

**REVENUE: No revenue impact**

**FISCAL: Minimal fiscal impact, no statement issued**

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	7 - 0 - 0
<b>Yeas:</b>	Bonamici, Galizio, Gilliam, Girod, Nelson, Riley, Holvey
<b>Nays:</b>	0
<b>Exc.:</b>	0
<b>Prepared By:</b>	Steve Dixon, Administrator
<b>Meeting Dates:</b>	3/07, 4/04

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**WHAT THE MEASURE DOES:** Prohibits a person from issuing a gift card that expires or has face value that declines over time or with lack of use with certain exceptions. Prohibits a person from charging a fee related to gift card.

This bill prohibits the issuance of a gift card that expires or diminishes in face value over time or with lack of use, with the following exceptions: the card has ten point type stating that the card expires on a given date and the card is part of a promotion program, award, or loyalty in which the card recipient does not provide consideration for the card; the card is used for charitable or non-profit fundraising; the card is issued at a cost below face value or for no consideration; and the gift card does not expire until at least thirty days after issuance. Violation of this act is considered an unlawful trade practice

**ISSUES DISCUSSED:**

- Consumer concerns with gift cards losing value.
- Ways in which gift cards lose value that may impact consumers
- The use of gift cards for fundraising and other activities by charities.
- Gift cards donated by a given company for charity or promotion.
- Different types of gift cards currently in the marketplace.
- Other states with similar legislation
- Other gift card legislation being considered in the Oregon legislature.

**EFFECT OF COMMITTEE AMENDMENT:** Adopted amendment clarifies that a gift card issued may not be exchanged for cash. The amendment also clarifies gift cards may be issued, not sold, with expiration date provided the words "EXPIRATION DATE", or "EXPIRES ON" is printed on the gift card in 10-point type. This would allow gift cards issued for promotional activities, charity and fundraising activities to expire. However, a gift card with an expiration date may not expire until at least 30 days after the date of issuance.

**BACKGROUND:** There are no Oregon laws currently regulating gift cards that expire, have associated fees, or decline in value due to lack of use.