



Senate

General Assembly

File No. 97

February Session, 2022

Substitute Senate Bill No. 263

Senate, March 23, 2022

The Committee on Aging reported through SEN. MILLER of the 27th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

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

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 42-461 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2022*):

3 (a) For the purposes of this section, "gift card" means a record
4 evidencing a promise, made for consideration, by the seller or issuer of
5 the record that goods or services will be provided to the owner of the
6 record to the value shown in the record and includes, but is not limited
7 to, a record that contains a microprocessor chip, magnetic stripe or other
8 means for the storage of information, that is prefunded and for which
9 the value is decremented upon each use, an electronic gift card, stored-
10 value card or certificate, a store card or a similar record or card. "Gift
11 card" does not include: (1) A general-use prepaid card, as defined in 12
12 CFR 1005.20(a)(3), as from time to time amended, (2) a gift certificate
13 donated or sold below face value by a retailer to a charitable
14 organization or nonprofit community organization, (3) a linked prepaid

15 card, as defined in section 42-460a, (4) a card or certificate issued by a
 16 retailer pursuant to an awards, loyalty or promotional program for
 17 which no money or other item of monetary value was exchanged, (5) a
 18 gift certificate or card sold below face value by a retailer, (6) a gift
 19 certificate or card sold by a retailer that does not have a retail
 20 establishment in this state, or (7) a gift certificate that is issued only on
 21 paper.

22 (b) Each seller or issuer of a gift card shall provide the purchaser of
 23 such gift card with either an electronic or paper copy of a (1) proof of
 24 purchase receipt, or (2) gift receipt for such gift card.

25 (c) If a person uses a gift card to purchase goods or services and the
 26 balance on the gift card is less than [three] five dollars after such
 27 purchase, the person accepting the gift card as payment, if requested by
 28 the purchaser, shall provide the purchaser with a cash refund equal to
 29 the value of the remaining balance on the gift card after the purchase.

30 [(d) The provisions of subsection (c) of this section shall only apply if
 31 the purchaser provides the person accepting the gift card as payment
 32 proof of purchase or a gift receipt for such gift card.]

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2022	42-461

AGE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

This bill makes various changes regarding cash refunds for gift card balances and results in no fiscal impact to the state because this deals with consumers and private businesses.

The Out Years**State Impact:** None**Municipal Impact:** None

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)