

# SENATE BILL 760

I3

(4lr2024)

## ENROLLED BILL

— Finance/Economic Matters —

Introduced by **Senator Kramer**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Consumer Protection – Retail Sales of Gift Cards**  
3 **(Gift Card Scams Prevention Act of 2024)**

4 FOR the purpose of ~~requiring a merchant that conducts an online sale of a certain gift card~~  
5 ~~to register with the Division of Consumer Protection in the Office of the Attorney~~  
6 ~~General in a certain manner; authorizing the Division to charge a fee for the~~  
7 ~~registration;~~ prohibiting a merchant from selling a certain open- or closed-loop gift  
8 card to a consumer unless the merchant meets certain requirements; requiring a  
9 merchant that displays a gift card for sale at a retail establishment to provide certain  
10 training to the employees of the merchant regarding gift card fraud; requiring the  
11 Division to create a certain model notice and issue certain guidelines regarding gift  
12 card fraud; requiring a certain third-party gift card reseller to record and maintain  
13 a copy of certain information for a certain period of time; authorizing a law  
14 enforcement agency to request an issuer of gift cards or an issuer's agent to provide  
15 to the law enforcement agency certain evidence reasonably foreseeable to assist in

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#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber/conference committee amendments.*



1 future criminal actions under certain circumstances; making a violation of this Act  
 2 an unfair, abusive, or deceptive trade practice that is subject to enforcement and  
 3 penalties under the Maryland Consumer Protection Act; and generally relating to  
 4 the sale of gift cards and preventing gift card fraud.

5 BY repealing and reenacting, with amendments,  
 6 Article – Commercial Law  
 7 Section 13–301(14)(xl)  
 8 Annotated Code of Maryland  
 9 (2013 Replacement Volume and 2023 Supplement)

10 BY repealing and reenacting, without amendments,  
 11 Article – Commercial Law  
 12 Section 13–301(14)(xli)  
 13 Annotated Code of Maryland  
 14 (2013 Replacement Volume and 2023 Supplement)

15 BY adding to  
 16 Article – Commercial Law  
 17 Section 13–301(14)(xlii); and 14–4601 through 14–4606 to be under the new subtitle  
 18 “Subtitle 46. Gift Card Fraud”  
 19 Annotated Code of Maryland  
 20 (2013 Replacement Volume and 2023 Supplement)

21 BY repealing and reenacting, with amendments,  
 22 Article – Commercial Law  
 23 Section 14–4601 through 14–4605  
 24 Annotated Code of Maryland  
 25 (2013 Replacement Volume and 2023 Supplement)  
 26 (As enacted by Section 1 of this Act)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 28 That the Laws of Maryland read as follows:

29 **Article – Commercial Law**

30 13–301.

31 Unfair, abusive, or deceptive trade practices include any:

32 (14) Violation of a provision of:

33 (xl) Title 14, Subtitle 13 of the Public Safety Article; [or]

34 (xli) Title 14, Subtitle 45 of this article; or

35 **(XLII) TITLE 14, SUBTITLE 46 OF THIS ARTICLE; OR**

## SUBTITLE 46. GIFT CARD FRAUD.

14-4601.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "DIVISION" HAS THE MEANING STATED IN § 13-101 OF THIS ARTICLE.

~~(C) "GIFT CARD" MEANS A CARD, CODE, OR DEVICE THAT IS:~~

~~(1) ISSUED TO A CONSUMER ON A PREPAID BASIS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES IN A SPECIFIED AMOUNT, REGARDLESS OF WHETHER THAT AMOUNT MAY BE INCREASED OR RELOADED IN EXCHANGE FOR PAYMENT; AND~~

~~(2) REDEEMABLE ON PRESENTATION BY A CONSUMER AT A SINGLE MERCHANT OR A GROUP OF AFFILIATED MERCHANTS.~~

~~(D)~~ (C) "MERCHANT" HAS THE MEANING STATED IN § 13-101 OF THIS ARTICLE.

