Fifty-ninth Legislative Assembly of North Dakota In Regular Session Commencing Tuesday, January 4, 2005

SENATE BILL NO. 2335 (Senators Holmberg, Hacker, Nelson) (Representatives Charging, Delzer, Owens)

AN ACT to create and enact chapter 51-29 of the North Dakota Century Code, relating to gift certificate sales, expiration dates, and service or maintenance fees; to provide a penalty; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Chapter 51-29 of the North Dakota Century Code is created and enacted as follows:

51-29-01. Definition. As used in this chapter, "gift certificate" means a record evidencing a promise, made for monetary consideration, by the seller or issuer of the record that goods or services will be provided to the owner of the record to the value shown in the record. The term includes a record that contains a microprocessor chip, magnetic strip, or other means of storage of information that is prefunded and for which the value is decreased upon each use; a gift card; an electronic gift card; an online gift account; a stored-value card; a store card; a prepaid telephone card; or a similar record or card.

The term does not include a general-use prepaid card issued by a prepaid card issuer, including a plastic card or other electronic payment device that is usable at multiple, unaffiliated merchants or service providers or at an automatic teller machine, and purchased or loaded on a prepaid basis; a general-use prepaid card issued by a prepaid card issuer and purchased by a person that is not an individual; or a debit card linked to a deposit account.

51-29-02. Expiration dates - Service fees. A person may not charge additional monthly or annual service or maintenance fees on a gift certificate. A person may not limit the time for redemption of a gift certificate to a date before six years after the date of purchase of the gift certificate, place an expiration date on a gift certificate before six years after the date of purchase of the gift certificate, or include on a gift certificate any statement suggesting that an expiration or redemption date, except as permitted in this section, may apply to a gift certificate.

This section does not apply to a gift certificate distributed to a consumer pursuant to an awards, loyalty, or promotional program without any money or other thing of value being given in exchange for the gift certificate by the consumer. Any restriction or limitation on such gift certificate must be disclosed to the consumer, in writing, at the time the gift certificate is distributed to the consumer.

51-29-03. Enforcement - Powers - Remedies - Penalties. The attorney general shall enforce this chapter. In enforcing this chapter, the attorney general has all the powers provided in this chapter or chapter 51-15 and may seek all remedies in this chapter or chapter 51-15. A violation of this chapter constitutes a violation of chapter 51-15. The remedies, duties, prohibitions, and penalties of this chapter are not exclusive and are in addition to all other causes of action, remedies, and penalties as provided in chapter 51-15 and as otherwise provided by law.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

	President of the Senate			S			
	Secretary	of the Senat	re	C			
Dakota and	d is known	on the recoi		y as Sena	he Fifty-ninth Legi ate Bill No. 2335 a		
Vote:	Yeas	44	Nays	0	Absent	3	
	President of the Senate				Secretary of the Senate		
This certific said law.	es that two	-thirds of the	e members-ele	ct of the H	House of Represe	ntatives	voted in favor of
Vote:	Yeas	88	Nays	0	Absent	6	
	Speaker of the House				Chief Clerk of the House		
Received by the Governor at M. on							_, 2005.
Approved a	at	_ M. on					_, 2005.
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Filed in this office this day of							_, 2005,
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