

The Senate Agriculture and Consumer Affairs Committee offered the following substitute to SB 443:

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 for definitions; to provide that the terms of gift certificates, store gift cards, and  
4 general use prepaid cards shall be disclosed at the time of purchase and through certain  
5 notifications; to provide for related matters; to provide an effective date; to repeal conflicting  
6 laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

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

**SECTION 2.**

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

16 "(33)(A) For any person, firm, partnership, association, or corporation to issue a gift  
17 certificate, store gift card, or general use prepaid card without:

18 (i) Disclosing the terms of the gift certificate, store gift card, or general use prepaid  
19 card to the purchaser of the gift certificate, store gift card, or general use prepaid card  
20 at the time of purchase; and

21 (ii) Conspicuously printing the expiration date on the front of and the terms of any  
22 servicing fee or fees, including but not limited to dormancy or nonuse fees, on the gift  
23 certificate, store gift card, or general use prepaid card and making such terms  
24 available through a toll-free telephone number or a website provided by the issuer.

1 A gift certificate, store gift card, or general use prepaid card shall be valid in  
2 accordance with its terms in exchange for merchandise or services.

3 (B) As used in this paragraph, the term:

4 (i) 'General use prepaid card' means a plastic card or other electronic payment device  
5 issued only by a bank or other similarly regulated financial institution or by a licensed  
6 money transmitter which is usable at multiple, unaffiliated merchants or service  
7 providers and automatic teller machines; is issued in a requested amount which  
8 amount may be, at the option of the issuer, increased in value or reloaded if requested  
9 by the holder; is purchased and loaded on a prepaid basis by a consumer; and is  
10 honored upon presentation by merchants for goods or services or at automatic teller  
11 machines and shall not include debit cards linked to a deposit account or cards  
12 purchased by a business entity.

13 (ii) 'Gift certificate' means a written promise that is usable at a single merchant or an  
14 affiliated group of merchants that share the same name, mark, or logo; is issued in a  
15 specified amount and cannot be increased in value on the face thereof; is purchased  
16 on a prepaid basis by a consumer in exchange for payment; and is honored upon  
17 presentation for goods or services by such single merchant or affiliated group of  
18 merchants that share the same name, mark, or logo.

19 (iii) 'Store gift card' means a plastic card or other electronic payment device which  
20 is usable at a single merchant or an affiliated group of merchants that share the same  
21 name, mark, or logo; is issued in a specified amount and may or may not be increased  
22 in value or reloaded; is purchased on a prepaid basis by a consumer in exchange for  
23 payment; and is honored upon presentation for goods or services by such single  
24 merchant or affiliated group of merchants that share the same name, mark, or logo."

25 **SECTION 3.**

26 This Act shall become effective on January 1, 2005.

27 **SECTION 4.**

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