

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 173

(First Reading File Bill)

AMENDMENT NO. 1

In the sponsor line, strike “and Stone” and substitute “Stone, Jones, Lawlah, Green, and Middleton”.

AMENDMENT NO. 2

In line 2, strike “Expiration of”; in the same line, after “Cards” insert “- Expiration and Service Fees”; strike beginning with the first “gift” in line 4 down through “use” in line 5 and substitute “person from selling a gift card or gift certificate that contains an expiration date; prohibiting a person from selling a gift card or gift certificate that contains a service fee unless certain conditions are met; providing that this Act does not apply to certain cards, coupons, gift cards, and gift certificates; prohibiting a gift card or gift certificate issued as a store credit from containing an expiration date or a service charge; providing that existing obligations or contract rights may not be impaired by this Act”; and in line 6, after “of” insert “and service fees on”.

AMENDMENT NO. 3

Strike line 16 in its entirety and substitute:

“(A) THIS SECTION DOES NOT APPLY TO:

- (1) A PREPAID TELEPHONE CALLING CARD;
- (2) A PREPAID TECHNICAL SUPPORT CARD;
- (3) A PREPAID ONLINE CONTENT OR SERVICE CARD;
- (4) A COUPON FOR DISCOUNTED GOODS OR SERVICES; OR

(Over)

(5) IF THE EXPIRATION DATE APPEARS IN CAPITAL LETTERS IN AT LEAST 10-POINT FONT ON THE FRONT OR BACK OF THE GIFT CARD OR GIFT CERTIFICATE, A GIFT CARD OR GIFT CERTIFICATE THAT:

(I) IS DISTRIBUTED BY THE ISSUER TO AN INDIVIDUAL UNDER AN AWARDS, LOYALTY, OR PROMOTIONAL PROGRAM IN WHICH THE RECIPIENT DOES NOT GIVE MONEY OR VALUE FOR THE GIFT CARD OR GIFT CERTIFICATE;

(II) IS SOLD BELOW FACE VALUE AT A VOLUME DISCOUNT TO AN EMPLOYER OR A NONPROFIT OR CHARITABLE ORGANIZATION FOR FUND-RAISING PURPOSES AND EXPIRES MORE THAN 1 YEAR AFTER THE DATE OF SALE OF THE GIFT CARD OR GIFT CERTIFICATE;

(III) IS SOLD BY A NONPROFIT OR CHARITABLE ORGANIZATION IN CONNECTION WITH A FUND-RAISING EVENT;

(IV) MAY BE USED TO PURCHASE GOODS OR SERVICES FROM MULTIPLE SELLERS OF GOODS OR SERVICES; OR

(V) IS REDEEMABLE FOR FOOD, GOODS, OR SERVICES AND DOES NOT HAVE A SPECIFIC CASH VALUE.

(B) (1) A PERSON MAY NOT SELL A GIFT CARD OR GIFT CERTIFICATE THAT CONTAINS:

(I) AN EXPIRATION DATE; OR

(II) A SERVICE FEE, INCLUDING A SERVICE FEE FOR DORMANCY, UNLESS:

1. THE REMAINING VALUE OF THE GIFT CARD OR GIFT CERTIFICATE IS \$5 OR LESS WHEN THE FEE IS ASSESSED;

2. THE FEE DOES NOT EXCEED \$1 PER MONTH;

3. THERE HAS BEEN NO ACTIVITY, INCLUDING A PURCHASE, AN ADDITION OF VALUE, OR A BALANCE INQUIRY, ON THE GIFT CARD OR GIFT CERTIFICATE FOR AT LEAST 24 CONSECUTIVE MONTHS;

4. THE HOLDER MAY RELOAD OR ADD VALUE TO THE GIFT CARD OR GIFT CERTIFICATE; AND

5. A STATEMENT IS PRINTED IN A VISIBLE PLACE ON THE FRONT OR BACK OF THE GIFT CARD OR GIFT CERTIFICATE IN AT LEAST 10-POINT FONT STATING:

A. THE AMOUNT OF THE FEE;

B. HOW OFTEN THE FEE WILL BE IMPOSED;

C. THAT THE FEE IS TRIGGERED BY INACTIVITY; AND

D. WHEN THE FEE WILL BE IMPOSED.

(2) IF THE STATEMENT PRINTED ON THE GIFT CARD OR GIFT CERTIFICATE UNDER PARAGRAPH (1)(II)5 OF THIS SUBSECTION IS HIDDEN BY THE PACKAGING OF THE GIFT CARD OR GIFT CERTIFICATE, THE SELLER SHALL GIVE THE PURCHASER A WRITTEN DISCLOSURE OF THE FEE IN AT LEAST 10-POINT FONT BEFORE THE PURCHASE OF THE GIFT CARD OR GIFT CERTIFICATE.”.

AMENDMENT NO. 4

Before line 17, insert:

“(C) A GIFT CARD OR GIFT CERTIFICATE ISSUED AS A STORE CREDIT MAY NOT CONTAIN AN EXPIRATION DATE OR A SERVICE FEE.”.