

**CS FOR HOUSE BILL NO. 49(L&C)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 2/19/07

Referred: Finance

Sponsor(s): REPRESENTATIVES GATTO, GARDNER, SEATON AND GRUENBERG, Crawford, Gara

**A BILL**

**FOR AN ACT ENTITLED**

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

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

4 \* **Section 1.** AS 34.45.240 is amended to read:

5 **Sec. 34.45.240. Gift certificates and credit memos.** (a) A gift **card**  
6 [CERTIFICATE] or a credit memo, issued in the ordinary course of an issuer's  
7 business, that remains unclaimed by the owner for more than three years after  
8 becoming payable or distributable is presumed abandoned.

9 (b) In the case of a gift **card** [CERTIFICATE], the amount presumed  
10 abandoned is the **balance remaining on** [PRICE PAID BY THE PURCHASER FOR]  
11 the gift **card** [CERTIFICATE]. In the case of a credit memo, the amount presumed  
12 abandoned is the amount credited to the recipient of the memo.

13 \* **Sec. 2.** AS 34.45.760(8) is amended to read:

14 (8) "gift **card** [CERTIFICATE]" **has the meaning given in**

1        **AS 45.45.940** [MEANS AN OBLIGATION OF A BUSINESS ASSOCIATION  
 2        ARISING FROM A TRANSACTION BETWEEN THE BUSINESS ASSOCIATION  
 3        AND A CONSUMER TO PROVIDE GOODS OR SERVICES AT A FUTURE  
 4        DATE; "GIFT CERTIFICATE" INCLUDES A GIFT CERTIFICATE, STORED  
 5        VALUE CARD, GIFT CARD, ON-LINE GIFT ACCOUNT, OR OTHER  
 6        REPRESENTATION OR EVIDENCE OF THE OBLIGATION OF A BUSINESS  
 7        ASSOCIATION];

8        \* **Sec. 3.** AS 34.45.760(11) is amended to read:

9                                (11) "intangible property"

10                              (A) includes

11    (i) money, checks, drafts, warrants, deposits, interest,  
 12    dividends, and income;

13    (ii) credit balances, customer overpayments, gift **cards**  
 14    [CERTIFICATES], security deposits, refunds, credit memos, unpaid  
 15    wages, and unidentified remittances;

16    (iii) stocks and other intangible equity interests in  
 17    business associations;

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

20    (v) amounts due and payable under the terms of  
 21    insurance policies;

22    (vi) amounts distributable from a trust or custodial fund  
 23    established under a plan to provide health, welfare, pension, vacation,  
 24    severance, retirement, death, stock purchase, profit-sharing, employee  
 25    savings, supplemental unemployment insurance, or similar benefits;  
 26    and

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

28                              (B) does not include

29    (i) unused airline tickets;

30    (ii) shares of stock issued by a corporation organized  
 31    under 43 U.S.C. 1601 et seq. (Alaska Native Claims Settlement Act) or

1 unclaimed dividends payable on the shares of stock; or

2 (iii) overpaid contributions by employers to the  
3 unemployment compensation fund under AS 23.20.130;

4 \* **Sec. 4.** AS 45.45 is amended by adding a new section to article 12 to read:

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

7 (1) gift card is redeemable at full face value in perpetuity; and

8 (2) gift card's date of issuance is clearly

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

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

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

17 (c) This section does not apply to a gift card that

18 (1) is distributed by the issuer of the gift card under an awards, loyalty,  
19 or promotional program if the recipient does not give the issuer money or another  
20 thing of value in exchange for the gift card;

21 (2) is donated to a nonprofit organization or a charitable organization  
22 for fundraising purposes; or

23 (3) can be used to purchase goods or services from more than one  
24 seller of goods or services.

25 (d) In this section,

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

29 (2) "gift card" means a device that is usable up to its face amount  
30 instead of cash in exchange for goods or services, except telephone services, supplied  
31 by a seller.

1     \* **Sec. 5.** AS 45.50.471(b) is amended by adding a new paragraph to read:  
2                             (52) violating AS 45.45.940 (gift cards).