

2025 -- H 6212

LC002662

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS -- GIFT  
CARD FRAUD

Introduced By: Representatives Baginski, and J. Brien

Date Introduced: April 09, 2025

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 6-59-1 and 6-59-3 of the General Laws in Chapter 6-59 entitled  
2 "Gift Card Fraud" are hereby amended to read as follows:

3 **6-59-1. Definitions.**

4 As used in this chapter:

5 (1) "Cardholder" means any person to whom a physical or virtual gift card is issued or any  
6 person who has agreed with the card issuer to pay obligations arising from the issuance of a gift  
7 card to another person.

8 (2) "Card issuer" means any person that issues a gift card or the agent of that person with  
9 respect to that card.

10 (3) "Closed-loop gift card" means a card, code, or device that is issued to a consumer on a  
11 prepaid basis primarily for personal, family, or household purposes in a specified amount,  
12 regardless of whether that amount may be increased or reloaded in exchange for payment; and is  
13 redeemable upon presentation by a consumer at a single merchant or group of affiliated merchants.

14 (4) "Forgery" means any person who, with the intent to defraud, alters or tampers with a  
15 gift card.

16 (5) "~~gift~~ Gift card" means a written promise or electronic payment device that:

17 (+)(i) Is usable at a single merchant or an affiliated group of merchants that share the same  
18 name, mark, or logo, or is usable at multiple, unaffiliated merchants or service providers;

- 1           ~~(2)~~(ii) Is issued in a specific amount;
- 2           ~~(3)~~(iii) May or may not be increased in value or reloaded;
- 3           ~~(4)~~(iv) Is purchased and/or loaded on a prepaid basis for the future purchase or delivery of
- 4 any goods or services; and
- 5           ~~(5)~~(v) Is honored upon presentation.

6           (6) “Gift card redemption information” means information unique to each gift card which

7 allows the cardholder to access, transfer, or spend the funds on that gift card.

8           (7) “Gift card seller” means a merchant that is engaged in the business of selling open-loop

9 or closed-loop gift cards to consumers.

10          (8) “Open-loop gift card” means a card, code, or device that is issued to a consumer on a

11 prepaid basis primarily for personal, family, or household purposes in a specified amount,

12 regardless of whether that amount may be increased or reloaded in exchange for payment; and is

13 redeemable upon presentation at multiple unaffiliated merchants for goods or services within the

14 payment card network.

15          (9) “Value” means the greatest amount of economic loss the owner of the property might

16 reasonably suffer including, in the case of a gift card, the full monetary face value or potential value

17 for variable load gift cards.

18           **6-59-3. ~~Penalty for violation~~ Penalty for violation of posting requirement.**

19           Any person, firm, partnership, association, corporation, or retail mercantile establishment

20 that violates the provisions of § 6-59-2 ~~this chapter~~ shall be subject to a civil penalty of up to two

21 hundred fifty dollars (\$250).

22           SECTION 2. Chapter 6-59 of the General Laws entitled "Gift Card Fraud" is hereby

23 amended by adding thereto the following section:

24           **6-59-4. Crimes involving gift cards.**

25           (a) Any person who, with intent to defraud, acquires or retains possession of a gift card or

26 gift card redemption information without the consent of the cardholder, card issuer, or gift card

27 seller, in an amount less than one thousand five hundred dollars (\$1,500), is guilty of larceny and

28 subject to a fine of up to one thousand dollars (\$1,000) or by imprisonment of up to one year, plus

29 restitution for any person or entity defrauded; or if the larceny exceeds one thousand five hundred

30 dollars (\$1,500) then subject to the penalties as provided pursuant to the provisions of § 11-41-5.

31           (b) Any person who, with intent to defraud, alters or tampers with a gift card is guilty of

32 forgery and shall be subject to the penalties pursuant to the provisions of § 11-17-1.

33           (c) Any person who, with intent to defraud, uses, for the purpose of obtaining money,

34 goods, services, or anything else of value, a gift card or gift card redemption information that has

1 been obtained in violation of subsection (a) or (b) of this section in an amount in excess of one  
2 thousand five hundred dollars (\$1,500) is guilty of larceny and subject to the penalties as provided  
3 pursuant to § 11-41-5.

4 (d) If the value of all money, goods, services, and other things of value obtained in violation  
5 of this section exceeds one thousand five hundred dollars (\$1,500) in any consecutive six (6) month  
6 period, then the person shall be guilty of larceny and subject to the penalties as provided in § 11-  
7 41-5.

8 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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RELATING TO COMMERCIAL LAW -- GENERAL REGULATORY PROVISIONS -- GIFT  
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- 1 This act would make offenses against gift card holders subject to the penalties for larceny.
- 2 This act would take effect upon passage.

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