

**HB**

**64**

<target><bill>HB 64</bill><subject>HB  
64</subject><comm>HFIN26</comm></target>

# Alaska State Legislature

**Interim:**

600 E. Railroad Ave  
Wasilla, AK 99654

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**Session:**  
Alaska State Capitol, Rm 108  
Juneau, AK 99801-1182

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Rep\_Carl\_Gatto@legis.state.ak.us

**Representative Carl Gatto**  
Chair, House Military and Veteran Affairs Committee  
District 13 - Palmer

## SPONSOR STATEMENT

### HB 64

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

Retailers and banks offer electronic "gift cards" in response to growing consumer demand for easier and more convenient gift options. Similar to a credit or debit card, these electronic gift cards allow recipients the flexibility to use the card at multiple locations. Most banks and retailers that issue these types of credit devices allow gift givers to choose from amounts as low as \$5 and as high as \$1,000.

Unfortunately, some banks and retailers have used this new opportunity to enhance their bottom line. They are able to erode the purchasing power of gift cards by attaching a variety of fees and service charges, often failing to clearly explain these provisions to purchasers and recipients. Commonly, issuers will attach a "dormancy fee" of \$2.50 or greater that is deducted monthly from the remaining balance as well as an "activation fee" of \$5 or more in order to begin using the card. A \$100 gift card would lose 35% of its value in one calendar year without a single use. Finally, some of the issuers include expiration dates less than Alaska's unclaimed property laws.

In the last 5 years a number of states have adopted measures to limit or restrict fees attached to these gift cards as well as establish standard expiration periods allowing consumers a reasonable period to use their gift cards. HB 64 is modeled closely after other state laws

HB 64 will protect Alaska's consumers from unnecessary fees and prevent erosion of purchasing power. I urge your support of HB 64.

# Alaska State Legislature

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Session:  
Alaska State Capitol, Rm. 108  
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**Representative Carl Gatto**  
Chair, House Military and Veteran Affairs Committee  
District 13 - Palmer

## SECTIONAL ANALYSIS

### HB 64

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

**Section 1** – Amends AS 34.45.240 to replace the original reference of “gift certificate” with “gift card” and provides conforming amendments to the original statutes structure based on this change.

**Section 2** – Amends AS 34.45.760(8) to provide a definitional reference for the new definition of “gift card” as found in AS 45.45.940.

**Section 3** – Amends AS 34.45.760(11) to add “gift cards” as “intangible property” and provides the statutory definitional reference for gift cards.

**Section 4** – Creates a new subsection under AS 45.45 to properly define “gift cards” and the new definition covers previous references to “gift certificate”. This new section also identifies exclusions to the applicability of the new gift card provisions.

**Section 5** – Adds a reference to “gift cards” to unlawful acts and practices under AS 45.50.471.

January 22, 2009  
26-LS0201AE

# FISCAL NOTE

**STATE OF ALASKA**  
**2008 LEGISLATIVE SESSION**

Fiscal Note Number: 2  
 Bill Version: HB 64  
 (H) Publish Date: 2/11/09

Identifier (file name): HB64-DOR-01-30-09 Dept. Affected: Revenue 04  
 Title: Gift Cards RDU: Taxation and Treasury  
 Component: Treasury Division  
 Sponsor: Representative Gatto  
 Requester: House - Labor and Commerce Component Number: \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CHANGE IN REVENUES ( )</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF								
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2008) cost: 0.0

**POSITIONS**

Full-time							
Part-time							
Temporary							

**ANALYSIS:** (Attach a separate page if necessary)

See attached.

Prepared by: Rachel Lewis  
 Division: Treasury  
 Approved by: Ginger Blaisdell  
 Dept. of Revenue

Phone (907) 465-5885  
 Date/Time 3/21/08 7:30 AM  
 Date March 23, 2008

FISCAL NOTE # 2

STATE OF ALASKA  
2008 LEGISLATIVE SESSION

BILL NO. HB 64

ANALYSIS CONTINUATION

**Bill Language:** This bill would redefine gift cards, using the new definition from AS 45.45.940. It would clarify that gift cards become unclaimed property after three years. It would remove expiration dates from gift cards. It would also add other conditions under which gift cards could be sold, and would make violating any of these conditions an unlawful trade practice.

