

MAINE STATE LEGISLATURE

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Date: 6/19/19

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STATE OF MAINE
SENATE
129TH LEGISLATURE
FIRST REGULAR SESSION

SENATE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 1164, L.D. 1612, Bill, "An Act Regarding the Presumption of Abandonment of Gift Obligations"

Amend the amendment by striking out everything after the title and before the last indented paragraph and inserting the following:

'Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 33 MRSA §1953, sub-§1, ¶G, as corrected by RR 2011, c. 1, §48, is amended to read:

G. A gift obligation or stored-value card, 2 years after December 31st of the year in which the obligation or the most recent transaction involving the obligation or stored-value card occurred, whichever is later, including the initial issuance and any subsequent addition of value to the obligation or stored-value card.

(1) The amount unclaimed is 60% of the ~~gift obligation's~~ or stored-value card's face value. The amount of a gift obligation's face value that is unclaimed for purposes of this section is as follows:

(a) For gift obligations issued or whose most recent transaction, whichever is later, occurred during calendar year 2018 or earlier, 60%;

(b) For gift obligations issued or whose most recent transaction, whichever is later, occurred during calendar year 2019, 40%;

(c) For gift obligations issued or whose most recent transaction, whichever is later, occurred during calendar year 2020, 20%; and

(d) For gift obligations issued or whose most recent transaction, whichever is later, occurred during calendar year 2021 or thereafter, 0%.

(2) A gift obligation or stored-value card sold on or after December 31, 2011 is not presumed abandoned if the gift obligation or stored-value card was sold by a single issuer who in the past calendar year sold no more than \$250,000 in face value of gift obligations or stored-value cards. Sales of gift obligations and

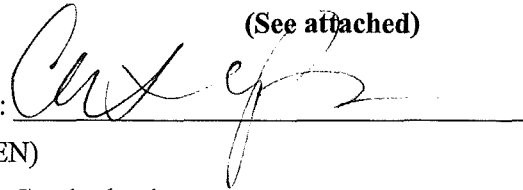
- 1 stored-value cards are considered sales by a single issuer if the sales were by
- 2 businesses that operate either:
- 3 (a) Under common ownership or control with another business or businesses
- 4 in the State; or
- 5 (b) As franchised outlets of a parent business.
- 6 (3) A period of limitation may not be imposed on the owner's right to redeem the
- 7 gift obligation or stored-value card.
- 8 (4) Notwithstanding section 1956, fees or charges may not be imposed on gift
- 9 obligations or stored-value cards, except that the issuer may charge a transaction
- 10 fee for the initial issuance and for each occurrence of adding value to an existing
- 11 gift obligation or stored-value card. These transaction fees must be disclosed in a
- 12 separate writing prior to the initial issuance or referenced on the gift obligation or
- 13 stored-value card.
- 14 (5) Beginning November 1, 2008, if the gift obligation or stored-value card is
- 15 redeemed in person and a balance of less than \$5 remains following redemption,
- 16 at the consumer's request the merchant redeeming the gift obligation or
- 17 stored-value card must refund the balance in cash to the consumer. This
- 18 subparagraph does not apply to a prepaid telephone service card, a gift obligation
- 19 or nonreloadable stored-value card with an initial value of \$5 or less or a stored-
- 20 value card that is not purchased but provided as a promotion or as a refund for
- 21 merchandise returned without a receipt.
- 22 (6) This paragraph does not apply to prefunded bank cards;'

SUMMARY

24 This amendment provides that the amount of a gift obligation's face value that is
25 unclaimed for purposes of the Uniform Unclaimed Property Act is 60% for gift
26 obligations issued or whose most recent transaction, whichever is later, occurred during
27 calendar year 2018 or earlier; 40% for gift obligations issued or whose most recent
28 transaction, whichever is later, occurred during calendar year 2019; 20% for gift
29 obligations issued or whose most recent transaction, whichever is later, occurred during
30 calendar year 2020; and 0% for gift obligations issued or whose most recent transaction,
31 whichever is later, occurred during calendar year 2021 or thereafter.

FISCAL NOTE REQUIRED

(See attached)

34 SPONSORED BY: 

35 (Senator BREEN)

36 COUNTY: Cumberland

SENATE AMENDMENT



129th MAINE LEGISLATURE

LD 1612

LR 1329(04)

An Act Regarding the Presumption of Abandonment of Gift Obligations

Fiscal Note for Senate Amendment "A" to Committee Amendment "A" (S-306)

Sponsor: Sen. Breen of Cumberland

Fiscal Note Required: Yes

Fiscal Note

Additional revenue reduction - General Fund

Fiscal Detail and Notes

This amendment begins the revenue loss earlier than the committee amendment by lowering the presumption of abandonment earlier in stages. It also restricts abandonment for additional cards. This is expected to reduce General Fund revenue over the committee amendment by \$1,700,000 in fiscal year 2021-22, \$3,500,000 in fiscal year 2022-23 and \$1,500,000 in fiscal year 2023-24 and after.