

Amend CSSB 446 (committee printing) as follows:

(1) In SECTION 1 of the bill (page 1, lines 14-33), strike proposed Section 35.42, Business & Commerce Code, and substitute the following:

Sec. 35.42. REDUCTION OF VALUE OR EXPIRATION OF STORED VALUE CARD. (a) In this section:

(1) "Record" has the meaning assigned by Section 43.002, and includes a record that contains a microprocessor chip, magnetic strip, or other means of storing information.

(2) "Stored value card" means a record that evidences a promise made for monetary consideration by the seller or issuer of the record that goods or services will be provided to the owner of the record in the value shown in the record, that is prefunded, and the value of which is reduced on redemption. The term includes a gift card or gift certificate.

(3) "Use" of a stored value card includes a whole or partial redemption of or adding value to the card.

(b) This section does not apply to a stored value card that:

(1) is distributed by the issuer to a person under an awards, rewards, loyalty, or promotional program and not issued or reloaded in exchange for money tendered by the cardholder;

(2) is sold below face value or donated to:

(A) an employee of the seller or issuer;

(B) a nonprofit or charitable organization; or

(C) an educational institution, for fund-raising purposes;

(3) is issued by a financial institution acting as a financial agent of the United States or this state;

(4) is issued as a prepaid calling card by a prepaid calling card company regulated under Section 55.253, Utilities Code; or

(5) does not expire and for which the seller does not charge a fee other than at the time of purchase.

(c) This section does not apply to a stored value card issued by a federally insured financial institution, as defined by Section 201.101, Finance Code, for which the financial institution is primarily liable as the issuing principal.

(d) If disclosed as provided by Subsection (f), the issuer of a stored value card may impose and collect a reasonable handling fee in connection with the issuance of or adding of value to the card and a reasonable reissue or replacement charge if a lost or expired card is reissued or replaced.

(e) The issuer of a stored value card may impose or collect a periodic fee or other charge that causes the unredeemed balance of the card to decrease over time only if the fee is reasonable, is not assessed until after the first anniversary of the date the card is sold or issued, and is disclosed as provided by Subsection (f).

(f) An expiration date or policy, fee, or other material restriction or contract term applicable to a stored value card must be clearly and conspicuously disclosed to a person at the time the card is sold or issued to the person to enable the person to make an informed decision before the person purchases the card. A disclosure must be legibly printed on the retail packaging for the stored value card or on a posted notice accompanying the sales display. A disclosure regarding expiration or a periodic fee that reduces the unredeemed value of the stored value card must also be legibly printed on the card. A stored value card that is sold without the disclosure as required by this section of an expiration date or policy, fee, or other material restriction or contract term applicable to the card is valid until redeemed or replaced.

(2) Add the following appropriately numbered SECTIONS to the bill and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 72.101(a), Property Code, is amended to read as follows:

(a) Except as provided by this section and Sections 72.1015, 72.1016, and 72.102, personal property is presumed abandoned if, for longer than three years:

(1) the existence and location of the owner of the property is unknown to the holder of the property; and

(2) according to the knowledge and records of the holder of the property, a claim to the property has not been asserted or an act of ownership of the property has not been exercised.

SECTION _____. Subchapter B, Chapter 72, Property Code, is

amended by adding Section 72.1016 to read as follows:

Sec. 72.1016. STORED VALUE CARD. (a) This section applies to a stored value card, as defined by Section 35.42(a), Business & Commerce Code, other than a card:

(1) to which Section 35.42, Business & Commerce Code, does not apply by operation of Subsection (b) of that section; or

(2) that is linked to and draws its value solely from a deposit account subject to Chapter 73.

(b) If the existence and location of the owner of a stored value card is unknown to the holder of the property, the stored value card is presumed abandoned to the extent of its unredeemed and uncharged value on the earlier of:

(1) the card's expiration date;

(2) the third anniversary of the date the card was issued, if the card is not used after it is issued, or the date the card was last used or value was last added to the card; or

(3) the first anniversary of the date the card was issued, if the card is not used after it is issued, or the date the card was last used or value was last added to the card, if the card's value represents wages, as defined by Section 61.001, Labor Code.

(c) A person who sells or issues a stored value card in this state shall obtain the name and address of the apparent owner of the card and maintain a record of the owner's name and address and the identification number of the card. In the absence of an address record, the address of the apparent owner is considered to be the Austin, Texas, address of the comptroller.

(d) A person may charge a fee against a stored value card as provided by Section 35.42, Business & Commerce Code. A fee may not be charged against a stored value card after the card is presumed abandoned under this section.

SECTION _____. Section 72.103, Property Code, is amended to read as follows:

Sec. 72.103. PRESERVATION OF PROPERTY. Notwithstanding any other provision of this title except a provision of this section or Section 72.1016 relating to a money order or a stored value card, a holder of abandoned property shall preserve the property and may not at any time, by any procedure, including a deduction for service, maintenance, or other charge, transfer or convert to the profits or assets of the holder or otherwise reduce the value of the property. For purposes of this section, value is determined as of the date of the last transaction or contact concerning the property, except that in the case of a money order, value is determined as of the date the property is presumed abandoned under Section 72.102(c). If a holder imposes service, maintenance, or other charges on a money order prior to the time of presumed abandonment, such charges may not exceed the amount of 50 cents per month for each month the money order remains uncashed prior to the month in which the money order is presumed abandoned.

SECTION _____. Section 73.001(a)(1), Property Code, is amended to read as follows:

(1) "Account" means funds deposited with a depository in an interest-bearing account, a checking or savings account, or funds received by a depository in exchange for the purchase of a stored value card.

(3) In SECTION 2 of the bill (page 1, lines 34-35), strike "change in law made by Section 35.42, Business & Commerce Code, as added by this Act, applies" and substitute "changes in law made by this Act apply".

(4) In SECTION 2 of the bill (page 1, line 35), strike "gift" and substitute "stored value".

(5) In SECTION 2 of the bill (page 1, line 37), strike "gift" and substitute "stored value".