

PRELIMINARY STAFF MEASURE SUMMARY**CARRIER:**

House Committee on Consumer Protection and Government Effectiveness

REVENUE: May have revenue impact, statement not yet issued**FISCAL: May have fiscal impact, statement not yet issued****SUBSEQUENT REFERRAL TO: None****Action:****Vote:****Yeas:****Nays:****Exc.:****Prepared By:** Wendy Simons, Administrator**Meeting Dates:**

WHAT THE MEASURE DOES: Provides that unused gift cards become abandoned property. Provides that if issuer of gift card does not have address for owner, value of gift card presumed abandoned is subject to custody of state if purchase, issuance or last transaction by owner of gift card occurred in Oregon. Applies to gift cards issued on or after effective date.

ISSUES DISCUSSED:**EFFECT OF COMMITTEE AMENDMENT:** No amendments.

BACKGROUND: Oregon statutes define a gift card as a prefunded record, usually in the form of a card or certificate, giving evidence that the issuer will provide goods or services to the owner in the amount shown on the card or certificate. Gift cards may not expire unless the gift card bears the words “EXPIRES ON” or “EXPIRATION DATE” followed by the expiration date, the expiration date is at least 30 days after the date of sale, and the selling price of the card is below the face value of the card. Oregon law also requires that the face value of gift cards may not decline over time, and that owners may not incur fees related to the use of a gift card, including inactivity, maintenance or service fees. With the exception of gift cards given for free or less than full consideration as a donation or promotion and gift cards redeemed for online purchases, issuers must give gift card owners the option to redeem cards for cash when the remaining value is less than \$5 and the card has been used at least once.

House Bill 2543 provides that gift cards are presumed abandoned if the value of the card has not been redeemed within three years after the later of the purchase date, or the date of the last transaction by the owner of the card. If the issuer does not have an address for the owner, the value of the gift card is subject to the custody of the state of Oregon if the purchase, issuance or last transaction by the owner occurred in Oregon.