(D) "OPEN-LOOP GIFT CARD" MEANS A CARD, CODE, OR DEVICE THAT IS:

(1) ~~IS ISSUED~~ ISSUED TO A CONSUMER ON A PREPAID BASIS PRIMARILY FOR PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES IN A SPECIFIED AMOUNT, REGARDLESS OF WHETHER THAT AMOUNT MAY BE INCREASED OR RELOADED IN EXCHANGE FOR PAYMENT;

(2) ~~IS PAYMENT~~ PAYMENT CARD NETWORK BRANDED; AND

(3) (i) ~~IS REDEEMABLE~~ REDEEMABLE ON PRESENTATION AT MULTIPLE UNAFFILIATED MERCHANTS FOR GOODS OR SERVICES WITHIN THE PAYMENT CARD NETWORK; OR

(ii) ~~IS USABLE~~ USABLE AT AN AUTOMATED TELLER MACHINE.

(E) "THIRD-PARTY GIFT CARD RESELLER" MEANS A MERCHANT WHO, WITHOUT AUTHORIZATION FROM OR AFFILIATION WITH THE BUSINESS ENTITY ISSUING AN OPEN-LOOP GIFT CARD, IS ENGAGED IN THE BUSINESS OF:

(1) BUYING OPEN-LOOP GIFT CARDS ON BEHALF OF CONSUMERS; OR

1           **(2) RESELLING OPEN-LOOP GIFT CARDS TO CONSUMERS.**

2   **14-4602.**

3           ~~(A) A MERCHANT THAT CONDUCTS ONLINE SALES OF GIFT CARDS TO~~  
 4 ~~CONSUMERS SHALL REGISTER WITH THE DIVISION AS AN ONLINE SELLER OF GIFT~~  
 5 ~~CARDS.~~

6           ~~(B) TO ENFORCE THE PROVISIONS OF THIS SUBTITLE, THE DIVISION MAY~~  
 7 ~~CHARGE A MERCHANT AN ANNUAL FEE TO BE REGISTERED AS REQUIRED UNDER~~  
 8 ~~THIS SECTION.~~

9           ~~(C) THE DIVISION SHALL ESTABLISH A REGISTRATION PROCESS TO CARRY~~  
 10 ~~OUT THIS SECTION.~~

11 ~~14-4603.~~

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

15           ~~(1) FOR AN ONLINE SALE, THE MERCHANT IS REGISTERED AS~~  
 16 ~~REQUIRED UNDER § 14-4602 OF THIS SUBTITLE;~~

17           ~~(2)~~ THE MERCHANT CONSPICUOUSLY DISPLAYS A NOTICE IN  
 18 SUBSTANTIALLY THE SAME FORM AS THE MODEL NOTICE CREATED UNDER ~~§~~  
 19 ~~14-4605(1)~~ § 14-4604(1) OF THIS SUBTITLE:

20                   (I) FOR AN IN-PERSON SALE:

21                           ~~1.~~ AT, AT OR NEAR THE PHYSICAL LOCATION WHERE  
 22 ~~THE:~~

23                                   1. THE GIFT CARD IS DISPLAYED FOR SALE; OR

24                                   2. ~~AT OR NEAR THE PHYSICAL LOCATION WHERE THE~~  
 25 THE SALE OCCURS; OR

26                   (II) FOR AN ONLINE SALE, ON THE WEBPAGE ~~THAT DISPLAYS:~~

27                                   1. WHERE THE GIFT CARD IS OFFERED FOR SALE; OR

28                                   2. THAT IS DISPLAYED IMMEDIATELY BEFORE THE SALE  
 29 IS FINALIZED; AND



1 ~~14-4604.~~ 14-4603.

2 A MERCHANT THAT DISPLAYS ~~A~~ AN OPEN-LOOP GIFT CARD FOR SALE AT A  
3 RETAIL ESTABLISHMENT SHALL PROVIDE TRAINING TO ~~THE~~ ALL EMPLOYEES OF  
4 THE MERCHANT WHOSE DUTIES REGULARLY INCLUDE THE SALE OF OPEN-LOOP  
5 GIFT CARDS TO CONSUMERS ON HOW TO IDENTIFY AND RESPOND TO GIFT CARD  
6 FRAUD IN ACCORDANCE WITH THE GUIDELINES ESTABLISHED UNDER ~~§ 14-4605(2)~~  
7 § 14-4604(2) OF THIS SUBTITLE.

8 ~~14-4605.~~ 14-4604.

