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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE NO. 1136

February 19, 2007
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The bill was read for the first time and referred to the Committee on Commerce and Labor

- 1.1 A resolution
- 1.2 requesting Congress to limit fees and expiration dates associated with gift cards issued
- 1.3 by federal banks.
- 1.4 WHEREAS, the sale of gift cards is a growing business and over \$72.8 billion was expected
- 1.5 to be spent on gift cards during 2006; and
- 1.6 WHEREAS, gift cards are issued either by retailers or by federal banks; and
- 1.7 WHEREAS, a Federal District Court in New Hampshire ruled on August 1, 2006, that state
- 1.8 governments cannot regulate gift cards issued by national banks; and
- 1.9 WHEREAS, the United States Office of the Comptroller of Currency recently released
- 1.10 guidelines stating that all expiration dates and fees associated with gift cards should be disclosed;
- 1.11 and
- 1.12 WHEREAS, 29 states have passed legislation regarding gift cards, including 16 states
- 1.13 which have banned or limited expiration dates and/or fees that are charged in association with
- 1.14 retail gift cards; and
- 1.15 WHEREAS, gift cards are often used by an individual who did not purchase it; and
- 1.16 WHEREAS, those who purchase a gift card view it as a promise from the retailer or bank
- 1.17 that the gift recipient will be able to use the card to purchase merchandise for the full amount
- 1.18 of the gift card; and
- 1.19 WHEREAS, expiration dates and fees can decrease the amount a gift card is worth without
- 1.20 the gift card owner's knowledge; and

2.1 WHEREAS, the variety of state regulations make offering gift cards difficult for national
2.2 retailers; NOW, THEREFORE,

2.3 BE IT RESOLVED by the Legislature of the State of Minnesota that it urges, the President
2.4 and the Congress of the United States to enact legislation to ban the use of expiration dates and
2.5 fees with gift cards issued by federal banks.

2.6 BE IT FURTHER RESOLVED that the legislation passed by Congress should not preempt
2.7 state's laws regarding gift cards issued by retailers if state's laws are stronger than those passed by
2.8 the Congress of the United States.

2.9 BE IT FURTHER RESOLVED that the Secretary of State of the State of Minnesota is
2.10 directed to prepare copies of this memorial and transmit them to the President of the United States,
2.11 the President and the Secretary of the United States Senate, the Speaker and the Clerk of the United
2.12 States House of Representatives, and Minnesota's Senators and Representatives in Congress.