

HOUSE BILL 55

By Turner M

AN ACT to amend Tennessee Code Annotated, Title 47,
Chapter 18, relative to gift certificates.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 18, Part 1, is amended by adding the following as a new, appropriately designated section:

47-18-129.

(a) On or after July 1, 2007, any person or entity issuing a gift certificate redeemable by such person or entity shall permit the recipient of such gift certificate to redeem fifty percent (50%) of the face value of such gift certificate in cash, at the option of the recipient.

(b) This section shall not apply to any of the following gift certificates issued on or after July 1, 2007:

(1) Gift certificates that are distributed by the issuer to a consumer pursuant to an awards, loyalty or promotional program without any money or other thing of value being given in exchange for the gift certificate by the consumer; and

(2) Gift certificates that are sold below face value at a volume discount to employers or given or sold below face value to nonprofit and/or charitable organizations for fundraising purposes.

SECTION 2. This act shall take effect on July 1, 2007, the public welfare requiring it.