

Associate Gonzalo E. Mon Quoted in Gift Card Article

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In a *Shoppers Centers Today* article titled “The Right Card,” associate [Gonzalo Mon](#) was quoted. The article discussed the Federal Reserve announcement of new restrictions on the fees and expiration dates linked to certain gift cards. The article outlines the new stipulations that gift cards now face.

Under the new regulations, gift-card issuers would be allowed to charge no more than one service or other fee per month, and they could charge a dormancy fee only if the card has gone unused for a year. Gonzalo says that “this is not to say that these rules amount to a sudden sea change for all mall-branded gift cards.” Gonzalo also notes that whereas ten years ago just a few states regulated gift-card practices, today some 40 states have laws covering the issue, and the growing tangle of overlapping state and federal regulations — including gift-card provisions passed in May as part of the Credit Card Act of 2009 — is giving issuers ever-stronger incentives to jettison restrictive terms. “More companies are heading in that direction,” Gonzalo said.

Given all the changes in federal and state regulations, however, Gonzalo recommends that issuers should still have their attorneys conduct careful compliance reviews of their gift-card programs.