

A-Engrossed
Senate Bill 756

Ordered by the Senate April 25
Including Senate Amendments dated April 25

Sponsored by Senator VERGER, Representative J SMITH; Senators DINGFELDER, JOHNSON, Representatives CLEM, COWAN, HOLVEY

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Prohibits sale of gift card that cannot be *[funded again by owner or that cannot be]* redeemed for cash when face value declines to amount less than *[\$10]* **\$5** and card has been used for at least one purchase. **Creates exemptions.**

A BILL FOR AN ACT

Relating to gift cards; creating new provisions; and amending ORS 646A.276.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 646A.276 is amended to read:

646A.276. (1) Except as provided in **subsection (2) of this section and** ORS 646A.278, a person may not sell a gift card:

[(1)] (a) That has an expiration date;

[(2)] (b) That has a face value that declines as a result of the passage of time or the lack of use of the card; *[or]*

[(3)] (c) That has a fee related to the card, including, but not limited to, an inactivity fee, a maintenance fee or a service fee*[,]*; **or**

(d) That does not give the cardholder the option to redeem the card for cash when the face value of the card has declined to an amount less than \$5 and the card has been used for at least one purchase. For purposes of this paragraph, "cash" means money or a check.

(2) Subsection (1)(d) of this section does not apply to:

(a) Gift cards that have been given for free or less than full consideration to a person or entity as a donation or as part of a promotional offer; and

(b) Gift cards issued by an entity that provides services that are subject to the federal Communications Act of 1934 (47 U.S.C. 151 et seq.).

(3) Redemption under subsection (1)(d) of this section may be obtained only from the provider of goods or services indicated on the gift card regardless of whether the provider is the issuer of the gift card.

SECTION 2. The amendments to ORS 646A.276 by section 1 of this 2011 Act apply to gift cards sold on or after the effective date of this 2011 Act.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.