9 THE DIVISION SHALL:

10 (1) CREATE A MODEL NOTICE REGARDING OPEN-LOOP GIFT CARDS  
11 FOR USE BY MERCHANTS THAT:

12 (I) CAUTIONS A CONSUMER ABOUT GIFT CARD SCAMS;

13 (II) INSTRUCTS A CONSUMER ON WHAT TO DO IF THE  
14 CONSUMER SUSPECTS THE CONSUMER MAY BE A VICTIM OF A GIFT CARD SCAM; AND

15 (III) INDICATES A GIFT CARD MAY NOT BE USED TO PAY DEBT;

16 (2) ISSUE GUIDELINES REGARDING THE DETECTION AND  
17 PREVENTION OF OPEN-LOOP GIFT CARD FRAUD THAT INCLUDE:

18 (I) INFORMATION THAT RAISES PUBLIC AWARENESS ABOUT  
19 GIFT CARD FRAUD;

20 (II) INFORMATION ABOUT HOW COMMON GIFT CARD FRAUD  
21 SCHEMES WORK; AND

22 (III) BEST PRACTICES FOR A MERCHANT TO PREVENT GIFT CARD  
23 FRAUD; AND

24 (3) MAKE AVAILABLE ONLINE AND PERIODICALLY UPDATE THE  
25 MODEL NOTICE AND GUIDELINES REQUIRED UNDER THIS SECTION.

26 14-4605.

27 (A) THIS SECTION APPLIES ONLY TO THIRD-PARTY GIFT CARD RESELLERS.

28 (B) SUBJECT TO SUBSECTION (C) OF THIS SECTION, WHEN A THIRD-PARTY  
29 GIFT CARD RESELLER BUYS OR SELLS AN OPEN-LOOP GIFT CARD AS PART OF A

1 TRANSACTION OCCURRING IN THE STATE, THE THIRD-PARTY GIFT CARD RESELLER  
2 SHALL RECORD AND FOR AT LEAST 3 YEARS MAINTAIN A COPY OF THE FOLLOWING  
3 INFORMATION, AS APPLICABLE:

4 (1) THE DATE OF THE TRANSACTION;

5 (2) THE NAME OF THE PERSON WHO CONDUCTED THE TRANSACTION;

6 (3) THE NAME, AGE, AND ADDRESS OF THE SELLER OF THE GIFT  
7 CARD;

8 (4) THE SELLER'S AND CONSUMER'S DRIVER'S LICENSE NUMBER OR  
9 IDENTIFICATION CARD NUMBER;

10 (5) A DESCRIPTION OF THE PURCHASED GIFT CARD, INCLUDING:

11 (i) THE RETAILER FOR WHICH THE GIFT CARD IS INTENDED  
12 FOR USE; AND

13 (ii) THE GIFT CARD NUMBER;

14 (6) THE SPECIFIC AMOUNT ISSUED ON THE GIFT CARD;

15 (7) THE PRICES PAID TO CONDUCT THE TRANSACTION; AND

16 (8) THE SIGNATURE OF THE CONSUMER.

17 (c) (1) THE INFORMATION RECORDED AND MAINTAINED UNDER  
18 SUBSECTION (B) OF THIS SECTION SHALL CHRONOLOGICALLY BE WRITTEN IN INK  
19 OR LOGGED INTO A SECURE DATABASE, SOFTWARE SYSTEM, OR OTHER SIMILAR  
20 TECHNOLOGY PLATFORM.

21 (2) EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS SUBSECTION,  
22 RECORDED INFORMATION MAY NOT BE DESTROYED, ALTERED, OR ERASED.

23 (3) A HANDWRITTEN CORRECTION MAY BE MADE TO AN ENTRY OF  
24 INFORMATION BY DRAWING A LINE OF INK THROUGH THE ENTRY IN A MANNER THAT  
25 RETAINS LEGIBILITY.

