

NJ Deadline for Issuers to Implement Zip Code Systems Extended to January 18, 2011

by Deborah S. Thoren-Peden and Amy L. Pierce

*On December 22, 2010, the Attorney General of New Jersey confirmed in a letter to the Honorable Freda L. Wolfson at the U.S. District Court, District of New Jersey that the "Treasurer has extended the date for issuers to implement a system or process capable of recording and maintaining the purchaser's zip code until no earlier than **January 18, 2011**" (emphasis added).*

After a variety of New Jersey gift card issuers filed a lawsuit in federal court, seeking to have parts of New Jersey's new gift card law overturned, the United States District Court, District of New Jersey issued a preliminary injunction prohibiting the state from enforcing two provisions of its new unclaimed property law. See Pillsbury Advisory "New Jersey District Court Grants/Denies in Part Request for Preliminary Injunction in Connection New Unclaimed Property Law," November 16, 2010. On November 24, the New Jersey State Treasurer issued a Notice of Preliminary Injunction Concerning Enforcement of Certain Provisions of L.2010, c. 25 Related to Stored Value Cards. The Notice confirms the Treasurer's position that stored value card issuers remain subject to the other requirements set forth in Chapter 25 and the September 23, 2010, Treasury Guidance, effective November 15, 2010, as follows:

- "If in the normal course of its business, the issuer obtains the name and address of the purchaser or owner of any stored value card issued or sold in New Jersey, then the issuer shall continue to maintain that information.
- "If the issuer of a stored value card requires the registration of the card by the purchase or owner before initial use, the name and address must be obtained at that time and maintained by the issuer.
- "Except as provided above, all other issuers are immediately required to, at a minimum, obtain and maintain the purchaser's zip code provided an existing system/process is in place that has this capability. Any issuer of stored value cards who does not have a system/process capable of recording and maintaining the purchaser's zip code will have until **January 3, 2011** to install and implement a system that meets this requirement" (emphasis added).

Pursuant to a December 21, 2010, conference call between the Court and counsel for all parties, in which the Court indicated that it required additional time to consider the pending motions, the New Jersey Attorney General issued a letter confirming that the Treasurer is extending the date for issuers to implement a system or process capable of recording and maintaining their gift card customers' zip codes until no earlier than **January 18, 2011**. However, the letter also confirmed that, as contemplated by the Treasurer's Guidance of November 24, 2010, "any issuers that, in the normal course of business, currently obtain the name and address of the purchaser or owner of any stored value card issued or sold in New Jersey are required to continue to do so."

[Click here to see a copy of the letter from Paula T. Dow, Attorney General of New Jersey to Judge Freda L. Wolfson, U.S.D.J.](#)

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