

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 720

Introduced by Avery, 28.

Read first time January 06, 2010

Committee: Banking, Commerce and Insurance

A BILL

- 1 FOR AN ACT relating to consumer protection; to provide requirements
- 2 for and prohibit certain practices by customer loyalty or
- 3 incentive programs.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) If a retail business establishes a
2 customer loyalty, bonus, or incentive program which provides the
3 incentive in the form of a general-use prepaid card, the business
4 shall also offer the incentive in the form of cash or a negotiable
5 check, at the option of the customer. The check or general-use
6 prepaid card shall not expire for at least one year after the
7 date of issuance. The amount of cash or the value of the check or
8 general-use prepaid card shall not be decreased for administrative,
9 shipping, or handling fees.

10 (2) For purposes of this section, general-use prepaid
11 card means a plastic card or other electronic payment device usable
12 with multiple, unaffiliated sellers of goods or services.

13 (3) The Attorney General may bring an action in the
14 name of the state against any person to restrain and prevent the
15 doing of any act prohibited by this section. The prevailing party
16 may, in the discretion of the court, recover the costs of such
17 action, including reasonable attorney's fees. The court may make
18 such additional orders or judgments as may be necessary in the
19 interests of justice. The Attorney General may bring the action
20 in the district court of the county in which the alleged violator
21 resides or has his or her principal place of business or in the
22 district court of Lancaster County.