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HOUSE BILL NO. 11

Offered January 13, 2016

Prefiled November 16, 2015

A BILL to amend and reenact §§ 59.1-530 and 59.1-531 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 59.1-530.1, relating to gift certificates; prohibited practices.

Patron—Cole (By Request)

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That §§ 59.1-530 and 59.1-531 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 59.1-530.1 as follows:

CHAPTER 47.**GIFT CERTIFICATE DISCLOSURES CERTIFICATES.****§ 59.1-530. Definitions.**

As used in this chapter, unless the context clearly requires otherwise:

"Gift certificate" or "certificate" means a certificate, electronic card, or other medium issued *in the Commonwealth* by a merchant that evidences the giving of consideration in exchange for the right to redeem the certificate, electronic card, or other medium for goods, food, services, credit, or money of at least an equal value, including any electronic card issued by a merchant with a banked dollar value where the issuer has received payment for the full banked dollar value for the future purchase, or delivery, of goods or services and any certificate issued by a merchant where the issuer has received payment for the full face value of the certificate for future purchases, or delivery, of goods or services.

"Merchant" means an owner or operator of any mercantile establishment *in the Commonwealth* or any agent, employee, lessee, consignee, officer, director, franchisee, or independent contractor of such owner or operator.

§ 59.1-530.1. Prohibited practices.

A. A merchant shall not:

1. Charge a maintenance fee or inactivity fee on a gift certificate issued by the merchant; or
2. Issue a gift certificate that automatically expires, diminishes in value, or otherwise becomes unredeemable.

B. The provisions of subsection A shall not be construed to prohibit a merchant from charging a fee in connection with the sale of a gift certificate.

§ 59.1-531. Required disclosure of available balance.

A. Each gift certificate issued by a merchant in the Commonwealth that has an expiration date shall include either (i) a statement of the expiration date of the certificate or (ii) a telephone number or Internet address where the holder of the certificate may obtain information regarding the expiration date of the certificate.

B. Each gift certificate issued by a merchant in the Commonwealth ~~that diminishes in value over time~~ shall include a telephone number or Internet address where the holder of the gift certificate may obtain information regarding the ~~diminution in available balance~~ of the value of the gift certificate ~~over at any time~~.

C. B. The information required by ~~this section~~ subsection A shall be clearly and permanently imprinted on the gift certificate.

2. That the provisions of this act shall apply to gift certificates issued on or after January 1, 2017.

INTRODUCED

HB11