26 (4) INFORMATION RECORDED UNDER THIS SECTION SHALL BE OPEN  
27 TO INSPECTION BY ANY DULY AUTHORIZED LAW ENFORCEMENT OFFICER;

28 (i) DURING THE ORDINARY BUSINESS HOURS OF THE  
29 THIRD-PARTY GIFT CARD RESELLER; OR

1                   **(II) AT ANY REASONABLE TIME.**

2           **(D) A THIRD-PARTY GIFT CARD RESELLER, INCLUDING AN AGENT OR**  
3 **EMPLOYEE OF THE THIRD-PARTY GIFT CARD RESELLER, MAY NOT:**

4                   **(1) FAIL TO MAKE AN ENTRY OF OR FALSIFY, DESTROY, OR REMOVE**  
5 **ANY INFORMATION REQUIRED TO BE RECORDED AND MAINTAINED UNDER THIS**  
6 **SECTION;**

7                   **(2) REFUSE TO ALLOW ANY DULY AUTHORIZED LAW ENFORCEMENT**  
8 **OFFICER TO INSPECT A RECORD OF INFORMATION OR OPEN-LOOP GIFT CARDS IN**  
9 **THE THIRD-PARTY GIFT CARD RESELLER'S POSSESSION DURING THE ORDINARY**  
10 **BUSINESS HOURS OF THE RESELLER OR AT ANY REASONABLE TIME; OR**

11                   **(3) FAIL TO MAINTAIN A RECORD OF EACH OPEN-LOOP GIFT CARD**  
12 **TRANSACTION FOR AT LEAST 3 YEARS.**

13           **(E) ON THE FILING OF AN OFFICIAL REPORT WITH A LAW ENFORCEMENT**  
14 **AGENCY BY ANY PERSON ALLEGING TO BE A VICTIM OF THEFT OF ONE OR MORE**  
15 **OPEN-LOOP GIFT CARDS WITH AN AGGREGATE VALUE EXCEEDING \$500, THE LAW**  
16 **ENFORCEMENT AGENCY MAY REQUEST THAT THE ISSUER OF THE GIFT CARDS OR**  
17 **THE ISSUER'S AGENTS PRESERVE AND PROVIDE TO THE LAW ENFORCEMENT**  
18 **AGENCY ALL RELEVANT EVIDENCE REASONABLY FORESEEABLE AS OF ASSISTANCE**  
19 **TO FUTURE CRIMINAL ACTIONS IN ACCORDANCE WITH STATE LAW.**

20 14-4606.

21           **(A) ~~A EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A~~ A**  
22 **VIOLATION OF THIS SUBTITLE IS:**

23                   **(1) AN UNFAIR, ABUSIVE, OR DECEPTIVE TRADE PRACTICE WITHIN**  
24 **THE MEANING OF TITLE 13 OF THIS ARTICLE; AND**

25                   **(2) SUBJECT TO THE PENALTY AND ENFORCEMENT PROVISIONS**  
26 **CONTAINED IN TITLE 13 OF THIS ARTICLE, EXCEPT FOR § 13-408 OF THIS ARTICLE.**

27           **(B) (1) BEFORE INITIATING AN ENFORCEMENT ACTION FOR A VIOLATION**  
28 **OF THIS SUBTITLE, THE DIVISION MAY ISSUE A NOTICE OF VIOLATION TO THE**  
29 **ALLEGED VIOLATOR IF:**

30                   **(1) THE DIVISION DETERMINES THAT IT IS POSSIBLE TO CURE**  
31 **THE VIOLATION;**



1 (II) NO CONSUMER WAS HARMED AS A RESULT OF THE  
2 VIOLATION; AND

3 (III) THE ALLEGED VIOLATOR HAS NOT PREVIOUSLY VIOLATED  
4 THIS SUBTITLE.

5 (2) IF THE DIVISION ISSUES A NOTICE OF VIOLATION UNDER  
6 PARAGRAPH (1) OF THIS SUBSECTION, THE DIVISION SHALL PROVIDE THE ALLEGED  
7 VIOLATOR NOT LESS THAN 10 DAYS AFTER THE NOTICE OF VIOLATION IS ISSUED TO  
8 CURE THE VIOLATION.

9 (3) IF THE ALLEGED VIOLATOR FAILS TO CURE THE VIOLATION  
10 WITHIN THE TIME PERIOD SPECIFIED BY THE DIVISION, THE DIVISION MAY INITIATE  
11 AN ENFORCEMENT ACTION FOR A VIOLATION OF THIS SUBTITLE.

12 ~~(B) A PERSON WHO VIOLATES THIS SUBTITLE IS SUBJECT TO A WARNING~~  
13 ~~FOR A FIRST VIOLATION.~~

14 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read  
15 as follows:

16 Article – Commercial Law

17 14-4601.

