



NEW YORK STATE SENATOR

Shelley B. Mayer

Senator Shelley Mayer, Assemblymember Nader Sayegh and Yonkers Mayor's Office Announce New Important Consumer Protection Law for Gift Cards This Holiday Season

HANNAH KIRK December 22, 2022

| ISSUE: **CONSUMER PROTECTION**



YONKERS , NY – Senator Shelley B. Mayer and Assemblyman Nader Sayegh were joined by the Yonkers Mayor's office to remind holiday shoppers that their gift card consumer protection bill, which provides important benefits to purchasers and recipients of gift cards, is now in effect. The bill which passed in the 2021 legislative session (S.3467B/A4629) was signed by the Governor on December 10, 2021, and became effective on December 10th of this

year.

This law strengthens consumers protections by:

- Prohibiting fees on all gift cards and gift certificates other than limited activation fees which cannot exceed 9 dollars for so called “open loop” cards which can be used anywhere;
- Requiring that gift cards expire no earlier than 9 years after they were issued;
- Allowing consumers to exchange the remaining balances from store-specific gift cards for cash, if the remaining balance is less than \$5.

New York State Senator Shelley B. Mayer said, “I am pleased that my bill to enhance consumer protections when purchasing gift cards has gone into effect, just in time for this holiday season. Prior to this legislation, people who purchased gift cards frequently faced large fees, expiration dates on cards that occurred shortly after purchase, and the inability to exchange the unused portion of the card balance for cash. But this holiday season, when you purchase a gift card for a friend or loved one, you can know they will be able to enjoy your gift without undue limitations or additional costs. I introduced this bill based on my frustration with the gift card experience, and am so pleased that we were able to make important changes for New York consumers. Thank you Assemblyman Nader Sayegh for his partnership in sponsoring this bill in the Assembly, and to Governor Kathy Hochul for signing it into law one year ago.”

New York State Assemblyman Nader Sayegh said, “With Christmas and the holiday season this upcoming weekend, many consumers will be buying gift cards and gift certificates. I’m pleased that my legislation, passed by the State Assembly and Senate and approved by Governor Hochul protecting consumers is now in effect. Thanks to the enactment of this

legislation, New Yorkers can rest assured that gift cards and gift certificates will not expire, dwindle and diminish in value due to miscellaneous fees. Together, New York State is leading the nation in protecting consumers and ensuring recipients can enjoy the full value of a gift they receive."

"This legislation is pro consumer as it will extend gift cards beyond the holiday season and allow New Yorkers to benefit without the consequence of inactivity fees," **Yonkers Mayor Mike Spano said.** "Thank you to Senator Shelley Mayer and Assemblyman Nader Sayegh for helping to protect our shoppers and businesses."

This law took effect on Dec. 10, 2022 and does not include promotional gift certificates, which are issued for "promotional purposes" and allowed to have expiration dates on the underlying funds.