



## **122nd MAINE LEGISLATURE**

## FIRST REGULAR SESSION-2005

**Legislative Document** 

No. 771

H.P. 548

House of Representatives, February 15, 2005

An Act To Protect Consumers' Use of Gift Cards

Reference to the Committee on Judiciary suggested and ordered printed.

Millient M. Mac Jarland

MILLICENT M. MacFARLAND Clerk

Presented by Representative THOMPSON of China. Cosponsored by Senator COWGER of Kennebec and Representatives: BARSTOW of Gorham, CANAVAN of Waterville, DAIGLE of Arundel, HUTTON of Bowdoinham, MARRACHÉ of Waterville, NORTON of Bangor, SAMPSON of Auburn, WALCOTT of Lewiston.

## Be it enacted by the People of the State of Maine as follows:

Sec. 1. 33 MRSA §1953, sub-§1,  $\P$ G, as amended by PL 2003, c. 339, §2, is further amended to read:

A gift obligation, 3 years after December 31st of the б G. year in which the gift obligation occurred. A period of limitation may not be imposed on the owner's right to redeem 8 the gift obligation. The amount unclaimed is the face value of the gift obligation, except that the amount unclaimed is 10 60% of the gift obligation's face value if the issuer of the obligation does not impose 12 qift a dormancy charge. Notwithstanding section 1956, fees or charges may not be 14 imposed on a gift obligation prior to the date that the gift obligation is presumed abandoned pursuant to this Fees Following the date of presumption of 16 paragraph. abandonment, fees or charges may not be imposed on gift 18 obligations unless they those fees or charges are noted on the gift obligation and are in accordance with section 20 1956. The amount of these charges or fees may not be unconscionable;

## SUMMARY

26 a gift obligation, such as a gift Under current law, certificate or gift card, is presumed abandoned if not claimed by 28 the end of the 3rd calendar year after the date of issue; however, the issuer is prohibited from placing a limitation on 30 the gift obligation. An issuer is allowed to charge dormancy charges or fees if the gift obligation is not redeemed before the 32 gift obligation is presumed abandoned. There is no limit on these dormancy charges or fees. An issuer is also allowed to deduct dormancy charges or fees after the obligation is presumed 34 abandoned; these charges or fees may not be unconscionable.

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This bill prohibits an issuer from charging dormancy charges or other fees prior to the date that the gift obligation is presumed abandoned; after that, any dormancy charges or fees imposed may not be unconscionable.