

House File 2296 - Introduced

HOUSE FILE 2296
BY COMMITTEE ON COMMERCE

(SUCCESSOR TO HF 2088)

A BILL FOR

1 An Act relating to disposition of unclaimed property provisions
2 applicable to gift certificates.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 556.9, subsection 2, Code 2014, is
2 amended to read as follows:

3 2. a. An issuer of a gift certificate shall not deduct
4 from the face value of the gift certificate any charge imposed
5 due to the failure of the owner of the gift certificate to
6 present the gift certificate in a timely manner, unless a valid
7 and enforceable written contract exists between the issuer and
8 the owner of the gift certificate pursuant to which the issuer
9 regularly imposes such charges and does not regularly reverse
10 or otherwise cancel them.

11 b. Notwithstanding the time limitation in subsection 1,
12 a gift certificate that is not subject to an expiration date
13 and that is not subject to a deduction from the face value
14 of the gift certificate for failure of the owner of the gift
15 certificate to present the gift certificate in a timely manner,
16 or subject to any other charge or service fee, which card
17 remains unrepresented, shall continue in force and be eligible
18 for presentation for an indefinite period of time, and shall
19 not be subject to a presumption of abandonment.

20 c. For purposes of this subsection, "*gift certificate*" means
21 a merchandise certificate or electronic gift card conspicuously
22 designated as a gift certificate or electronic gift card, and
23 generally purchased by a buyer for use by a person other than
24 the buyer.

25 EXPLANATION

26 The inclusion of this explanation does not constitute agreement with
27 the explanation's substance by the members of the general assembly.

28 This bill modifies unclaimed property provisions that apply
29 to gift certificates.

30 Current law includes gift certificates within the definition
31 of "property" subject to the disposition of unclaimed property
32 provisions of Code chapter 556. The bill provides that,
33 notwithstanding provisions in Code section 556.2 specifying
34 that intangible personal property that remains unclaimed by
35 the owner for more than three years after it became payable or

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1 distributable is presumed abandoned, a gift certificate that
2 is not subject to an expiration date or subject to any form
3 of late payment charge or other charge or service fee remains
4 eligible for presentation for an indefinite period of time, and
5 shall not be presumed abandoned.