

Stay Tuned: Connecticut Bill Would Require Cash Refunds of Gift Card Balances

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Connecticut may join a number of states that currently require merchants to provide the remaining cash balances on gift cards to consumers upon request. In early March, the Connecticut General Law Committee introduced House Bill 5473, an act concerning cash refunds for gift card balances. If enacted as currently drafted, “[i]f a person uses a gift card to make a purchase of goods or services, the person accepting the gift card as payment, if requested by the purchaser, shall provide the purchaser with a cash refund equal to the value of the remaining balance of the gift card after the purchase.” Connecticut law would define “gift card” broadly to mean “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 owner of the record to 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, an electronic gift card, stored-value card or certificate, a store card or a similar record or card.” Failure to provide this cash refund would be “deemed an unfair or deceptive trade act or practice” under Section 42-110b(a) of the Connecticut General Statutes. If passed, Connecticut House Bill 5473’s cash refund requirement would become effective July 1, 2014.

[Click here to read a copy of Connecticut House Bill 5473.](#)

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