SB10-155

Colorado Legislative Council Staff Fiscal Note

STATE FISCAL IMPACT

Drafting Number:	LLS 10-0764	**Date:**	February 9, 2010
Prime Sponsor(s):	Sen. Tochtrop Rep. Benefield	**Bill Status:** **Fiscal Analyst:**	Senate Business, Labor, and Technology Sara McPhee (303-866-4782)

TITLE: CONCERNING LIMITATIONS ON THE ISSUANCE OF GIFT CARDS.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue General Fund	Less than $10,000	Less than $10,000
State Expenditures		
FTE Position Change		
Effective Date: August 11, 2010, if the General Assembly adjourns on May 12, 2010, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2010-2011: None required.		
Local Government Impact: None.		

Summary of Legislation

The bill establishes the following requirements for gift cards:

- the issuer must redeem the card if the remaining value is less than $5;
- an issuer is prohibited from selling a gift card that has any type of service or maintenance fee; and
- it is a deceptive trade practice for any violations.

State Revenue

The bill may increase state revenue from civil penalties, although less than $10,000 in new state revenue is expected per year. The civil penalty for deceptive trade practice violations is $2,000. The fiscal note assumes that retailers will comply with the new law; therefore, the number of violations is expected to be low. Any revenue from violations is credited to the General Fund.

Departments Contacted

Judicial Law