

Succeeded By
O 2497

HSB 692

COMMERCE AND REGULATION

Raeckus Ch.
Shuy
Scheider

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE AND REGULATION
BILL BY CHAIRPERSON HANSEN)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to charges imposed on unclaimed gift
2 certificates.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 556.9, Code 2001, is amended to read as
2 follows:

3 556.9 MISCELLANEOUS PERSONAL PROPERTY HELD FOR ANOTHER
4 PERSON -- GIFT CERTIFICATES.

5 1. All intangible personal property, not otherwise covered
6 by this chapter, including any income or increment thereon
7 earned on the property and deducting any lawful charges, that
8 is held or owing in this state in the ordinary course of the
9 holder's business and has remained unclaimed by the owner for
10 more than three years after it became payable or distributable
11 is presumed abandoned.

12 2. An issuer of a gift certificate shall not deduct from
13 the face value of the gift certificate any charge imposed due
14 to the failure of the owner of the gift certificate to present
15 the gift certificate in a timely manner, unless a valid and
16 enforceable written contract exists between the issuer and the
17 owner of the gift certificate pursuant to which the issuer
18 regularly imposes such charges and does not regularly reverse
19 or otherwise cancel them. For purposes of this subsection,
20 "gift certificate" means a merchandise certificate
21 conspicuously designated as a gift certificate, and generally
22 purchased by a buyer for use by a person other than the buyer.

23 EXPLANATION

24 This bill amends Code section 556.9, regarding certain
25 unclaimed property.

26 Current Code language provides that intangible personal
27 property, including any income earned on the property and
28 deducting any lawful charges, is presumed abandoned if
29 unclaimed after more than three years. The bill provides that
30 an issuer of a gift certificate shall not deduct any charges
31 from the face value of the gift certificate for the gift
32 certificate remaining outstanding, unless an enforceable
33 written contract exists between the issuer and the owner
34 pursuant to which the issuer regularly imposes such charges
35 and does not cancel them.

1 The bill also defines "gift certificate".

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S-37102 Commerce
S-3/3/02 Do Pass

FEB 21 2002
Place On Calendar

HOUSE FILE 2497
BY COMMITTEE ON COMMERCE
AND REGULATION

(SUCCESSOR TO HSB 692)

Passed House, (p.666) Date 3/7/02 Passed Senate, (p.734) Date 3/20/02
Vote: Ayes 94 Nays 0 Vote: Ayes 48 Nays 0
Approved April 1, 2002

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HF 2497

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4 PERSON -- GIFT CERTIFICATES.

5 1. All intangible personal property, not otherwise covered
6 by this chapter, including any income or increment thereon
7 earned on the property and deducting any lawful charges, that
8 is held or owing in this state in the ordinary course of the
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17 owner of the gift certificate pursuant to which the issuer
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19 or otherwise cancel them. For purposes of this subsection,
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HOUSE FILE 2497

AN ACT

RELATING TO CHARGES IMPOSED ON UNCLAIMED GIFT CERTIFICATES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 556.9, Code 2001, is amended to read as follows:

556.9 MISCELLANEOUS PERSONAL PROPERTY HELD FOR ANOTHER PERSON -- GIFT CERTIFICATES.

1. All intangible personal property, not otherwise covered by this chapter, including any income or increment thereon earned on the property and deducting any lawful charges, that is held or owing in this state in the ordinary course of the holder's business and has remained unclaimed by the owner for more than three years after it became payable or distributable is presumed abandoned.

2. An issuer of a gift certificate shall not deduct from the face value of the gift certificate any charge imposed due to the failure of the owner of the gift certificate to present the gift certificate in a timely manner, unless a valid and enforceable written contract exists between the issuer and the owner of the gift certificate pursuant to which the issuer regularly imposes such charges and does not regularly reverse or otherwise cancel them. For purposes of this subsection, "gift certificate" means a merchandise certificate

BRENT SIEGRIST
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2497, Seventy-ninth General Assembly.

MARGARET THOMSON
Chief Clerk of the House

Approved April, 2002

THOMAS J. VILSACK
Governor