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## OLR Bill Analysis

### sSB 263

#### ***AN ACT CONCERNING CASH REFUNDS FOR THE BALANCE OF A GIFT CARD.***

#### **SUMMARY**

Under current law, anyone accepting a gift card as payment must give the purchaser cash for the remaining balance on the card after the purchase if the (1) balance is under \$3 and (2) purchaser requests it and provides the proof of purchase or a gift receipt for the gift card. This bill increases the balance threshold from \$3 to \$5 and eliminates the requirement to provide the proof of purchase or a gift receipt.

EFFECTIVE DATE: October 1, 2022

#### **BACKGROUND**

##### ***Gift Card Definition***

By law, a “gift card” is a record showing a seller’s or issuer’s promise to provide goods or services for the value shown in the record. It includes (1) a record with a microprocessor chip, magnetic stripe, or other way to store information that is prefunded with a value that decreases with each use; (2) an electronic gift card; (3) a stored-value card or certificate; (4) a store card; or (5) similar records or cards. But it excludes, among other things, general-use prepaid cards and paper gift certificates.

##### ***Related Bill***

sSB 179, reported favorably by the Banking Committee, contains identical provisions as this bill.

#### **COMMITTEE ACTION**

Aging Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/10/2022)