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February 27, 2018

**AS AMENDED**

SENATE BILL NO. 1440

By: Silk

An Act relating to gift certificates and cards; amending 15 O.S. 2011, Section 797, which relates to unlawful gift certificates or gift card sales; modifying requirements for unlawful issuance; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 15 O.S. 2011, Section 797, is amended to read as follows:

Section 797. A. It is unlawful for any person or entity to sell a gift certificate or gift card whenever to a purchaser that contains any of the following:

1. An expiration date that expires less than ~~sixty (60)~~ **twenty-**  
**four (24)** months from the date of purchase; and

2. A service fee including, but not limited to, a service fee for dormancy, except as provided in subsection E of this section.

B. A gift certificate or gift card sold without an expiration date is valid until redeemed or replaced.

1 C. This section does not apply to any of the following gift  
2 certificates or gift cards issued on or after November 1, 2005,  
3 provided the expiration date appears in capital letters in at least  
4 ten-point font on the front of the gift certificate or gift card:

5 1. Gift certificates or gift cards that are distributed by the  
6 issuer to a consumer pursuant to an awards, loyalty, or promotional  
7 program without any money being given in exchange for the gift  
8 certificate or gift card by the consumer;

9 2. Gift certificates or gift cards that are sold below face  
10 value at a volume discount to employers or to nonprofit and  
11 charitable organizations for fundraising purposes if the expiration  
12 date on those gift certificates or gift cards is not more than  
13 thirty (30) days after the date of sale; and

14 3. Gift certificates or gift cards that are issued for a food  
15 product.

16 D. Paragraph 2 of subsection A of this section does not apply  
17 to a dormancy fee on a gift card or gift certificate that meets all  
18 of the following criteria:

19 1. The remaining value of the gift card or gift certificate is  
20 Five Dollars (\$5.00) or less each time the fee is assessed;

21 2. The fee does not exceed One Dollar (\$1.00) per month;

22 3. There has been no activity on the gift card or gift  
23 certificate for twenty-four (24) consecutive months including, but  
24

1 not limited to, purchases, the adding of value, or balance  
2 inquiries;

3 4. The holder may reload or add value to the gift card or gift  
4 certificate; and

5 5. A statement is printed on the gift card or gift certificate  
6 in at least ten-point font stating the amount of the fee, how often  
7 the fee will occur, that the fee is triggered by inactivity of the  
8 gift card or gift certificate, and at what point the fee will be  
9 charged. The statement may appear on the front or back of the gift  
10 card or gift certificate, but shall appear in a location where it is  
11 visible to any purchaser prior to the purchase thereof.

12 E. An issuer of gift certificates or gift cards may accept  
13 funds from one or more contributors toward the purchase of a gift  
14 certificate or gift card intended to be a gift for a recipient,  
15 provided that each contributor is provided with a full refund of the  
16 amount that person paid toward the purchase of the gift certificate  
17 or gift card upon the occurrence of all of the following:

18 1. The funds are contributed for the purpose of being redeemed  
19 by the recipient by purchasing a gift certificate or gift card;

20 2. The time in which the recipient may redeem the funds by  
21 purchasing a gift certificate or gift card is clearly disclosed in  
22 writing to the contributors and the recipient; and

23 3. The recipient does not redeem the funds within the time  
24 described in paragraph 2 of this subsection.

SECTION 2. This act shall become effective November 1, 2018.

COMMITTEE REPORT BY: COMMITTEE ON BUSINESS, COMMERCE AND TOURISM  
February 27, 2018 - DO PASS AS AMENDED