

**HOUSE BILL NO. 49**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES GATTO, GARDNER, SEATON, AND GRUENBERG, Crawford

Introduced: 1/16/07

Referred: Labor and Commerce, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to credit memos, gift certificates, and gift cards, and to unclaimed  
2 property; and making a violation of certain gift card prohibitions an unlawful trade  
3 practice."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 \* **Section 1.** AS 34.45.240 is repealed and reenacted to read:

6 **Sec. 34.45.240. Credit memos.** A credit memo, issued in the ordinary course  
7 of an issuer's business, that remains unclaimed by the owner for more than three years  
8 after becoming payable or distributable is presumed abandoned. The amount presumed  
9 abandoned is the amount credited to the recipient of the credit memo.

10 \* **Sec. 2.** AS 34.45.760(11) is amended to read:

11 (11) "intangible property"

12 (A) includes

13 (i) money, checks, drafts, warrants, deposits, interest,  
14 dividends, and income;

1 (ii) credit balances, customer overpayments, [GIFT  
2 CERTIFICATES,] security deposits, refunds, credit memos, unpaid  
3 wages, and unidentified remittances;

4 (iii) stocks and other intangible equity interests in  
5 business associations;

6 (iv) money deposited to redeem stocks, bonds, coupons,  
7 and other securities, or to make distributions;

8 (v) amounts due and payable under the terms of  
9 insurance policies;

10 (vi) amounts distributable from a trust or custodial fund  
11 established under a plan to provide health, welfare, pension, vacation,  
12 severance, retirement, death, stock purchase, profit-sharing, employee  
13 savings, supplemental unemployment insurance, or similar benefits;  
14 and

15 (vii) amounts due and payable as mineral proceeds;

16 (B) does not include

17 (i) unused airline tickets;

18 (ii) shares of stock issued by a corporation organized  
19 under 43 U.S.C. 1601 et seq. (Alaska Native Claims Settlement Act) or  
20 unclaimed dividends payable on the shares of stock; [OR]

21 (iii) overpaid contributions by employers to the  
22 unemployment compensation fund under AS 23.20.130; or

23 (iv) gift cards; in this sub-subparagraph, "gift  
24 cards" has the meaning given in AS 45.45.940;

25 \* **Sec. 3.** AS 45.45 is amended by adding a new section to article 12 to read:

26 **Sec. 45.45.940. Gift cards.** (a) A person may not sell or offer to sell a gift card  
27 unless the

28 (1) gift card is redeemable at full face value for seven years or more  
29 after the gift card's date of issuance; and

30 (2) gift card's date of issuance and expiration date are clearly

31 (A) identified on the face of the gift card; or

1 (B) printed, if the gift card is an electronic card with a banked  
2 dollar value, on a sales receipt transferred to the buyer or another holder of the  
3 electronic card or available through an Internet site or a toll-free telephone line.

4 (b) A person may not sell or offer to sell a gift card that imposes dormancy  
5 fees, latency fees, administrative fees, periodic fees, service fees, or other fees that  
6 have the effect of reducing the total amount for which the holder may redeem a gift  
7 card.

8 (c) A person may not refuse to redeem a gift card before it has reached the  
9 expiration date.

10 (d) If a gift card does not comply with (a)(2) of this section, the gift card does  
11 not have an expiration date.

12 (e) When 90 percent of a gift card has been redeemed, the holder of the gift  
13 card shall be paid the balance in cash if the holder elects to have the balance paid in  
14 cash.

15 (f) In this section,

16 (1) "device" includes an electronic card, but does not mean an access  
17 number or authorization code, whether manually or electronically dialed, to make  
18 calls;

19 (2) "gift card" means a device that is

20 (A) purchased by a buyer for use by a person other than the  
21 buyer; and

22 (B) usable up to its face amount instead of cash in exchange for  
23 goods or services supplied by a seller.

24 \* **Sec. 4.** AS 45.50.471(b) is amended by adding a new paragraph to read:

25 (52) violating AS 45.45.940 (gift cards).

26 \* **Sec. 5.** AS 34.45.760(8) is repealed.