**Revenues:** This bill will have no significant effect on revenue. Over the past 22 years, very little money from unclaimed gift cards has been turned over to the Department of Revenue's Unclaimed Property Unit, and a total of \$50,000 of that money has been deposited in the general fund in that period. The Department anticipates that in the future, contributions to the general fund from this source will continue close to the long-term average of approximately \$2,300 per year.

This bill may make businesses more aware of the need to turn over unclaimed gift cards to the Department. However, any increase in revenues to the general fund which might result is anticipated to be a small fraction of the current \$2,300 yearly average, and hence negligible.

Fines and forfeitures from unlawful trade practice enforcement related to gift cards are unknown.

**Expenditures:** It is not anticipated that this bill will result in any additional expenditures for the Department of Revenue. The current volume of unclaimed gift cards reported to the Unclaimed Property Unit is quite small, and the Department does not anticipate appreciable change in their workload stemming from this bill.

# FISCAL NOTE

STATE OF ALASKA  
2009 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: HB 64  
(H) Publish Date: 2/11/09

Identifier (file name): HB064-LAW-CIV-1-31-09 Dept. Affected: LAW  
Title: An Act relating to gift certificates and gift cards. RDU: CIVIL  
Sponsor: REPRESENTATIVE(s) GATTO, GARDNER, GRUENBERG Component: COMMERCIAL & FAIR BUSINESS  
Requester: LABOR & COMMERCE Component Number: 2717

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2010	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
<b>OPERATING EXPENDITURES</b>								
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>								
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<b>CHANGE IN REVENUES ( )</b>								
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts								
1003 GF Match								
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts								
1037 GF/Mental Health								
Other Interagency Receipts								
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2009) cost: \_\_\_\_\_

**POSITIONS**

Full-time								
Part-time								
Temporary								

**ANALYSIS:** (Attach a separate page if necessary)

This bill adds a section to AS 45.45 that imposes restrictions and conditions on the sale of gift cards. A gift card must be redeemable for full face value in perpetuity, and the date of issuance must be identified on the face of the card. The bill also prohibits a seller from imposing dormancy, latency, administrative, service, and other fees that have the effect of reducing the value of the card. There are several exceptions in the bill, including exceptions for cards that are redeemable at more than one vendor. Violations of this law would become violations of the Consumer Protection Act, and enforceable by the attorney general. It is expected that enforcement activities related to this bill would be minimal, and absorbed within existing resources.

Prepared by: Robert Meiners, Deputy Director Phone 907.465.5427  
Division: Administrative Services Division Date/Time 1/31/09 10:40 AM  
Approved by: Talis Colberg, Attorney General Date 1/31/2009  
Department of Law

air-lighten  
opened the program with a  
Kendall, "Brake Thru," and  
ing the performers' actions.  
National Endowment for the Arts.

McClintock-Tribune  
Gift cards are a form of theft from  
consumers. You give them real money  
and they give you a piece of plastic that  
may, or may not, someday be redeemed  
for something of equal or lesser value.  
Most of the time it is lesser value. Why  
else impose maintenance fees, expira-  
tion dates, and non-use fees if not to pull  
a gotcha on the consumer when they try  
to redeem it?

Is spending money on a gift card like  
putting money down a rat hole? With  
many retailers and restaurants filing for  
bankruptcy or closing, it's enough to give  
pause. Don't avoid gift cards altogether.

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# Be wary when you give out gift cards

**RISK:** Companies that close down don't offer redemptions.

**Don't assume that if your bank goes under, the gift card is covered under the FDIC. It's not.**

**By JOHN EWOLDT**  
McClintock-Tribune

Gift cards are a form of theft from consumers. You give them real money and they give you a piece of plastic that may, or may not, someday be redeemed for something of equal or lesser value. Most of the time it is lesser value. Why else impose maintenance fees, expiration dates, and non-use fees if not to pull a gotcha on the consumer when they try to redeem it?

