



**Testimony before the  
House Committee on Consumer Protection and Government Effectiveness  
Submitted by Amanda Dalton on behalf of the Northwest Grocery Association  
March 19, 2015**

Chair Fagan and Members of the Committee:

Amanda Dalton on behalf of the Northwest Grocery Association. We represent the retailers, wholesalers, brokers, manufacturers and suppliers that support the Pacific Northwest's grocery industry.

As you may know, in 2009 the U.S. Congress passed, and President Obama signed, the Credit Card Accountability Responsibility and Disclosures Act (CARD Act). The CARD Act provides consumers several gift card protections including limits on expiration dates and fees. Money on store-issued gift cards cannot expire before 5 years from the date of purchase or the date of funds being loaded/re-loaded.

Some states have adopted rules that give consumers protections above and beyond the CARD Act protections – including in Oregon. We were a part of those discussions in previous Legislative Sessions that resulted in the gift card law before you today, which include:

- No fees on gift cards
- No expiration dates (with one exception for cards sold below face value)
- Redemption option for case when the face value is reduce to less than \$5 and has been used for at least one purchase.

The bill before you essentially removes those very consumer protection provisions that make Oregon a leader in this area. HB 2543 essentially creates a 3-year expiration date, while placing the burden on the retailer (typically our cashiers) to inform the unhappy customer that their gift card is no longer valid and the consumer to then track down their card value from the Oregon Department of State Lands Unclaimed Property Section.

In addition, it is unclear whether or not the State is preempted from providing lower consumer protections than those established by the CARD Act and 5-year expiration date.

Finally, we have serious concern with Section 3(3) which appears to define the issuer of the card as the holder of the gift card and essentially makes our members or third party vendors liable to turn over the value of the expired gift card for all cards we sell, including those of other retailers and brands.

For the reasons stated above we urge your opposition to HB 2543.