

SENATE BILL NO. 553

INTRODUCED BY D. ZOLNIKOV

A BILL FOR AN ACT ENTITLED: "AN ACT GENERALLY REVISING STATE POLICY LAWS; PROHIBITING EXPIRATION DATES ON AIRLINE TRAVEL CREDITS; ASSOCIATING OWNERSHIP WITH THE POSSESSOR OF THE TRAVEL CREDIT; LIMITING FEES; ALLOWING CASH REDEMPTION; ESTABLISHING A FEE FOR AIRLINE TRAVEL TO AND FROM MONTANA; ESTABLISHING REPORTING REQUIREMENTS; PROVIDING DEFINITIONS; AMENDING SECTION 30-14-102, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

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

NEW SECTION. Section 1. Termination of travel credit prohibited -- fee limitation -- redemption -- airline fee -- reporting requirement. (1) A travel credit is valid until redemption and does not terminate. A travel credit is considered trust property of the possessor if the issuer or seller of the travel credit declares bankruptcy after issuing or selling the travel credit.

(2) The value represented by the travel credit belongs to the possessor and not to the issuer or seller. An issuer or seller may redeem a travel credit presented by an individual whose name does not match the name on the travel credit.

(3) A travel credit may not be reduced in value by any fee, including a dormancy fee applied if a travel credit is not used.

(4) If the original value of the travel credit was more than \$5 and the remaining value is less than \$5 and the possessor requests cash for the remainder, the issuer or seller shall redeem the travel credit for cash.

(5) (a) A fee of \$1 must be added to any airline ticket purchased for travel to or from this state. Revenue collected from the fee must be deposited in an account in the enterprise fund type to the credit of the department of justice for the purposes of combating human trafficking.

(b) The department of justice shall report on spending from the fund, in accordance with 5-11-210,

1 at the third-quarter interim budget committee hearing in the even-numbered year of each biennium.

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3 **Section 2.** Section 30-14-102, MCA, is amended to read:

4 **"30-14-102. Definitions.** As used in this part, the following definitions apply:

5 (1) "Consumer" means a person who purchases or leases goods, services, real property, or
6 information primarily for personal, family, or household purposes.

7 (2) "Department" means the department of justice created in 2-15-2001.

8 (3) "Documentary material" means the original or a copy of any book, record, report,
9 memorandum, paper, communication, tabulation, map, chart, photograph, mechanical transcription, or other
10 tangible document or recording.

11 (4) "Examination" of documentary material includes the inspection, study, or copying of
12 documentary material and the taking of testimony under oath or acknowledgment in respect to any
13 documentary material or copy of documentary material.

14 (5) (a) "Gift certificate" means a record, including a gift card or stored value card, that is provided
15 for paid consideration and that indicates a promise by the issuer or seller of the record that goods or services
16 will be provided to the possessor of the record for the value that is shown on the record or contained within the
17 record by means of a microprocessor chip, magnetic stripe, bar code, or other electronic information storage
18 device. The consideration provided for the gift certificate must be made in advance. The value of the gift
19 certificate is reduced by the amount spent with each use. A gift certificate is considered trust property of the
20 possessor if the issuer or seller of the gift certificate declares bankruptcy after issuing or selling the gift
21 certificate. The value represented by the gift certificate belongs to the possessor, to the extent provided by law,
22 and not to the issuer or seller.

23 (b) The term does not include:

24 (i) prepaid telecommunications and technology cards, including but not limited to prepaid
25 telephone calling cards, prepaid technical support cards, and prepaid internet disks that have been distributed
26 to or purchased by a consumer;

27 (ii) a coupon provided to a consumer pursuant to any award, loyalty, or promotion program without
28 any money or consideration being given in exchange for the card; or

1 (iii) a gift certificate usable with multiple sellers of goods or services.

2 (6) "Person" means natural persons, corporations, trusts, partnerships, incorporated or
3 unincorporated associations, and any other legal entity.

4 (7) "Possessor" means a natural person who has physical control over a gift certificate.

5 (8) (a) "Trade" and "commerce" mean the advertising, offering for sale, sale, or distribution of any
6 services, any property, tangible or intangible, real, personal, or mixed, or any other article, commodity, or thing
7 of value, wherever located, and includes any trade or commerce directly or indirectly affecting the people of this
8 state.

9 (b) The terms include direct patient care agreements established pursuant to 50-4-107.

10 (9) "Travel credit" means a form of credit issued by an airline that can be used to purchase future
11 flights or other services offered by an airline."

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13 NEW SECTION. Section 3. Codification instruction. [Section 1] is intended to be codified as an
14 integral part of Title 30, chapter 14, part 1, and the provisions of Title 30, chapter 14, part 1, apply to [section 1].

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16 NEW SECTION. Section 4. Saving clause. [This act] does not affect rights and duties that matured,
17 penalties that were incurred, or proceedings that were begun before [the effective date of this act].

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19 NEW SECTION. Section 5. Effective date. [This act] is effective on passage and approval.

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21 NEW SECTION. Section 6. Retroactive applicability. [This act] applies retroactively, within the
22 meaning of 1-2-109, to travel credit issued on or after January 1, 2025.

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