Is spending money on a gift card like putting money down a rat hole? With many retailers and restaurants filing for bankruptcy or closing, it's enough to give pause. Don't avoid gift cards altogether.

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Is spending money on a gift card like putting money down a rat hole? With many retailers and restaurants filing for bankruptcy or closing, it's enough to give pause. Don't avoid gift cards altogether.

**CINEMARK**

**SHAR 1000**  
High School Mar

**THRILLING ROLLER COASTER RIDE**  
PAUL FISHER: BERN HORBONS

RECEIVED

JAN 29 2009



Alaska

January 29, 2009

The Honorable Carl Gatto  
Alaska House of Representatives  
State Capitol Building  
Juneau, Alaska 99801-1182

RE: House Bill 64

Dear Representative Gatto,

Members of the National Federation of Independent Business/Alaska have reviewed House Bill 64 and request that you consider making some changes to the bill. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

On page 3, lines 20 through 23, the bill prohibits any fees for handling the card. We suggest that the bill allow a service fee when it is turned over to the state as abandoned property. This requires added accounting and should be recognized as a legitimate expense.

We appreciate our consideration of our concerns this year and accommodating several of the concerns we raised previously.

Sincerely yours,

A handwritten signature in black ink that reads "Denny". The signature is stylized and written in a cursive-like font.

Dennis DeWitt  
State Director

✓ Cc: House Labor & Commerce Committee

National Federation of Independent Business -- ALASKA  
P.O. Box 34761 • Juneau, AK 99803 • 907-723-6667 • denny.dewitt@nfib.org

## Pick a Card, Any Card?

### When It Comes to Gift Cards and Gift Certificates, Consumers Should Check Expiration Dates and Fees

Holiday shoppers spend billions on gift cards and gift certificates every year, and they're increasingly popular gifts. But many purchasers are concerned about whether these gifts can come with unwanted extras, like expiration dates and fees.

California law protects gift card givers and recipients from expiration dates and dormancy fees in many cases, but it's important for consumers to understand when the protections apply and when they don't.

"Sometimes it's difficult to pick out just the right gift for someone," said Charlene Zettel, Director of the California Department of Consumer Affairs. "With a gift card, you're letting the recipient choose what they want. It's an option that can ease the pressure of holiday shopping. But we want to make sure consumers know if any strings are attached."

In most cases California law treats a plastic gift card the same as a paper certificate. Consumer protections vary depending on the type of business that sold the card, and on the type of product or service for which the card is used.

Both state and federal law prohibits the sale of gift cards and certificates in a deceptive manner, so it's illegal for sellers to conceal conditions, restrictions or fees.

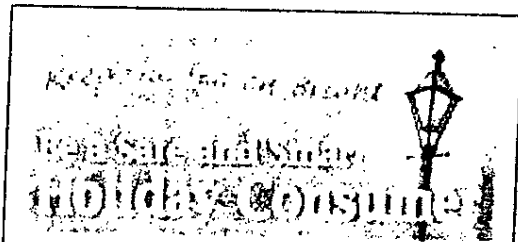
#### Protections Are Greater for Cards or Certificates Good at a Single Store or Its Affiliates

The type of card or certificate that comes with the best consumer protections under California law is the traditional gift certificate or card, sold by a single business and used for goods or services from that business or its affiliates. Expiration dates and service fees, including dormancy fees, are prohibited for this type of card, with limited exceptions.

A business doesn't have to redeem a gift card or certificate, or the balance left after a purchase, for cash. They can redeem it with another certificate or card for the remaining value.

Single-store cards can have a dormancy fee if: the value drops to \$5 or below; the fee is \$1 or less per month; the card has been inactive for 24 consecutive months; and the owner can pay to re-charge it with value to over \$5. The dormancy fee must be fully disclosed in advance and printed on the card.