18 (a) In this subtitle the following words have the meanings indicated.

19 (B) “CLOSED-LOOP GIFT CARD” MEANS A CARD, CODE, OR DEVICE THAT IS:

20 (1) ISSUED TO A CONSUMER ON A PREPAID BASIS PRIMARILY FOR  
21 PERSONAL, FAMILY, OR HOUSEHOLD PURPOSES IN A SPECIFIED AMOUNT,  
22 REGARDLESS OF WHETHER THAT AMOUNT MAY BE INCREASED OR RELOADED IN  
23 EXCHANGE FOR PAYMENT; AND

24 (2) REDEEMABLE ON PRESENTATION BY A CONSUMER AT A SINGLE  
25 MERCHANT OR A GROUP OF AFFILIATED MERCHANTS.

26 [(b)] (C) “Division” has the meaning stated in § 13-101 of this article.

27 [(c)] (D) “Merchant” has the meaning stated in § 13-101 of this article.

28 [(d)] (E) “Open-loop gift card” means a card, code, or device that is:

1 (1) ~~Is issued~~ Issued to a consumer on a prepaid basis primarily for personal,  
 2 family, or household purposes in a specified amount, regardless of whether that amount  
 3 may be increased or reloaded in exchange for payment;

4 (2) ~~Is payment~~ Payment card network branded; and

5 (3) (i) ~~Is redeemable~~ Redeemable on presentation at multiple  
 6 unaffiliated merchants for goods or services within the payment card network; or

7 (ii) ~~Is usable~~ Usable at an automated teller machine.

8 **[(e)] (F)** “Third-party gift card reseller” means a merchant who, without  
 9 authorization from or affiliation with the business entity issuing an [open-loop] OPEN- OR  
 10 A CLOSED-LOOP gift card, is engaged in the business of:

11 (1) Buying [open-loop] OPEN- OR CLOSED-LOOP gift cards on behalf of  
 12 consumers; or

13 (2) Reselling [open-loop] OPEN- OR CLOSED-LOOP gift cards to  
 14 consumers.

15 14-4602.

16 (a) Except as provided in subsection (b) of this section, a merchant may not  
 17 knowingly sell an [open-loop] OPEN- OR A CLOSED-LOOP gift card to a consumer unless:

18 (1) The merchant conspicuously displays a notice in substantially the same  
 19 form as the model notice created under § 14-4604(1) of this subtitle:

20 (i) For an in-person sale, at or near the physical location where:

21 1. The gift card is displayed for sale; or

22 2. The sale occurs; or

23 (ii) For an online sale, on the webpage:

24 1. Where the gift card is offered for sale; or

25 2. That is displayed before the sale is finalized; [and]

26 (2) For an in-person sale of an open-loop gift card, the gift card is enclosed  
 27 in secure packaging that:

28 (i) Is sealed in a manner that is not easily opened without signs of  
 29 tampering ~~and~~;

1                   (ii) Except as provided in item (iii) of this item, conceals all numeric  
 2 codes specific to the activation or redemption of the gift card, including any bar code, CVV  
 3 number, PIN number, or activation code;

4                   (iii) Displays an activation code, bar code, or other activation data  
 5 only if the packing used is more secure than it otherwise would be if the data were fully  
 6 concealed; and

7                   ~~(iii)~~ (iv) Includes a warning that states the following or uses  
 8 language substantially similar to the following:

9                   “Do not sell or purchase if packaging has been broken or indicates tampering”; AND

10                   **(3) FOR AN IN-PERSON SALE OF A CLOSED-LOOP GIFT CARD, THE**  
 11 **GIFT CARD IS PRESENTED IN PACKAGING THAT:**

12                   **(I) 1. ~~IN A MANNER THAT IS NOT EASILY REMOVED OR~~**  
 13 **~~REPLACED WITHOUT SIGNS OF TAMPERING, CONCEALS CONCEALS OR COVERS, IN A~~**  
 14 **~~MANNER THAT IS NOT EASILY REMOVED OR REPLACED WITHOUT SIGNS OF~~**  
 15 **~~TAMPERING, ALL NUMERIC CODES SPECIFIC TO THE REDEMPTION OF THE GIFT~~**  
 16 **CARD; OR**

