## As Reported by the Senate Insurance, Commerce and Labor Committee

## 126th General Assembly Regular Session 2005-2006

<u>card.</u>

Sub. S. B. No. 33

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## Senators Spada, Jacobson, Amstutz, Schuler, Mumper

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## **ABILL**

administrative fees, that have the effect of reducing the total

amount for which the holder of the gift card may redeem the gift

To enact section 1349.19 of the Revised Code to

prohibit the sale of a gift card that has an

expiration date that is less than two years after 3 the date the gift card is issued and to prohibit, 4 for two years after issuance, any service charges 5 or fees having the effect of reducing the value of 6 the gift card. 7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO: Section 1. That section 1349.19 of the Revised Code be 8 enacted to read as follows: 9 Sec. 1349.19. (A)(1) Subject to division (C) of this section, 10 no person or entity shall sell a gift card to a purchaser 11 containing an expiration date that is less than two years after 12 the date the gift card is issued. 13 (2) No person or entity, within two years after a gift card 14 is issued, shall charge service charges or fees relative to that 15 gift card, including dormancy fees, latency fees, or 16

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(B) A gift card sold without an expiration date is valid	20
until redeemed or replaced with a new gift card.	21
(C) Division (A) of this section does not apply to any of the	22
following gift cards:	23
(1) A gift card that is distributed by the issuer to a	24
consumer pursuant to an awards, loyalty, or promotional program	25
without any money or anything of value being given in exchange for	26
the gift card by the consumer;	27
(2) A gift card that is sold below face value at a volume	28
discount to employers or to nonprofit and charitable organizations	29
for fundraising purposes, if the expiration date on that gift card	30
is not more than thirty days after the date of sale;	31
(3) A gift card that is sold by a nonprofit or charitable	32
organization for fundraising purposes;	33
(4) A gift card that an employer gives to an employee if use	34
of the gift card is limited to the employer's business	35
establishment, which may include a group of merchants that are	36
affiliated with that business establishment;	37
(5) A gift certificate issued in accordance with section	38
1533.131 of the Revised Code that may be used to obtain hunting	39
and fishing licenses, fur taker, special deer, and special wild	40
turkey permits, and wetlands habitat stamps.	41
(D) Whoever violates division (A)(2) of this section is	42
liable to the holder for any amount that the redemption value of	43
the gift card was reduced, any court costs incurred, and	44
reasonable attorney's fees.	45
(E) As used in this section:	46
(1) "Gift card" means a certificate, electronic card, or	47
other medium issued by a merchant that evidences the giving of	48
consideration in exchange for the right to redeem the certificate.	49

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electronic card, or other medium for goods, food, services,	50
credit, or money of at least an equal value, including any	51
electronic card issued by a merchant with a monetary value where	52
the issuer has received payment for the full monetary value for	53
the future purchase or delivery of goods or services and any	54
certificate issued by a merchant where the issuer has received	55
payment for the full monetary face value of the certificate for	56
the future purchase or delivery of goods and services. "Gift card"	57
does not include a prepaid calling card used to make telephone	58
calls.	59
(2) "Employer" and "employee" have the same meanings as in	60
section 4121.01 of the Revised Code.	61