An exception -- to the rule of no expiration dates for cards good at a single business or its affiliates -- is a gift card or gift certificate for a food item. Cards or certificates for food items -- other than restaurant meals -- can have expiration dates, as long as that fact is printed in 10-point type on the front of the card or certificate.



#### TOP GIFT CARD TIPS

- ▶ Check expiration dates and fees
- ▶ Save all receipts
- ▶ Use it before you lose it!



California Department of Consumer Affairs | Office of Public Affairs  
1625 North Market Boulevard, Suite N 323, Sacramento, CA 95834  
(916) 574-8170 | [www.consumer.ca.gov](http://www.consumer.ca.gov)

Restaurant gift certificates good for meals cannot have expiration dates. Restaurants issuing gift certificates, either directly or through affiliates, must accept the certificate even if it's an older certificate with a posted expiration date, if that certificate was issued after January 1997.

Another exception is gift certificates distributed free as a premium or promotion, or sold below face value at a volume discount to employers or to nonprofit and charitable organizations for fundraising purposes. These can have expiration dates, but the date must be printed on the front of the card in 10-point type.

### **Mall or Other Multiple-Store Gift Certificates**

California law doesn't protect consumers from service fees and expiration dates when it comes to gift certificates or cards good at multiple, unaffiliated businesses. So many popular gift certificates and cards can have these fees and restrictions, including cards sold by malls and banks.

If such a card or certificate has an expiration date, that fact has to be printed on the card or certificate. Fees must also be disclosed to purchasers.

Consumers should weigh the benefits of these cards against the costs. Cards from malls and banks allow shopping for gifts at many different stores. But the gift card recipient may see the value of the gift card reduced or eliminated by expiration dates or dormancy fees.

### **Gift Cards Sold by Banks**

Bank gift cards can be used at multiple, unaffiliated businesses, so California laws prohibiting expiration dates and service fees, including dormancy fees, do not apply. However, California does require any expiration date to be printed on the card.

Bank gift cards usually tap into a leading credit card network, offering flexibility and convenience, including the option of replacement for a lost card. But they can also come with a variety of fees, such as purchase fees, monthly fees, inactivity fees, transaction fees, balance-inquiry fees and replacement fees for lost cards. Consumers should shop around for the best deal, advise recipients of all terms and conditions, record the card number and retain all receipts.

Federal banking regulators have recently ordered national banks to provide greater disclosures to consumers, putting the expiration date on the front of cards, disclosing the amount of any monthly maintenance or inactivity fees, and providing a phone number or Web address where consumers can get detailed information.

*Some consumer protections described here may not apply to cards and certificates issued several years ago. If you have an old card or certificate, or simply want more details on the law, check the Department of Consumer Affairs legal guide "[FAQs and Tips on Gift Certificates and Gift Cards](#)." For more holiday consumer tips visit [www.consumer.ca.gov](http://www.consumer.ca.gov).*

“

*'Use it or lose it' is still good advice, even if your gift card or certificate is protected from expiration dates and fees. Don't hang on to the card for too long. The store may go out of business, or you might lose the card, which in most cases is like losing cash.*

”

-- Charlene Zettel



California Department of Consumer Affairs | Office of Public Affairs  
1625 North Market Boulevard, Suite N 323, Sacramento, CA 95834  
(916) 574-8170 | [www.consumer.ca.gov](http://www.consumer.ca.gov)

# LEGISLATIVE RESEARCH REPORT

MARCH 14, 2006



REPORT NUMBER 06.154

## GIFT CERTIFICATE LEGISLATION ELIMINATING EXPIRATION DATES IN OTHER STATES

PREPARED FOR REPRESENTATIVE BERTA GARDNER

BY BECKY TAYLOR, LEGISLATIVE ANALYST

You asked whether other states have considered legislation limiting expiration dates on gift certificates. Specifically, you were interested in the laws from California, Louisiana, and Washington.

