

Senate Bill 618

By: Senators Unterman of the 45th, Stephens of the 51st, Johnson of the 1st, Adelman of the 42nd and Balfour of the 9th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 10-1-393 of the Official Code of Georgia Annotated, relating to
2 unfair or deceptive practices in consumer transactions, so as to provide a short title; to
3 provide definitions; to prohibit the imposition of nonuse, handling, dormancy, activation, or
4 maintenance fee on gift cards and gift certificates issued by merchants or persons acting on
5 behalf of merchants; to provide for related matters; to provide an effective date; to repeal
6 conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 This Act shall be known and may be cited as the "Gift Card Integrity Act of 2004."

10 **SECTION 2.**

11 Code Section 10-1-393 of the Official Code of Georgia Annotated, relating to unfair or
12 deceptive practices in consumer transactions, is amended by striking the word "or" at the end
13 of paragraph (31) of subsection (b), striking the period and inserting "; or" at the end of
14 paragraph (32) of subsection (b), and adding a new paragraph (33) to subsection (b) to read
15 as follows:

16 "(33)(A) As used in this paragraph, the term:

17 (i) 'Gift card' or 'gift certificate' means a prefunded tangible or electronic record
18 evidencing an issuer's agreement to provide goods, services, credit, or anything of
19 value. A gift card or gift certificate includes, but is not limited to, a tangible card,
20 electronic card, stored value card, or certificate or similar instrument, card, or tangible
21 record that contains a microprocessor chip, magnetic chip, magnetic strip, or other
22 means for the storage of information and for which the value is decremented upon
23 each use. Gift card or gift certificate shall not include gift certificates or gift cards
24 distributed to a consumer pursuant to an awards, loyalty, or promotional program
25 without any money or other thing of value being given in exchange for the gift

1 certificate or gift card by the consumer and gift cards or gift certificates sold below
2 face value at a volume discount to employers or to nonprofit and charitable
3 organizations for fundraising purposes and whose expiration dates are not less than
4 30 days after the date of sale.

5 (ii) 'Merchant' means any person who offers goods, food, wares, merchandise, or
6 services for sale to the public and shall include an employee of a merchant. Merchant
7 includes, but is not limited to, stores, restaurants, shopping centers, and other retail
8 establishments.

9 (B) Imposing a nonuse, handling, dormancy, activation, or maintenance fee on gift
10 cards and gift certificates issued by merchants or persons acting on behalf of merchants.
11 Such cards and certificates shall be redeemable for merchandise by the holder with the
12 merchant issuing such card or certificate or on whose behalf such card or certificate was
13 issued prior to any expiration date specifically identified on such card or certificate or,
14 if no such expiration date has been specifically identified, at any time for the full value
15 of the card or certificate."

16 **SECTION 3.**

17 This Act shall become effective upon its approval by the Governor or upon its becoming law
18 without such approval.

19 **SECTION 4.**

20 All laws and parts of laws in conflict with this Act are repealed.