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March 28, 2024

**VIA ELECTRONIC MAIL**

Chair C.T. Wilson  
House Economic Matters Committee  
House Office Building, Room 231  
Annapolis, Maryland 21401

Re: **Favorable with Amendments on behalf of InComm  
Payments – Senate Bill 760 – Consumer Protection -  
Retail Sales of Gift Cards**

Chair Wilson:

InComm Payments (“InComm”) has been a leader in the prepaid and gift card industry for over 30 years. InComm’s products and programs are used by tens of millions of consumers each year and their gift cards continue to expand in consumer popularity. In recent years, criminals have greatly increased their efforts targeting the gift card industry – and InComm has not been immune. Although fraud only impacts an extremely small percentage of all prepaid cards sold, InComm is fully committed to supporting those consumers who are affected. InComm has been, and remains, at the forefront of innovation designed to combat fraudsters, leveraging new technologies, monitoring systems, and other security practices.

**InComm respectfully requests amendments to the open loop packaging requirements set forth in §14-4602(A)(2) of SB 760 to mirror the language in §14-4602(A)(2) of House Bill 896, as amended.** It is imperative that the gift card industry maintains packaging flexibility to be able to continually innovate to combat rapidly evolving fraud techniques.

InComm feels strongly there are no consumer benefits to restricting the visibility of *card activation data*. In fact, there are trusted anti-fraud techniques which leverage the visibility of activation data. Furthermore, there is no reason to restrict any other non-redemption data that may be placed in a visible manner on the outside of the packaging – that data can also be of significant value in supporting both anti-fraud techniques as well as improved customer service functionality. InComm’s proposed amendment to the open loop packaging requirements in the bill is set forth below:

AMENDMENTS TO SENATE BILL 760  
(Third Reading File Bill)

14-4602.

(A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A MERCHANT MAY NOT KNOWINGLY SELL AN AN OPEN LOOP GIFT CARD TO A CONSUMER UNLESS:

...

(2) FOR AN IN-PERSON SALE OF AN OPEN-LOOP GIFT CARD, THE GIFT CARD IS ENCLOSED IN SECURE PACKAGING THAT:

(I) IS SEALED IN A MANNER THAT IS NOT EASILY OPENED WITHOUT SIGNS OF TAMPERING;

(II) EXCEPT AS PROVIDED IN ITEM (III) OF THIS ITEM, CONCEALS ALL NUMERIC CODES SPECIFIC TO THE ACTIVATION OR THE REDEMPTION OF THE GIFT CARD, INCLUDING ANY BAR CODE, CVV NUMBER, PIN NUMBER, OR ACTIVATION CODE;

(III) DISPLAYS AN ACTIVATION CODE, BAR CODE, OR OTHER ACTIVATION DATA ONLY IF THE PACKAGING USED IS MORE SECURE THAN IT OTHERWISE WOULD BE IF THE DATA WERE FULLY CONCEALED; AND

...

We respectfully request amendments to §14-4602(A)(2) of the bill to address our packaging concerns, and with those amendments, urge a favorable report on Senate Bill 760.

Sincerely,

/s/

Jason F. Weintraub