
A BILL FOR AN ACT

RELATING TO GIFT CARDS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The Hawaii Revised Statutes is amended by
2 adding a new chapter to be appropriately designated and to read
3 as follows:

4 **"CHAPTER**

5 **GIFT CARDS**

6 **§ -1 Definitions.** As used in this chapter:

7 "Beneficiary" means any person who is legally in receipt of
8 and entitled to receive the benefits of a gift card.

9 "Gift card" means any electronic card with a banked dollar
10 value where the issuer has received payment for the full banked
11 dollar value for the future purchase or delivery of goods or
12 services.

13 "Issuer" means a person engaged in the business of offering
14 goods or services for sale at retail who sells gift cards to
15 consumers.

16 **§ -2 Gift card; trust property.** (a) A gift card shall
17 constitute value held in trust by the issuer of the gift card on
18 behalf of the beneficiary of the gift card. The value



1 represented by the gift card shall belong to the beneficiary, or
2 to the legal representative of the beneficiary to the extent
3 provided by law, and not to the issuer.

4 (b) The issuer of a gift card shall maintain a separate
5 trust account for the funds used to purchase a gift card.

6 **§ -3 Bankruptcy.** (a) An issuer of a gift card or who
7 is in bankruptcy shall continue to honor a gift card issued
8 prior to the date of the bankruptcy filing on the grounds that
9 the value of the gift card constitutes trust property of the
10 beneficiary.

11 (b) This chapter does not alter the terms of a gift card;
12 provided that the terms of a gift card may not make its
13 redemption or other use invalid in the event of a bankruptcy.

14 **§ -4 Beneficiary and issuer relationship.** (a) This
15 chapter shall not create an interest in favor of the beneficiary
16 of the gift card in any specific property of the issuer.

17 (b) This chapter shall not create a fiduciary or quasi-
18 fiduciary relationship between the beneficiary of the gift cards
19 and the issuer, unless otherwise provided by law.

20 (c) The issuer of a gift card shall not be obligated to
21 pay interest on the value of the gift card held in trust under
22 this chapter, unless otherwise provided by law.



1 § -5 Office of consumer protection; reporting; rules;
2 compliance. (a) An issuer shall file an annual report with the
3 director of the office of consumer protection on or before March
4 31 for the prior year ending December 31 setting forth:

5 (1) Its name and trade name, if any;

6 (2) The address of its principal place of business in the
7 state;

8 (3) The names of beneficiaries, the monetary amount of
9 gift cards held in trust for each beneficiary, and the
10 depository holding the trust funds; and

11 (4) Any other information as may be required by the
12 director.

13 (b) The director of the office of consumer protection may
14 adopt rules pursuant to chapter 91 for purposes of this chapter,
15 including the charging of penalties and reasonable fees in an
16 amount sufficient to cover the administrative and operational
17 costs required by this chapter. The director shall have the
18 duty and power to compel compliance with this chapter, including
19 the duties and powers under chapter 487."

20 SECTION 2. This Act does not affect rights and duties that
21 matured, penalties that were incurred, and proceedings that were
22 begun before its effective date.



1 SECTION 3. This Act shall take effect on January 1, 2015.

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H.B. NO. 2108

Report Title:

Gift Cards; Purchase Payment Held in Trust

Description:

Requires an issuer of a gift card to hold in trust the moneys received in payment for the card. Effective January 1, 2015.

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