



April 25, 2024

Chairman Matzie, Chairman Marshall and Honorable Members of the House Consumer Protection, Technology and Utilities Committee,

On behalf of the member companies of the Pennsylvania Retailers' Association (PRA), thank you for allowing us to submit written testimony regarding **HB 2186**. The prevention of gift card fraud is of extreme importance to retailers, and should this legislation become law, PRA and our member companies stand ready to work with the Attorney General's Bureau of Consumer Protection to raise awareness and formulate a model training program for retailers across the Commonwealth.

I am happy to report that most, if not all PRA member companies have already actively engaged in a multi-layered and comprehensive approach to combating fraud, including training store associates and deploying the latest prevention technology.

The types of training vary, with the use of both written materials and in-person training. Some retailers also provide online training, with testing for proficiency that includes a review/retake if not passed the first time. For many, these trainings occur upon hire as part of the onboarding process, and some retailers have annual/seasonal refresher training courses.

The topics in training typically cover all types of pre-paid cards (i.e. open and closed loop, cellular, gaming, other brands); the current trends in the fraud landscape - what to watch for/patterns of behavior, prevention tactics and ways to help victims if they come into stores; the varying types of scams; how to report to law enforcement; know when to ask a manager for help, and how to handle escalation.

Additional best practices that many retailers already engage in are point of sale (POS) prompts at certain dollar levels; warnings on cards and packaging; limits on how much can be purchased in a day or in a transaction; manager approval required for higher purchases, and signage as well as staff reminders. However, it is important to note, one of the most important best practices retailers engage in is to not alert criminals to every layer of security used to thwart their efforts.

With regard to the legislation as currently written, we do respectfully request consideration be given to amending the signage requirement. The bill requires retailers to, "clearly and conspicuously post the notice required under subsection (a) at or near the physical location where gift cards or gift certificates are displayed for sale and at all points of sale." Depending on numerous factors (retail category, size of store, number of associates, etc.) clearly no two retailers are alike. And as already stated, most if not all PRA members have already begun to address this issue, including signage and POS prompts, and should be allowed some flexibility. A simple, "clear and conspicuous" standard is all that is needed for a signage requirement.

Again, thank you for the ability to submit written testimony on this important matter, and please do not hesitate to reach out with any questions you may have at [john@paretailers.org](mailto:john@paretailers.org) or on my cell at (609) 213-6866.

Sincerely,

John Holub  
Executive Director