A BILL FOR AN ACT

RELATING TO GIFT CERTIFICATES.

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

- 1 SECTION 1. Section 481B-13, Hawaii Revised Statutes, is amended by amending subsection (f) to read as follows: 2 3 As used in this section, unless the context requires 4 otherwise:
- 5 "Certificate issuer" or "issuer" means a restaurant or a person engaged in the business of offering services or goods for 6 7 sale at retail who sells gift certificates to customers.
- "Gift certificate" or "certificate" includes any electronic 9 card with a banked dollar value where the issuer has received 10 payment for the full banked dollar value for the future purchase or delivery of goods or services, any certificate where the 11 12 issuer has received payment for the full face value of the 13 certificate for future purchases or delivery of goods or
- 14 services, and any other medium that evidences the giving of
- 15 consideration in exchange for the right to redeem the
- 16 certificate, electronic card, or other medium for goods, food,
- 17 or services of at least an equal value. "Gift certificate" or

1	"certificate" does not include a card, certificate, or other	
2	medium th	at is:
3	(1)	Used solely for telephone services;
4	(2)	Reloadable and not marketed or labeled as a gift card,
5		gift certificate, or certificate;
6	(3)	A loyalty, award, or promotional gift card;
7	(4)	Not marketed to the general public; [or]
8	(5)	Redeemable solely for admission to events or venues at
9		a particular location or group of affiliated
10		locations, which may also include services or goods
11		obtainable:
12		(A) At the event or venue after admission; or
13		(B) In conjunction with admission to such events or
14		venues, at specific locations affiliated with and
15		in geographic proximity to the event or venue $[-]$;
16		<u>or</u>
17	(6)	Issued by a county for the purpose of loading and
18		storing a dollar value to pay transit fares, other
19		county fees, and other uses as authorized by the
20		applicable county ordinances.

- 1 "Service fee" means a periodic fee, charge, or penalty for
- 2 holding or use of a gift certificate, but does not include a
- 3 one-time initial activation or issuance fee."
- 4 SECTION 2. Statutory material to be repealed is bracketed
- 5 and stricken. New statutory material is underscored.
- 6 SECTION 3. This Act shall take effect on January 1, 2022.

Report Title:

City and County of Honolulu Mayor's Package; Gift Certificates and Cards; Exemption

Description:

Clarifies that cards issued by a county for the purposes of paying transit fares and county fees and other uses are not subject to the State's unfair and deceptive practices regulations related to gift certificates. Effective 1/1/2022. (SD1)

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