



NEW YORK STATE SENATOR

Charles J. Fuschillo Jr.

Senator Fuschillo Reminds Consumers to Be Aware Before They Buy Gift Cards This Holiday Season

CHARLES J. FUSCHILLO JR. November 23, 2009

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With the official start of holiday shopping season kicking off on Black Friday in just a few days, New York State Senator Charles J. Fuschillo, Jr. (R-Merrick), is reminding consumers about their rights under New York State's Gift Card Law.

"Gift cards are a very popular holiday purchase, but consumers can have their gift card diminished by hidden fees if they don't know their rights or ask the right questions," said Senator Fuschillo, who authored the law along with Senator Dean Skelos (R-Rockville Centre). "By law, companies must disclose all the facts about any terms and conditions that apply to the gift card before it is sold. Consumers should make sure they get this information before they make their purchase."

Under New York State's Gift Card Law:

- Businesses cannot impose any monthly service fees to the balance of a gift certificate or gift card until the thirteenth month of non-use. Each time the card is used or has value added to it, the consumer has a new thirteen month period before any monthly service fees can be applied.
- Certain terms and conditions must be clearly printed on the card/certificate, including expiration dates, fees charged against the balance of the gift card/certificate,

and whether a replacement card will be issued if the gift certificate is lost, stolen, or destroyed.

- Companies must post a sign informing consumers if terms and conditions are applied to their gift cards or gift certificates. If the purchase is being made through the mail, phone, or internet, consumers must be informed that terms and conditions are applied to gift cards/certificates before they make their purchase.
- Any additional terms and conditions can be printed either on the card, on the card's packaging, or on a separate printed document included with the card, along with a toll free number that the consumer can use to access additional information.
- The Attorney General can bring legal action against any company which is believed to be in violation of this law. Companies that break this law may face a civil penalty of up to \$1,000 per offense.

In addition, Senator Fuschillo recommends that consumers ask the following questions when buying their gift cards:

- * Does the card have an expiration date?
- * Are there any fees or charges associated with the gift card, such as monthly service fees, dormancy, or non-use fees?
- * Is there a replacement policy if the gift card is either lost or stolen?
- * What happens if the store goes into bankruptcy before the card is used?

Consumers who believe that a company is breaking these laws can call the New York State Attorney General's Regional Offices at 516-248-3302 (Nassau) or 631-231-2400 (Suffolk).

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