

Bill No.: HB0042 **Effective:** 7/1/2015

LSO No.: 15LSO-0210

Enrolled Act No.: HEA 87

Chapter No.: 127

Prime Sponsor: Joint Corporations, Elections & Political Subdivisions Interim Committee

Catch Title: Unclaimed property-merchant stored value cards.

Subject: Abandoned property.

Summary/Major Elements:

- This legislation addresses abandoned and unclaimed property under the Uniform Unclaimed Property Act. Under the Act, the Treasurer’s Office is allowed to dispose of property that has been abandoned or remained unclaimed for a specified amount of time.
- The legislation extends the Uniform Unclaimed Property Act to cover “merchant stored value cards.” A “merchant stored value card” is defined to include stored value cards which are redeemable at a single merchant or an affiliated group of merchants that share the same name, mark or logo and which are issued in a specified amount and purchased on a prepaid basis. Cards are not “merchant stored value cards” if they are donated or sold below face value for charity or distributed under an awards, rewards, loyalty, incentive, rebate or promotional program.
- The bill extends the period of time required to deem gift certificates, merchant stored value cards and credit memos abandoned from three years to five years and specifies what qualifies as abandonment.
- A gift certificate or merchant stored value card with no expiration date and that imposes no fee in relation to the sale, redemption or replacement of the certificate or card, other than an initial charge which does not exceed the face value of the certificate or card, is exempted from the Uniform Unclaimed Property Act.
- The bill exempts from the Uniform Unclaimed Property Act gift certificates and credit memos where the records of the issuer do not show the address of the purchaser or recipient, but do show the certificate or memo was issued in this state. The bill removes the obligation for a business issuing a gift certificate or credit memo to record information about the purchase.
- The bill sets a sunset date of July 1, 2019, for the statute.