

State of Arizona
Senate
Fifty-third Legislature
Second Regular Session
2018

CHAPTER 252
SENATE BILL 1264

AN ACT

AMENDING SECTION 44-7402, ARIZONA REVISED STATUTES; RELATING TO GIFT
CARDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 44-7402, Arizona Revised Statutes, is amended to read:

44-7402. Gift card fees prohibited; underlying monies expiration date prohibited; civil penalty

A. ~~Any~~ A gift card MAY NOT BE subject to ~~an expiration date or a fee. , or both, shall clearly and conspicuously disclose the following:~~

~~1. The expiration date.~~

~~2. The amount of the fee and when the fee is incurred.~~

~~B. The disclosure required in subsection A of this section shall be clearly visible to a consumer before the purchase is made. In the case of a paper gift certificate, the information in subsection A of this section shall be disclosed on the front of the gift certificate.~~

~~C. For a gift card purchase via electronic or computer means, the existence of an expiration date and the amount of the fee and when the fee is incurred shall be conspicuously disclosed to the consumer before the purchase via the means used to purchase the gift card. For a gift card purchase via telephonic means, the existence of an expiration date and the amount of the fee and when the fee is incurred shall be disclosed verbally to the consumer before the purchase.~~

B. THE UNDERLYING MONIES ON A GIFT CARD MAY NOT BE SUBJECT TO AN EXPIRATION DATE.

C. A GIFT CARD OR A CODE OR DEVICE ASSOCIATED WITH A GIFT CARD MAY CONTAIN AN EXPIRATION DATE WITH RESPECT TO THE GIFT CARD OR THE CODE OR DEVICE, BUT NOT WITH RESPECT TO THE UNDERLYING MONIES, IF THE GIFT CARD CONTAINS A CLEAR AND CONSPICUOUS DISCLOSURE THAT THE UNDERLYING MONIES DO NOT EXPIRE AND THAT THE CONSUMER MAY CONTACT THE ISSUER FOR A REPLACEMENT GIFT CARD OR A REPLACEMENT CODE OR DEVICE ASSOCIATED WITH THE GIFT CARD. IF THE GIFT CARD IS AN ELECTRONIC GIFT CARD, THE DISCLOSURE SHALL BE IN THE MESSAGE TO THE CONSUMER THAT CONTAINS THE CARD NUMBER OR CODE.

D. This section does not apply to any of the following:

1. A gift card THAT IS distributed to a consumer pursuant to an awards, loyalty or promotional program when no money or other ~~thing of~~ PROPERTY WITH value has been given by the consumer in exchange for the gift card.

2. A gift card that is sold below face value to a nonprofit or charitable organization or THAT IS donated to a nonprofit or charitable organization for fund raising purposes.

3. A card for prepaid telecommunication services, ~~a debit card connected to a person's bank account or an electronic funds transfer card~~ AN ELECTRONIC FUNDS TRANSFER CARD OR A BANK-ISSUED DEBIT OR GENERAL PURPOSE RELOADABLE PREPAID CARD NOT MARKETING OR LABELED AS A GIFT CARD OR GIFT CERTIFICATE.

E. Notwithstanding ~~title 44,~~ chapter 10, article 7 OF THIS TITLE, the sole penalty for a violation of this section ~~shall be~~ IS a civil penalty of not more than five hundred dollars per card violation.

APPROVED BY THE GOVERNOR APRIL 17, 2018.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 17, 2018.