

AN ACT concerning business.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Consumer Fraud and Deceptive Business Practices Act is amended by changing Section 2SS as follows:

(815 ILCS 505/2SS)

Sec. 2SS. Gift certificates.

(a) "Gift certificate" means a record evidencing a promise, made for consideration, by the seller or issuer of the record that goods or services will be provided to the holder of the record for the value shown in the record and includes, but is not limited to, a record that contains a microprocessor chip, magnetic stripe or other means for the storage of information that is prefunded and for which the value is decremented upon each use, a gift card, an electronic gift card, stored-value card or certificate, a store card or a similar record or card. "Gift certificate" also includes a credit slip issued by a store to a consumer who returns goods that enables the consumer to receive other goods of similar value in exchange for the returned goods. For purposes of this Act, the term "gift certificate" does not include any of the following:

(i) prepaid telecommunications and technology cards including, but not limited to, prepaid telephone calling

cards, prepaid technical support cards, and prepaid Internet disks that are distributed to or purchased by a consumer;

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

(iii) any gift certificate usable with multiple sellers of goods or services.

(b) On or after January 1, 2008, no person shall sell a gift certificate that is subject to: (1) an expiration date earlier than 5 years after the date of issuance; or (2) a post-purchase fee. Any gift certificate issued prior to January 1, 2008 that is subject to a fee must contain a statement clearly and conspicuously printed on the gift certificate stating whether there is a fee, the amount of the fee, how often the fee will occur, that the fee is triggered by inactivity of the gift certificate, and at what point the fee will be charged. The statement may appear on the front or back of the gift certificate in a location where it is visible to any purchaser prior to the purchase.

(c) The face value of a gift certificate issued on or after January 1, 2008 may not be reduced in value and the holder of a

gift certificate issued after January 1, 2008 may not be penalized in any way for non-use or untimely redemption of the gift certificate. Any gift certificate issued prior to January 1, 2008 that is subject to an expiration date must contain a statement clearly and conspicuously printed on the gift certificate stating the expiration date. The statement may appear on the front or back of the gift certificate in a location where it is visible to any purchaser prior to the purchase.

(d) Subsection (c) does not apply to any gift certificate issued prior to January 1, 2008 that contains a toll free phone number and a statement clearly and conspicuously printed on the gift certificate stating that holders can call the toll free number to find out the balance on the gift certificate, if applicable, and the expiration date. The toll free number and statement may appear on the front or back of the gift certificate in a location where it is visible to any purchaser prior to the purchase.

(e) This Section does not apply to any of the following gift certificates:

(i) Gift certificates that are distributed by the issuer to a consumer pursuant to an awards, loyalty, or promotional program without any money or thing of value being given in direct exchange or solely for the gift certificate by the consumer.

(ii) Gift certificates that are sold below face value

at a volume discount to employers or to nonprofit and charitable organizations for fundraising purposes if the expiration date on those gift certificates is not more than 30 days after the date of sale.

(iii) Gift certificates that are issued for a food product.

(Source: P.A. 95-331, eff. 8-21-07; 95-525, eff. 1-1-08.)

Section 99. Effective date. This Act takes effect January 1, 2013.