
A BILL FOR AN ACT

RELATING TO GIFT CERTIFICATES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 481B-13, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§481B-13 Gift certificates.** (a) Any restaurant or
4 person engaged in the business of offering services or goods for
5 sale at retail may allow customers to purchase gift
6 certificates; provided that the certificate issuer shall honor
7 the certificate for a period of at least two years from the date
8 of issuance. A certificate issuer shall not charge a service
9 fee, including but not limited to a service fee for dormancy or
10 inactivity.

11 (b) The date of issuance and the expiration date shall be
12 clearly identified on the face of the gift certificate, or, if
13 an electronic card with a banked dollar value, clearly printed
14 upon a sales receipt transferred to the purchaser of the
15 electronic card upon the completed transaction. The expiration
16 date shall be not less than two years after the date of
17 issuance. If the gift certificate does not have an expiration
18 date, it shall be valid in perpetuity.



1 (c) If the remaining value of a gift certificate is less
2 than \$5, it shall be redeemable in cash for its remaining value
3 on demand of the bearer.

4 [~~e~~] (d) Gift certificates that are issued as part of an
5 awards, loyalty, or promotional program, or to a not-for-profit
6 charity organization, where no money or anything of value is
7 given to the issuer by the consumer in exchange for the gift
8 certificate, are exempt from this section; provided that the
9 expiration date, if any, appears on the gift certificate or
10 accompanying printed receipt.

11 [~~d~~] (e) Any violation of this section shall constitute
12 an unfair and deceptive act or practice in the conduct of trade
13 or commerce within the meaning of section 480-2.

14 [~~e~~] (f) As used in this section, unless the context
15 requires otherwise:

16 "Certificate issuer" or "issuer" means a restaurant or a
17 person engaged in the business of offering services or goods for
18 sale at retail who sells gift certificates to customers.

19 "Gift certificate" or "certificate" includes any electronic
20 card with a banked dollar value where the issuer has received
21 payment for the full banked dollar value for the future purchase
22 or delivery of goods or services, any certificate where the



1 issuer has received payment for the full face value of the
2 certificate for future purchases or delivery of goods or
3 services, and any other medium that evidences the giving of
4 consideration in exchange for the right to redeem the
5 certificate, electronic card, or other medium for goods, food,
6 or services of at least an equal value."

7 SECTION 2. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 3. This Act shall take effect on July 1, 2008.

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INTRODUCED BY: Michael J. Mayaw

[Signature]
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JAN 18 2008



Report Title:

Gift cards; Gift certificates

Description:

Requires retailers to pay out in cash the balance of any gift card worth less than \$5, if requested by the consumer.