A number of states have passed legislation in recent years limiting expiration dates and the escheatment, or reversion to the state, of unclaimed gift certificates.<sup>1</sup> As you know, under current Alaska law, the value of gift certificates that are not used for more than three years are presumed to be abandoned property and typically must be turned over to the state (AS 34.45.240). According to a 2004 article from *SmartMoney.com*, at that time about thirty-nine states had some type of escheatment law requiring retailers to turn over the value of a gift certificate to the state if it was not redeemed within a certain timeframe, typically three to five years. Once the money is turned over to the state, customers can then file a claim to have the cash value returned.<sup>2</sup> This process has been criticized by both consumer and business groups for being cumbersome and unfair, and a number of states have passed laws that eliminate expiration dates and allow businesses to retain revenues from unused gift cards.

One reason businesses, particularly restaurants, are opposed to having unclaimed gift cards escheat to the state is that having consumers redeem their cards produces sales and potential repeat customers. One vice president of sales and marketing points out that when a gift card is redeemed, the average order is 31% higher than a business's typical order. According to the *Smartmoney.com* article, some merchants are so eager to have customers use their gift cards

<sup>1</sup> "State Gift Card Consumer Protection Laws," Consumers Union, July 1, 2005, available at [www.consumersunion.org/pdf/gift-factsheet.pdf](http://www.consumersunion.org/pdf/gift-factsheet.pdf). We include this document as Attachment A.

<sup>2</sup> "Looking a Gift Card in the Mouth," *SmartMoney.com*, available at [www.smartmoney.com/consumer/index.cfm?story=20040108](http://www.smartmoney.com/consumer/index.cfm?story=20040108). We include this article as Attachment B.

that they will call and remind customers that they still have value remaining on their cards.<sup>3</sup> The National Restaurant Association supports the elimination of expiration dates and escheatment of unclaimed gift cards for the following reasons:

- ◆ Restaurants rely on repeat customers and customer satisfaction. Therefore, most restaurant owners would not turn away a customer with an expired gift card or certificate; however, if the money has already been turned over to the state the business may not be reimbursed.
- ◆ States' laws vary on abandoned property, which can create challenges when doing business in multiple parts of the country.
- ◆ Although abandoned property laws were enacted to protect customers and businesses from losing their property, some states now rely on unclaimed property as a source of revenue.
- ◆ Many restaurants donate gift certificates to charitable causes, many of which are unused, but in some jurisdictions may still escheat to the state.<sup>4</sup>

Franchise businesses with multi-state or national gift card programs face particular challenges when trying to comply with the abandoned property laws in multiple states. One attorney pointed out that for companies trying to operate across state lines negotiating these different laws can present a "legal minefield."<sup>5</sup>

In addition to presenting challenges to businesses, the application of abandoned property laws to gift cards can also create challenges for state governments. Robert Casey, the State Treasurer for Pennsylvania, urged legislators to eliminate expiration dates on gift cards. He stated that it is difficult for the Treasury to return money to gift card owners because businesses often do not collect the names and addresses of gift card purchasers or recipients. When a merchant turns over unredeemed gift card funds, the Treasury may have no way of knowing who the owner is and cannot advertise the individual's name. In 2005, the Pennsylvania Treasury collected \$650,000 in unused gift card funds, but was only able to return about \$25,800 to card owners.<sup>6</sup> The Washington State Department of Revenue also expressed that it was difficult to return to consumers funds from unredeemed gift cards because of the small denominations and absence of clear records of ownership.<sup>7</sup>

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<sup>3</sup> "Looking a Gift Card in the Mouth."

<sup>4</sup> "Background: Gift Cards/Certificates," and "Talking Points: Gift Cards/Certificates," National Restaurant Association, available at <http://www.restaurant.org/government/state/giftcards/index.cfm>. We include these documents as Attachment C.

<sup>5</sup> Yoon, Tacie H., "Electronic Gift Card Laws—The Risks Along with the Rewards," Wiley Rein & Fielding LLP, February 21, 2006, available at [http://www.wrf.com/publication.cfm?publication\\_id=12513](http://www.wrf.com/publication.cfm?publication_id=12513). We include this article as Attachment D.

