

LC01313

**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2004**

A N A C T

RELATING TO COMMERCIAL LAW - GENERAL REGULATORY PROVISIONS -  
UNFAIR SALES PRACTICES

Introduced By: Representatives Kennedy, Giannini, San Bento, Lewiss, and Anguilla

Date Introduced: January 29, 2004

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 6-13-12 of the General Laws in Chapter 6-13 entitled "Unfair Sales  
2 Practices" is hereby amended to read as follows:

3 **6-13-12. Sales of gift certificates.** – “Gift certificate” means a record evidencing a  
4 promise, made for consideration, by the seller or issuer for the record that goods or services will  
5 be provided to the owner of the record to the value shown in the record and includes, but is not  
6 limited to, a record that contains a microprocessor chip, magnetic strip or other means of storage  
7 of information that is pre-funded and for which the value is decremented upon each use, a gift  
8 card, an electronic gift card, stored-value card or certificate, a store card, a prepaid telephone  
9 card, or a similar record or card. Any person, firm, or corporation that sells gift certificates for  
10 any product or merchandise sold by the person, firm, or corporation, shall be required to record  
11 the sales and keep an accurate and complete record of each ~~of these~~ gift certificate sold.  
12 ~~certificates for a period of two (2) years from the date of the sale.~~ The record shall include the  
13 date of sale, the full value of the certificate, the identification number assigned by the retailer to  
14 the certificate, and the state in which the sale of the certificate took place. The retailer shall  
15 further be required to give to the purchaser of gift certificates exceeding fifty dollars (\$50.00) a  
16 written and numbered receipt evidencing the sale of the certificate. It shall be unlawful for any  
17 person, firm, or corporation ~~restaurant or eating establishment~~ of any kind to charge additional  
18 monthly or annual service or maintenance fees on gift certificates or to limit the time for the

1 redemption of a gift certificate or to place an expiration date upon the gift certificate. No gift  
2 certificate or any agreement with respect to such gift certificate may contain language suggesting  
3 that an expiration date may apply to the gift certificate. Any person, firm, or corporation that shall  
4 violate the provisions of this section shall be punished by a fine of not more than two hundred  
5 dollars (\$200). Due to the unlimited redemption period, the division of taxation shall not escheat  
6 the funds paid for those unredeemed gift certificates. Any unused portion of a redeemed gift  
7 certificate shall be afforded to the consumer by reissuing the gift certificate for the unused  
8 amount or providing cash where the balance due the consumer is less than one dollar (\$1.00).

9 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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RELATING TO COMMERCIAL LAW - GENERAL REGULATORY PROVISIONS -  
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- 1           This act would place more specific record keeping requirements on the issuance of gift
- 2 certificates and would make the redemption period limited.
- 3           This act would take effect upon passage.

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