
SUBSTITUTE HOUSE BILL 1313

State of Washington

66th Legislature

2019 Regular Session

By House Consumer Protection & Business (originally sponsored by Representatives Kirby, Vick, Jenkin, Stokesbary, Reeves, Young, and Hoff)

READ FIRST TIME 02/18/19.

1 AN ACT Relating to rewards cards; amending RCW 63.29.020 and
2 63.29.140; and reenacting and amending RCW 63.29.010.

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

4 **Sec. 1.** RCW 63.29.010 and 2012 c 117 s 177 are each reenacted
5 and amended to read as follows:

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

7 (1) "Apparent owner" means the person whose name appears on the
8 records of the holder as the person entitled to property held,
9 issued, or owing by the holder.

10 (2) "Attorney general" means the chief legal officer of this
11 state referred to in chapter 43.10 RCW.

12 (3) "Banking organization" means a bank, trust company, savings
13 bank, land bank, safe deposit company, private banker, or any
14 organization defined by other law as a bank or banking organization.

15 (4) "Business association" means a nonpublic corporation, joint
16 stock company, investment company, business trust, partnership, or
17 association for business purposes of two or more individuals, whether
18 or not for profit, including a banking organization, financial
19 organization, insurance company, or utility.

20 (5) "Department" means the department of revenue established
21 under RCW 82.01.050.

1 (6) "Domicile" means the state of incorporation of a corporation
2 and the state of the principal place of business of an unincorporated
3 person.

4 (7) "Fare card" means any pass or instrument, and value contained
5 therein, purchased to utilize public transportation facilities or
6 services. "Fare card" does not include "gift card" or "gift
7 certificate" as those terms are defined in RCW 19.240.010.

8 (8) "Financial organization" means a savings and loan
9 association, cooperative bank, building and loan association, or
10 credit union.

11 (9) "Gift certificate" has the same meaning as in RCW 19.240.010,
12 regardless of whether the gift certificate is represented by a card
13 or an electronic record.

14 (10) "Holder" means a person, wherever organized or domiciled,
15 who is:

16 (a) In possession of property belonging to another;

17 (b) A trustee; or

18 (c) Indebted to another on an obligation.

19 (11) "Insurance company" means an association, corporation,
20 fraternal or mutual benefit organization, whether or not for profit,
21 which is engaged in providing insurance coverage, including accident,
22 burial, casualty, credit life, contract performance, dental,
23 fidelity, fire, health, hospitalization, illness, life (including
24 endowments and annuities), malpractice, marine, mortgage, surety, and
25 wage protection insurance.

26 (12) "Intangible property" does not include contract claims which
27 are unliquidated but does include:

28 (a) Moneys, checks, drafts, deposits, interest, dividends, and
29 income;

30 (b) Credit balances, customer overpayments, gift certificates,
31 security deposits, refunds, credit memos, unpaid wages, unused
32 airline tickets, and unidentified remittances, but does not include
33 discounts which represent credit balances for which no consideration
34 was given;

35 (c) Stocks, and other intangible ownership interests in business
36 associations;

37 (d) Moneys deposited to redeem stocks, bonds, coupons, and other
38 securities, or to make distributions;

39 (e) Liquidated amounts due and payable under the terms of
40 insurance policies; and

1 (f) Amounts distributable from a trust or custodial fund
2 established under a plan to provide health, welfare, pension,
3 vacation, severance, retirement, death, stock purchase, profit
4 sharing, employee savings, supplemental unemployment insurance, or
5 similar benefits.

6 (13) "Last known address" means a description of the location of
7 the apparent owner sufficient for the purpose of the delivery of
8 mail.

9 (14) "Owner" means a depositor in the case of a deposit, a
10 beneficiary in case of a trust other than a deposit in trust, a
11 creditor, claimant, or payee in the case of other intangible
12 property, or a person having a legal or equitable interest in
13 property subject to this chapter or his or her legal representative.

14 (15) "Person" means an individual, business association, state or
15 other government, governmental subdivision or agency, public
16 corporation, public authority, estate, trust, two or more persons
17 having a joint or common interest, or any other legal or commercial
18 entity.

19 (16) "State" means any state, district, commonwealth, territory,
20 insular possession, or any other area subject to the legislative
21 authority of the United States.

22 (17) "Third party bank check" means any instrument drawn against
23 a customer's account with a banking organization or financial
24 organization on which the banking organization or financial
25 organization is only secondarily liable.

26 (18) "Utility" means a person who owns or operates for public use
27 any plant, equipment, property, franchise, or license for the
28 transmission of communications or the production, storage,
29 transmission, sale, delivery, or furnishing of electricity, water,
30 steam, or gas.

