational purposes and not as a legal reference. NCSL is unable to provide guidance to citizens or businesses regarding gift cards and gift certificate laws and practices. If you have questions regarding issuing or redeeming a gift card or gift certificate or a retailer's practices, please contact the Office of the Attorney General in your state.