

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
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FLOOR DEBATE

February 9, 2006 LB 173, 488, 1218

LB 488, LB 1218, all indefinitely postponed. An announcement: The Transportation Committee will hold an Executive Session at 1:30 p.m. in Room 1113 on Monday, February 13. Have notice of committee hearings from the Transportation Committee; report on the gubernatorial appointment from Business and Labor Committee, and from Natural Resources. That's all I have at this time. (Legislature Journal pages 603-605.)

SENATOR CUDABACK: Thank you, Mr. Clerk. Next agenda item, LB 173. Mr. Clerk, please.

ASSISTANT CLERK: Mr. President, LB 173 was introduced by Senator Hudkins and others. (Read title.) The bill was read for the first time January 7 of last year, referred to the Judiciary Committee. The committee reports the bill to General File with committee amendments attached. (AM2018, Legislative Journal page 532.)

SENATOR CUDABACK: Thank you, Mr. Clerk. Senator Hudkins, to open on LB 173.

SENATOR HUDKINS: Thank you, Mr. President and members of the body. LB 173 deals with gift cards and gift certificates, and we have basically three categories of these. The first kind is a gift certificate or a gift card that is issued by a business, that treat them as an equivalent to cash. These businesses don't charge dormancy fees, and they don't have any expiration dates on their certificates or cards. They honor them forever. But under the present unclaimed property statutes, after three years, any unused portion of a certificate escheats or forfeits to the State Treasurer. In this category, a \$50 gift certificate or card that went unused would still have a \$50 value after three years, even though there is no expiration date, and the certificate could still be used. But present statute requires that the issuing business forfeit the \$50 to the State Treasurer. The second type of gift certificate is one that is issued by businesses that do charge dormancy fees and/or have expiration dates. After a period of time, issuers in this class impose a monthly maintenance fee that is deducted from the balance of the certificate, and there may be an expiration date imposed. In this category, a \$50 gift certificate may have no