

BY: Economic Matters Committee

AMENDMENTS TO HOUSE BILL NO. 551

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Vaughn” and substitute “Vaughn, Doory, Harrison, Kirk, Krebs, Krysiak, Love, McHale, Taylor, and Trueschler”.

AMENDMENT NO. 2

On page 1, in line 2, after “Certificates” insert “and Gift Cards”; in the same line, strike “Service”; in line 3, strike “Prohibition” and substitute “Prohibitions and Restrictions”; in line 4, strike “contains” and substitute “is subject to”; in line 5, strike “an”; strike beginning with “date” in line 5 down through “fee” in line 6 and substitute “or certain fees or charges within a certain period after purchase; requiring disclosure of certain terms and conditions of gift certificates in a certain manner”; in line 8, strike “an”; in the same line, strike “date”; in the same line, strike “service” and substitute “any”; in the same line, after “fee;” insert “authorizing a certain gift card to be subject to expiration or a postsale fee if certain disclosures are printed on the gift card in a certain manner; establishing certain disclosure requirements for certain gift cards sold by electronic means and by telephonic means;”; in line 9, after “term;” insert “providing for a delayed effective date;”; in line 10, strike “service”; in the same line, after “certificates” insert “and gift cards”; and in line 13, after “14-1319” insert “and 14-1320”.

AMENDMENT NO. 3

On page 2, in line 3, strike the second “OR”; in lines 4 and 5, strike “: 1.”; in line 5, strike “A CONSUMER” and substitute “AN INDIVIDUAL”; after line 7, insert:

“(VI) A GIFT CARD THAT:

1. IS PROCESSED THROUGH A NATIONAL CREDIT OR DEBIT CARD SERVICE; AND”;

(Over)

and in line 9, after “MULTIPLE” insert “UNAFFILIATED”.

AMENDMENT NO. 4

On page 2, strike in their entirety lines 10 through 16, inclusive, and substitute:

“(B) A PERSON MAY NOT SELL A GIFT CERTIFICATE THAT, WITHIN 3 YEARS AFTER THE DATE OF PURCHASE, IS SUBJECT TO EXPIRATION OR A FEE OR CHARGE OF ANY KIND.

(C) ANY TERM OR CONDITION CONCERNING EXPIRATION OR A FEE OR CHARGE THAT TAKES EFFECT MORE THAN 3 YEARS AFTER THE DATE OF PURCHASE MUST BE PRINTED CLEARLY IN AT LEAST 10 POINT TYPE IN A VISIBLE PLACE ON:

(1) THE FRONT OR BACK OF THE GIFT CERTIFICATE;

(2) A STICKER PERMANENTLY AFFIXED TO THE GIFT CERTIFICATE;

OR

(3) AN ENVELOPE CONTAINING THE GIFT CERTIFICATE.”;

in line 17, strike “(C)” and substitute “(D)”; in the same line, strike “SUBSECTION (B) OF”; in line 18, strike “AN”; in line 19, strike “DATE”; in the same line, strike “SERVICE” and substitute “ANY”; and in the same line, after “FEE” insert “OR CHARGE”.

AMENDMENT NO. 5

On page 2, after line 19, insert:

“14-1320.

(A) THIS SECTION APPLIES TO A 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.

(B) A GIFT CARD MAY BE SUBJECT TO EXPIRATION OR 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 THE FOLLOWING DISCLOSURES ARE PRINTED CLEARLY IN A VISIBLE PLACE ON THE FRONT OR BACK OF THE GIFT CARD IN AT LEAST 10 POINT TYPE:

(1) WITH RESPECT TO THE EXPIRATION DATE, THE DATE ON WHICH THE GIFT CARD EXPIRES; AND

(2) WITH RESPECT TO A POSTSALE FEE:

(I) THE AMOUNT OF THE FEE;

(II) THE CIRCUMSTANCES UNDER WHICH THE FEE WILL BE IMPOSED;

(III) THE FREQUENCY WITH WHICH THE FEE WILL BE IMPOSED;
AND

(IV) WHETHER THE FEE IS TRIGGERED BY INACTIVITY.

(C) IF THE DISCLOSURES REQUIRED UNDER SUBSECTION (B) OF THIS SECTION ARE HIDDEN BY THE PACKAGING OF THE GIFT CARD, THE SELLER SHALL GIVE THE PURCHASER A WRITTEN STATEMENT OF THE DISCLOSURES BEFORE THE GIFT CARD IS SOLD.

(D) IN ADDITION TO PRINTING THE INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION ON A GIFT CARD:

(1) IF A GIFT CARD IS SOLD BY ELECTRONIC MEANS, THE SELLER SHALL INCLUDE A CONSPICUOUS WRITTEN STATEMENT OF THE INFORMATION IN THE ELECTRONIC MESSAGE OFFERING THE GIFT CARD; AND

(2) IF A GIFT CARD IS SOLD BY TELEPHONIC MEANS, THE SELLER,

(Over)

BEFORE THE GIFT CARD IS SOLD, SHALL STATE THE INFORMATION TO THE PURCHASER.”;

in line 22, after “certificate” insert “or gift card”; in the same line, strike “issued” and substitute “sold”; and in line 25, strike “2005” and substitute “2006”.