<sup>6</sup> "Casey Calls for Elimination of Gift Card Expiration Dates, Inactivity Fees," *Treasury News*, The Pennsylvania Treasury Department, available at <http://www.patreasury.org/press/028-2006.htm>

<sup>7</sup> "Consumers Reap Benefits from New Gift Card Law Signed by Governor," *Washington State Department of Revenue News*, March 26, 2004, available at [http://dor.wa.gov/Docs/Pubs/News/2004/NR\\_Gift\\_Cards\\_Law.pdf](http://dor.wa.gov/Docs/Pubs/News/2004/NR_Gift_Cards_Law.pdf).

Some critics of laws eliminating escheatment of unused gift cards to the state argue that this policy allows businesses to keep money that should be used for the good of all people. According to Dr. Dan Horne, marketing professor and gift card expert, businesses should be allowed to keep a percentage of the funds from unredeemed gift cards to cover the costs of these programs, but the merchant should not be entitled to the entire balance.<sup>8</sup> In addition to the issue of expired cards, Dr. Horne points out that many consumers are frustrated by dormancy fees, or inactivity fees, that reduce the value of a gift card over time. In his opinion, legislation that eliminates expiration dates and dormancy fees would be a good compromise between consumer and retail interests.<sup>9</sup> According to an article in *The Seattle Times*, the National Retail Federation asserts that fees are a valid way for businesses to cover the costs of operating a gift card program and should not be banned.<sup>10</sup>

### LEGISLATION IN OTHER STATES

The National Conference of State Legislatures has compiled a list of expiration date, fee, and escheat provisions for all 50 states, and a list of legislation that has been considered by state legislatures from 2000-2006.<sup>11</sup> In addition, we also include the following related documents for your convenience:

#### Arizona (Attachment F)

Chapter 315, State of Arizona 47<sup>th</sup> Legislature, First Regular Session 2005.

"Final Amended Fact Sheet for S.B. 1299," Senate Research, Arizona State Senate forty-seventh Legislature, First Regular Session, June 7, 2005.

#### California (Attachment G)

Deering's California Code § 1749.5, 1749.51, and 1520.5.

#### Louisiana (Attachment H)

Act No. 69, Louisiana Legislature Regular Session, 2004.

#### Washington (Attachment I)

Chapter 168, Laws of 2004, 58<sup>th</sup> Washington State Legislature, 2004 Regular Session.

"House Bill Report EHB 3036," Washington State Legislature.

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<sup>8</sup> Lewis, Peter, "New State Law Will Ban Gift-Card Expiration," *The Seattle Times*, June 28, 2004, available at [http://seattletimes.nwsource.com/html/localnews/2001966367\\_gift27m.html](http://seattletimes.nwsource.com/html/localnews/2001966367_gift27m.html).

<sup>9</sup> Personal communication from Dan Horne, Assistant Professor, Department of Marketing, Providence College. Dr. Horne can be reached at (401) 865-2722.

<sup>10</sup> Lewis, Peter.

<sup>11</sup> "Gift Cards and Gift Certificates Statutes and Recent Legislation," National Conference of State Legislatures, February 17, 2006, available at <http://www.ncsl.org/programs/banking/GiftCardsandCerts.htm>. We include this document as Attachment E.

"Gift Certificates and Gift Cards—Change for Businesses/holders," Washington State Department of Revenue Special Notice, June 10, 2004.

Legal information (Attachment J)

The following three documents are available from the Incentive Gift Card Council at <http://www.usegiftcertificates.org/displaycommon.cfm?an=5>.

George B. Delta, Esq., "Legal Issues in Incentive Marketing: 2005 Update," July 25, 2005.

George B. Delta, Esq., "Gift Certificates and Laws of Escheat," September 15, 2003.

"State Escheat Laws as Applied to Gift Certificates," September 15, 2003.

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I hope you find this information to be useful. Please do not hesitate to contact us if you have questions or need additional information.