

BILL ANALYSIS

H.B. 2391
By: Bohac
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties contend that current law does not entitle a consumer to receive a cash refund on a low-value gift card in the consumer's possession and that stored value or gift cards with nominal balances often go unused or are lost. The parties also note that these low-value cards can create a burden for retailers needing to track the cards for auditing purposes. H.B. 2391 seeks to address this issue by balancing the rights of the consumer and the retailer in a commonsense manner.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2391 amends the Business & Commerce Code to require the seller of a stored value card, at a consumer's request, to refund in cash to the consumer the balance of a card that is redeemed in person to make a purchase and has a remaining balance of less than \$2.50 following redemption. The bill does not apply to a stored value card issued as a refund for merchandise returned without a receipt or a stored value card that has an initial value of \$5 or less and to which additional value cannot be added. The bill makes the exemption from statutory provisions governing the sale or issuance of a stored value card for a card that is sold below face value or donated to certain entities or a card that does not expire and for which the seller does not charge a fee other than a fee related to the issuance and handling of the card inapplicable to the bill's cash refund requirement but maintains the exemption for certain other stored value cards.

EFFECTIVE DATE

September 1, 2015.