31 (19) "Cardholder" means the holder of a rewards card, regardless
32 of whether the rewards card is represented by a card or an electronic
33 record.

34 (20) (a) "Rewards card" means any loyalty, incentive, or
35 promotional program managed by a financial institution, whether
36 represented by a card or electronic record, and established for the
37 purpose of providing cardholder rewards or other amounts to
38 compensate the cardholder for the cardholder's relationship with the
39 entity sponsoring the rewards card, provided that no direct money was
40 paid by the cardholder for the rewards card.

1 (b) A rewards card includes:

2 (i) Cards or electronic records consisting of points, cash, or
3 other tokens of value given to a cardholder as a reward or incentive
4 for engaging in a transaction or a series of transactions; or

5 (ii) The portion of a rewards card funded by the issuer as a
6 reward or incentive when the rewards card is partially loaded by the
7 cardholder.

8 (21) "Financial institution" means any bank or trust company,
9 mutual savings bank, credit union, or savings and loan association
10 authorized to do business in this state under state or federal law.

11 (22) "Direct money" means any payment, except a minimum annual
12 fee, charged to the cardholder for any loyalty, incentive, or
13 promotional program associated with a rewards card.

14 **Sec. 2.** RCW 63.29.020 and 2015 3rd sp.s. c 6 s 2101 are each
15 amended to read as follows:

16 (1) Except as otherwise provided by this chapter, all intangible
17 property, including any income or increment derived therefrom, less
18 any lawful charges, that is held, issued, or owing in the ordinary
19 course of the holder's business and has remained unclaimed by the
20 owner for more than three years after it became payable or
21 distributable is presumed abandoned.

22 (2) Property, with the exception of unredeemed Washington state
23 lottery tickets and unrepresented winning parimutuel tickets, is
24 payable and distributable for the purpose of this chapter
25 notwithstanding the owner's failure to make demand or to present any
26 instrument or document required to receive payment.

27 (3) This chapter does not apply to claims drafts issued by
28 insurance companies representing offers to settle claims unliquidated
29 in amount or settled by subsequent drafts or other means.

30 (4) This chapter does not apply to property covered by chapter
31 63.26 RCW.

32 (5) This chapter does not apply to used clothing, umbrellas,
33 bags, luggage, or other used personal effects if such property is
34 disposed of by the holder as follows:

35 (a) In the case of personal effects of negligible value, the
36 property is destroyed; or

37 (b) The property is donated to a bona fide charity.

38 (6) This chapter does not apply to a rewards card, or to a gift
39 certificate lawfully issued under chapter 19.240 RCW, except lawfully

1 issued gift certificates presumed abandoned under RCW 63.29.110.
2 Nothing in this section limits the application of chapter 19.240 RCW.

3 (7) Except as provided in RCW 63.29.350, this chapter does not
4 apply to excess proceeds held by counties, cities, towns, and other
5 municipal or quasi-municipal corporations from foreclosures for
6 delinquent property taxes, assessments, or other liens.

7 (8)(a) This chapter does not apply to a premium paid by an
8 agricultural fair by check.

9 (b) For the purposes of this subsection the following definitions
10 apply:

11 (i) "Agricultural fair" means a fair or exhibition that is
12 intended to promote agriculture by including a balanced variety of
13 exhibits of livestock and agricultural products, as well as related
14 manufactured products and arts, including: Products of the farm home
15 and educational contests, displays, and demonstrations designed to
16 train youth and to promote the welfare of farmers and rural living;
17 and

18 (ii) "Premium" means an amount paid for exhibits and educational
19 contests, displays, and demonstrations of an educational nature. A
20 "premium" does not include judges' fees and expenses; livestock sale
21 revenues; or prizes or amounts paid for promotion or entertainment
22 activities such as queen contests, parades, dances, rodeos, and
23 races.

24 **Sec. 3.** RCW 63.29.140 and 2015 3rd sp.s. c 6 s 2102 are each
25 amended to read as follows:

26 (1) A gift certificate or a credit memo issued in the ordinary
27 course of an issuer's business which remains unclaimed by the owner
28 for more than three years after becoming payable or distributable is
29 presumed abandoned.

30 (2) In the case of a gift certificate, the amount presumed
31 abandoned is the price paid by the purchaser for the gift
32 certificate. In the case of a credit memo, the amount presumed
33 abandoned is the amount credited to the recipient of the memo.

34 (3) A gift certificate that is lawfully issued under chapter
35 19.240 RCW and that is presumed abandoned under this section may, but
36 need not, be ~~((7))~~ included in the report as provided under RCW
37 63.29.170(4).

1 (4) A rewards card must not be included in the report as provided
2 under RCW 63.29.170.

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