

Senate Bill 13

By: Senators Rogers of the 21st, Seabaugh of the 28th, Mullis of the 53rd, Hill of the 32nd and Moody of the 56th

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:

8 **SECTION 1.**

9 This Act shall be known and may be cited as the "Gift Card Integrity Act of 2005."

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) 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, if applicable, and the amount of any
22 dormancy or nonuse fees, on the gift.

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

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

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

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

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

22 SECTION 3.

23 This Act shall become effective on January 1, 2006.

24 SECTION 4.

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