



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
LANSING

KEITH W. COOLEY
DIRECTOR

House Bills 4050, 4317, and 4680 and Senate Bill 388

Topic: Gift Certificates or Cards
Sponsor: Representatives Miller, Meadows, and Sak and Senator Cassis
Co-sponsors: Representatives LeBlanc, Constan, Young, Polidori, Simpson, Melton, McDowell, Ebli, Vagnozzi, Lemmons, Hood, Hopgood, Rick Jones, Hammel, Green, Warren, Alma Smith, Vagnozzi, Lahti, Condino, Hansen, Simpson, Spade, and Angerer
Senators Pappageorge, Kuipers, Basham, Birkholz, George, Gleason, Allen, Hunter and Kahn
Committee: House Commerce
Senate Commerce (Senate Bill 388)
Date Introduced: House Bill 4050—January 20, 2007
House Bill 4317—February 27, 2007
House Bill 4680—April 26, 2007
Senate Bill 388—March 29, 2007

Date of Summary: November 16, 2007

The House bills amend the Michigan Consumer Protection Act to provide various consumer protections for gift cards or certificates by adding three new sections. House Bill 4050 prohibits certain activity with respect to gift cards, including refusal to accept, restrict in a manner inconsistent with stated terms and conditions, alter any term or condition after issuance, and failure to disclose terms and conditions. House Bill 4317 prohibits an inactivity fee or other service fee in connection with the possession or use of a gift certificate. The bill also incorporates the three new sections into the act's list of unfair, unconscionable, or deceptive methods, acts, or practices. House Bill 4680 prohibits the sale of a gift certificate to a consumer that expires within less than 5 years. The House bills are tie-barred. House Bill 4050 was tie-barred to Senate Bill 388 in House committee but the other bills weren't.

Senate Bill 388 amends the Uniform Unclaimed Property Act by providing that the act does not apply to a gift certificate or card if no inactivity fee or similar service fee is assessed. The bill also changes the language in the act relating to abandonment of a gift certificate by adding "gift card" to that section and clarifying the meaning of the phrase "claimed or used" in connection with a gift certificate or card. The bill is tie-barred to the three House bills.