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FAILURE BY RETAILER TO HONOR GIFT CERTIFICATES

House Bill 4053

Sponsor: Rep. Frances Amos

Committee: Commerce

Complete to 3-11-03

A SUMMARY OF HOUSE BILL 4053 AS INTRODUCED 1-28-03

The Michigan Consumer Protection Act prohibits practices that qualify as "unfair, unconscionable, or deceptive methods, acts, or practices in the conduct of trade or commerce", and the act contains a list of such practices. <u>House Bill 4053</u> would add to the list by prohibiting a retailer from failing to honor a valid gift certificate when presented to the issuer by a consumer in payment for goods or services.

The term "gift certificate" would be defined to mean a written certificate or electronic card memorializing a promise to provide goods and services in a specified amount or of equal value to the bearer of the certificate or card, given by a retailer in exchange for payment.

The act can be enforced by the attorney general, by local prosecutors, and through private legal actions, and the act provides for the imposition of temporary and permanent injunctions, the assessing of civil penalties, and the recovery of damages and attorneys' fees.

MCL 445.903

Analyst: C. Couch

[■]This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.