

## CHAPTER 325G

## CONSUMER PROTECTION; SOLICITATION OF SALES

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 MEMBERSHIP TRAVEL CONTRACTS  
 BY MILITARY SERVICE PERSONNEL.

**325G.53 GIFT CERTIFICATES.**

Subdivision 1. **Definitions.** The definitions in this subdivision apply to this section.

(a) "Gift certificate" means a tangible record evidencing a promise, made for consideration, by the seller or issuer of the record that goods or services will be provided to the owner of the record to the value shown in the record and includes, but is not limited to, a gift card, stored-value card, store card, or a similar record or card that contains a microprocessor chip, magnetic stripe, or other means for the storage of information, and for which the value is decreased upon each use.

(b) "Affiliate" of another entity means any entity directly controlling, controlled by, or under common control with the other entity.

Subd. 2. **Prohibitions.** It is unlawful for any person or entity to sell a gift certificate that is subject to an expiration date or a service fee of any kind, including, but not limited to, a service fee for dormancy.

Subd. 3. **Nonapplication.** The provisions of this section shall not apply to gift certificates:

(1) distributed to a consumer for loyalty, promotional, award, incentive, rebate, or other similar purposes without any money or other tangible thing of value being given by the consumer in exchange for the gift certificate or gift card;

(2) that are sold below face value or at a volume discount to employers or to nonprofit and charitable organizations for fund-raising purposes;

(3) that are debit cards or other legal access devices used to access a deposit account and that are subject to the federal disclosure rules in the Electronic Fund Transfer Act, United States Code, title 15, section 1693, et seq., and its implementing Regulation E, as amended from time to time;

(4) issued by an employer to an employee in recognition of services performed by the employee;

(5) issued by a federally chartered or state-chartered bank, bank and trust, savings bank, savings association, or credit union, or by an operating subsidiary or other affiliate of any of them, and that can be used at multiple sellers of goods and services, provided that the issuer discloses any expiration date and fee associated with the gift certificate; or

(6) that are prepaid calling cards used to make wireline or wireless calls.

Subd. 4. **Remedies.** The remedies of section 8.31 apply to violations of this section.

**History:** 2007 c 93 s 1

**325G.54 CANCELLATION WITHOUT PENALTY OF WIRELESS CONTRACTS BY MILITARY SERVICE PERSONNEL.**

Subdivision 1. **Authority.** Any service member who has been issued orders into active duty, for deployment, or for a permanent change of duty station, or the spouse of the service member, may terminate, without penalty, a wireless service contract, or some portion of it, that is executed by or on behalf of the service member or by the spouse of that service member.

Subd. 2. **When effective.** Termination of the wireless service contract is not effective until 30 days after the service member or the service member's spouse gives notice by certi-

fied mail, return receipt requested, of the intention to terminate the wireless service contract or part of it, and provides a copy of the service member's order for activation, deployment, or change of duty station.

Subd. 3. **Enforcement.** This section may be enforced by the attorney general pursuant to section 8.31.

**History:** 2007 c 111 s 2

### **325G.55 CANCELLATION WITHOUT PENALTY OF RENTAL, CLUB, SERVICE, AND MEMBERSHIP TRAVEL CONTRACTS BY MILITARY SERVICE PERSONNEL.**

Subdivision 1. **Application.** This section applies to any rental contracts, club contracts under section 325G.23, service contracts, and membership travel contracts under section 325G.50 in which:

(1) such a contract was executed by or on the behalf of a person who, after the execution of the contract, was issued orders into active duty, for deployment, or for a permanent change of duty station; and

(2) where as a result of the orders it is impractical for the person to enjoy the benefits of the contract.

Subd. 2. **Authority.** A service member who enters into a rental, club, membership travel, or service contract, and who is issued orders into active duty, for deployment, or for a permanent change of duty station, subsequent to the execution of the contract, is entitled to cancel the contract at no penalty and with a full refund of any money which may have been placed on deposit where the service member's military activation, deployment, or change in duty station causes it to be impractical for the service member to abide by the terms and conditions of the contract. For purposes of this section, "service contract" includes those for services such as television, computer, Internet service, or any other type of service.

Subd. 3. **Notice.** Any such contract may be terminated by notice in writing sent to the contractor by the person issued orders for active duty, for deployment, or for a permanent change of duty station, canceling the service member's rental, club, or membership travel contract. The notice must include a copy of the orders in question. Delivery of the notice must be made by certified mail addressed to the contractor. The termination of the contract is effective the day following receipt of proper notice as described in this subdivision.

Subd. 4. **Enforcement.** This section may be enforced by the attorney general pursuant to section 8.31.

**History:** 2007 c 111 s 3