

From: Diane M. Mogavero
Subject: Electronic Fund Transfers

Comments:

Dormancy fees, inactivity or service fees should NOT be permitted on gift cards.

First, the vendor has use of the money until the gift card is actually used. To permit fees to go to the vendor as well would be double dipping.

Second, a gift card purchase shouldn't be treated differently than any other purchase. If a consumer purchases a table, does the vendor have a right to come later and remove a portion of the table, say a table leg, if the table isn't being used? Hardly.

Third, if a company goes out of business before a gift card is used, the consumer loses out. Companies should be required by law to keep a separate account of gift card money to be refundable to consumers if the company goes out of business. A company that goes out of business can't come and take back the table mentioned above. The company took the money for the gift card, then the gift card belongs to the consumer and should be valid whenever the consumer decides to use it.

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