17                   **2. IF MADE MORE SECURE THROUGH PARTIAL**  
 18 **CONCEALMENT OR COVERING THAN FULL CONCEALMENT OR COVERING UNDER ITEM**  
 19 **1 OF THIS ITEM, PARTIALLY CONCEALS OR COVERS, IN A MANNER THAT IS NOT**  
 20 **EASILY REMOVED OR REPLACED WITHOUT SIGNS OF TAMPERING, ALL NUMERIC**  
 21 **CODES SPECIFIC TO REDEMPTION OF THE GIFT CARD; AND**

22                   **(II) INCLUDES A WARNING THAT STATES THE FOLLOWING OR**  
 23 **USES LANGUAGE SUBSTANTIALLY SIMILAR TO THE FOLLOWING:**

24                   **“DO NOT SELL OR PURCHASE IF PACKAGING HAS BEEN BROKEN OR INDICATES**  
 25 **TAMPERING.”.**

26                   (b) A merchant may sell an [open-loop] OPEN- OR A CLOSED-LOOP gift card  
 27 that is not enclosed in secure packaging as required under subsection (a)(2) of this section  
 28 if:

29                   (1) The gift card is a chip-enabled, numberless card that is activated by a  
 30 consumer after registering the card on the card issuer’s website; or

31                   (2) The gift card:

32                   (i) Is sold exclusively by:

1                                   1.     A merchant for use only at the retail establishment of the  
2 merchant; or

3                                   2.     A group of affiliated merchants for use only at the retail  
4 establishments of the affiliated merchants; and

5                                   (ii)   Is secured in a physical location within the merchant's retail  
6 establishment that is accessible only by an employee of the merchant.

7 14-4603.

8             A merchant that displays an [open-loop] OPEN- OR A CLOSED-LOOP gift card for  
9 sale at a retail establishment shall provide training to all employees of the merchant whose  
10 duties regularly include the sale of [open-loop] OPEN- OR CLOSED-LOOP gift cards to  
11 consumers on how to identify and respond to gift card fraud in accordance with the  
12 guidelines established under § 14-4604(2) of this subtitle.

13 14-4604.

14             The Division shall:

15                               (1)   Create a model notice regarding [open-loop] OPEN- AND  
16 CLOSED-LOOP gift cards for use by merchants that:

17                               (i)    Cautions a consumer about gift card scams;

18                               (ii)   Instructs a consumer on what to do if the consumer suspects the  
19 consumer may be a victim of a gift card scam; and

20                               (iii) Indicates a gift card may not be used to pay debt;

21                               (2)   Issue guidelines regarding the detection and prevention of [open-loop]  
22 OPEN- AND CLOSED-LOOP gift card fraud that include:

23                               (i)    Information that raises public awareness about gift card fraud;

24                               (ii)   Information about how common gift card fraud schemes work;  
25 and

26                               (iii) Best practices for a merchant to prevent gift card fraud; and

27                               (3)   Make available online and periodically update the model notice and  
28 guidelines required under this section.

29 14-4605.



1        (d) A third-party gift card reseller, including an agent or employee of the  
 2 third-party gift card reseller, may not:

3            (1) Fail to make an entry of or falsify, destroy, or remove any information  
 4 required to be recorded and maintained under this section;

5            (2) Refuse to allow any duly authorized law enforcement officer to inspect  
 6 a record of information or [open-loop] OPEN- OR CLOSED-LOOP gift cards in the  
 7 third-party gift card reseller's possession during the ordinary business hours of the reseller  
 8 or at any reasonable time; or

9            (3) Fail to maintain a record of each [open-loop] OPEN- OR  
 10 CLOSED-LOOP gift card transaction for at least 3 years.

11        (e) On the filing of an official report to a law enforcement agency by any person  
 12 alleging to be a victim of theft of one or more [open-loop] OPEN- OR CLOSED-LOOP gift  
 13 cards with an aggregate value exceeding \$500, the law enforcement agency may request  
 14 that the issuer of the gift cards or the issuer's agents preserve and provide to the law  
 15 enforcement agency all relevant evidence reasonably foreseeable as of assistance to future  
 16 criminal actions in accordance with State law.

17        SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall  
 18 take effect October 1, ~~2024~~ 2025.

19        SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section  
 20 3 of this Act, this Act shall take effect June 1, 2025.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.