
SENATE BILL 6482

State of Washington

58th Legislature

2004 Regular Session

By Senators Jacobsen and Winsley

Read first time 01/21/2004. Referred to Committee on Financial Services, Insurance & Housing.

1 AN ACT Relating to gift certificates; and adding a new chapter to
2 Title 19 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The definitions in this section apply
5 throughout this chapter unless the context clearly requires otherwise.

6 (1) "Charitable organization" means an organization exempt from tax
7 under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C.
8 Sec. 501(c)(3)).

9 (2) "Fund-raising activity" has the same meaning as in RCW
10 82.04.3651.

11 (3) "Gift card" means a record as described in subsection (4) of
12 this section in the form of a card, or a stored value card or other
13 physical medium, containing stored value primarily intended to be
14 exchanged for consumer goods and services.

15 (4) "Gift certificate" means a record evidencing a promise by the
16 seller or issuer of the record that consumer goods or services will be
17 provided to the holder of the record for the value or credit shown in
18 the record and includes gift cards.

1 (5) "Holder" means a person with a right to receive consumer goods
2 and services under the terms of a gift certificate, without regard to
3 any fee, expiration date, or dormancy or inactivity charge.

4 (6) "Issue" includes reloading or adding value to an existing gift
5 certificate.

6 (7) "Stored value" has the same meaning as in RCW 19.230.010.

7 NEW SECTION. **Sec. 2.** (1) Except as provided in section 3 of this
8 act, it is unlawful for any person or entity to sell, issue, or enforce
9 against a holder, a gift certificate that contains:

10 (a) An expiration date;

11 (b) Any fee, including a service fee; or

12 (c) A dormancy or inactivity charge.

13 (2) If a purchase is made with a gift certificate for an amount
14 that is less than the value of the gift certificate, the issuer must
15 make the remaining value available to the holder in cash or as a gift
16 certificate. If after the purchase the remaining value of the gift
17 certificate is less than five dollars, the gift certificate must be
18 redeemable in cash for its remaining value. A gift certificate is
19 valid until redeemed or replaced.

20 NEW SECTION. **Sec. 3.** It is lawful to issue, and enforce against
21 the holder, a gift certificate containing an expiration date if the
22 expiration date appears in capital letters in at least ten-point font
23 on the front of the gift certificate and the gift certificate is:

24 (1) Issued pursuant to a promotional program, without any money or
25 other thing of value being given in exchange for the gift certificate;

26 (2) Donated or sold below face value at a volume discount to
27 employers or to a charitable organization for fund-raising activities;
28 or

29 (3) Issued for a food product.

30 NEW SECTION. **Sec. 4.** Sections 1 through 3 of this act constitute
31 a new chapter in Title 19 RCW.

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