

Approved April 30, 1992

MINUTES OF THE SENATE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Sen. Edward F. Reilly, Jr. at the Rail on March 11, 1992.

All members were present except:
Sens. Walker and Ward

Committee staff present:
Mary Galligan, Legislative Research Department
Mary Torrence, Office of Revisor of Statutes
Jeanne Eudaley, Committee Secretary

Conferees appearing before the committee:
Martha Jenkins, Loyalty Management Group

Sen. Reilly asked Mary Torrence to brief the committee on the Kansas Trading Stamp Act. Martha Jenkins appeared before the committee to request introduction of a proposal (Attachment 1) amending the trading stamp act. Sen. Webb moved the committee introduce the proposal as a bill, and Sen. Morris seconded the motion. The motion passed.

The meeting adjourned.

Attach. 1

Senate Federal and State Affairs
March 11, 1992
Introduction of Legislation Amending Trading Stamp Act

Mr. Chairman, members of the Committee:

I am Martha Jenkins representing Loyalty Management Group, a Delaware Corporation, seeking to do business here in Kansas. I appear before you today to respectfully request the introduction of a bill that would amend the Kansas Trading Stamp Act K.S.A. 21-2803. I have attached a copy of the new language under subsection (c).

Most of you are familiar with various airlines' "frequent flyer" programs. Our client will be marketing a similar program called Air Miles whereby customers are awarded credits for airline tickets based on purchases of travel and travel related services. This is a national program and unfortunately Kansas is one of two states that will not be able to participate due to a prohibition in the law.

We believe this amendment simply clarifies the law so that programs like ours can be offered to Kansans. We would greatly appreciate your introduction of this bill. Thank you very much.

Att. 1
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TRADING STAMP ACT AMENDMENT

21-2903. Trading stamp act inapplicable to certain coupons and similar devices. This act shall not apply to any coupon, ticket, certificate, card or other similar device which is issued, distributed, furnished or redeemed:

(a) By a manufacturer or packer, when such coupon, ticket, certificate, card or other similar device is redeemable;

(1) Without or with accompanying cash, for any product of the manufacturer or packer or for one specified and particular product not manufactured or packed by the manufacturer or packer; or

(2) by the manufacturer or packer in cash.

(b) By a retailer, when such coupon, ticket, certificate, card or other similar device is redeemable by the retailer, with or without accompanying cash, for any product which the retailer normally sells in its usual course of business.

(c) By a person, firm, association or corporation, when such coupon, ticket, certificate, card or other similar device is redeemable, with or without accompanying cash, for air travel, hotel, motel and similar accommodations, vehicle rental and/or other travel or recreational services.