

AN ACT

ENTITLED, An Act to exempt open-loop prepaid cards from unclaimed property provisions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 43-41B be amended by adding thereto a NEW SECTION to read as follows:

The provisions of this chapter do not apply to open-loop prepaid cards for which the underlying funds do not expire and the records of the depository institution do not disclose the identity of the actual owner. For the purposes of this section, an open-loop prepaid card is an electronic payment device that meets the following conditions:

- (1) Is purchased or loaded, or both, on a prepaid basis for the future purchase or delivery of any goods or services; and
- (2) Can be used to purchase goods and services at multiple unaffiliated merchants or service providers.

Section 2. That chapter 43-41B be amended by adding thereto a NEW SECTION to read as follows:

Notwithstanding section 1 of this Act, the provisions of this chapter do not apply to any rewards card. For the purposes of this Act, a rewards card is any awards, rewards, rebate, loyalty, incentive, or promotional card for which no money was paid by the cardholder.

Section 3. That chapter 43-41B be amended by adding thereto a NEW SECTION to read as follows:

Any unredeemed open-loop prepaid card or rewards card is subject only to any rights of a purchaser or owner of such card and is not subject to any claim made by any state acting on behalf of a purchaser or owner.

An Act to exempt open-loop prepaid cards from unclaimed property provisions.

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I certify that the attached Act
originated in the

SENATE as Bill No. 81

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 81

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State