

1 AMENDMENT TO HOUSE BILL 70

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 70, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 5. The Consumer Fraud and Deceptive Business  
6 Practices Act is amended by adding Section 2MM as follows:

7 (815 ILCS 505/2MM new)

8 Sec. 2MM. Gift certificates.

9 (a) This Section applies to gift certificates and gift  
10 cards issued on or after July 1, 2004.

11 (b) It is an unlawful practice within the meaning of  
12 this Act for a person to knowingly engage in a persistent  
13 pattern and practice of issuing to a consumer a gift  
14 certificate or gift card containing an expiration date or  
15 period. A gift certificate or a gift card issued without an  
16 expiration date is valid until redeemed.

17 (c) The issuer of a gift certificate or gift card may  
18 charge the holder a service fee for a certificate not  
19 redeemed within 24 months after issuance as follows:

20 (1) For a gift certificate or gift card redeemed  
21 more than 24 months after issuance but not more than 36  
22 months after issuance, the service fee shall be 15% of

1 the original value of the gift certificate or gift card.

2 (2) For a gift certificate or gift card redeemed  
3 more than 36 months after issuance but not more than 48  
4 months after issuance, the service fee shall be 25% of  
5 the original value of the gift certificate or gift card.

6 (3) For a gift certificate or gift card redeemed  
7 more than 48 months after issuance, the service fee shall  
8 be 50% of the original value of the gift certificate or  
9 gift card.

10 (d) Whenever the Attorney General or a State's Attorney  
11 has reason to believe that a person has violated this  
12 Section, he or she may bring an action in the name of the  
13 People of the State of Illinois against the person to  
14 restrain the conduct by preliminary or permanent injunction.  
15 The provisions of Section 7 and Section 10a do not apply to a  
16 violation of this Section.

17 (e) Gift certificates or gift cards that are issued to  
18 not-for-profit organizations for fundraising purposes are  
19 exempt from this Section.

20 (f) For purposes of this Section, the terms "gift  
21 certificate" and "gift card" do not include any of the  
22 following:

23 (1) prepaid telecommunications and technology cards  
24 (including, but not limited to, prepaid telephone calling  
25 cards, prepaid technical support cards, and prepaid  
26 Internet disks) that are distributed to, or purchased by,  
27 a consumer;

28 (2) prepaid telecommunications and technology cards  
29 (including, but not limited to, prepaid telephone calling  
30 cards, prepaid technical support cards, and prepaid  
31 Internet disks) that are provided to a consumer pursuant  
32 to any award, loyalty, or promotional program without any  
33 money or other thing of value being given in exchange for  
34 the card; or

1           (3) gift certificates or gift cards that are  
2           distributed by the issuer to a consumer pursuant to an  
3           awards, loyalty, or promotional program without any money  
4           or other thing of value being given in exchange for the  
5           gift certificate or gift card by the consumer."