

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact §§ 59.1-530 and 59.1-531 of the Code of Virginia, relating to gift certificates;*  
 3 *fees; expiration.*

4 [S 1371]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That §§ 59.1-530 and 59.1-531 of the Code of Virginia are amended and reenacted as follows:**8 **§ 59.1-530. Definitions.**

9 As used in this chapter, unless the context clearly requires otherwise:

10 *"Dormancy fee" or "inactivity charge or fee" means any fee, charge, or penalty for non-use or inactivity*  
 11 *of a gift certificate.*12 *"General use prepaid card" means a card or other payment code or device issued by any person that is (i)*  
 13 *redeemable at multiple, unaffiliated merchants or service providers, or automated teller machines; (ii) issued*  
 14 *in a requested amount, whether or not that amount may, at the option of the issuer, be increased in value or*  
 15 *reloaded if requested by the holder; (iii) purchased or loaded on a prepaid basis; and (iv) honored, upon*  
 16 *presentation, by merchants for goods or services or at automated teller machines.*17 *"Gift certificate" or "certificate" means a certificate, electronic card, or other medium issued by a*  
 18 *merchant that evidences the giving of consideration in exchange for the right to redeem the certificate,*  
 19 *electronic card, or other medium for goods, food, services, credit, or money of at least an equal value,*  
 20 *including any electronic card issued by a merchant with a banked dollar value where the issuer has received*  
 21 *payment for the full banked dollar value for the future purchase, or delivery, of goods or services and any*  
 22 *certificate issued by a merchant where the issuer has received payment for the full face value of the certificate*  
 23 *for future purchases, or delivery, of goods or services. "Gift certificate" includes general use prepaid cards.*24 *"Merchant" means an owner or operator of any mercantile establishment or any agent, employee, lessee,*  
 25 *consignee, officer, director, franchisee, or independent contractor of such owner or operator.*26 *"Service fee" means a periodic fee, charge, or penalty for holding or using of a gift certificate. With*  
 27 *respect to a general use prepaid card, "service fee" does not include a one-time initial issuance fee.*28 **§ 59.1-531. Required disclosures.**29 *A. No gift certificate shall contain an expiration date that is earlier than five years after the date on which*  
 30 *the gift certificate was issued or the date on which funds were last loaded to the gift certificate, whichever is*  
 31 *later. Each gift certificate issued by a merchant in the Commonwealth that has an expiration date shall*  
 32 *include either (i) a statement of the expiration date of the certificate or (ii) a telephone number or Internet*  
 33 *address where the holder of the certificate may obtain information regarding the expiration date of the*  
 34 *certificate.*35 *B. Each gift certificate issued by a merchant in the Commonwealth that diminishes in value over time*  
 36 *shall include a telephone number or Internet address where the holder of the certificate may obtain*  
 37 *information regarding the diminution in the value of the certificate over time.*38 *C. No gift certificate issued by a merchant in the Commonwealth shall impose a dormancy fee, an*  
 39 *inactivity charge or fee, or a service fee, unless the gift certificate is distributed pursuant to an award,*  
 40 *loyalty, or promotional program, and with respect to which there is no other money or value exchanged.*41 *D. The information required by ~~this section~~ subsections A and B shall be clearly and permanently*  
 42 *imprinted on the certificate.*