



MISSOURI HOUSE OF REPRESENTATIVES
WITNESS APPEARANCE FORM

BILL NUMBER: HB 1990		DATE: 3/3/2026	
COMMITTEE: Crime and Public Safety			
TESTIFYING: <input checked="" type="checkbox"/> IN SUPPORT OF <input type="checkbox"/> IN OPPOSITION TO <input type="checkbox"/> FOR INFORMATIONAL PURPOSES			
WITNESS NAME			
BUSINESS/ORGANIZATION:			
WITNESS NAME: ARNIE C. A.C. "HONEST-ABE" DIENOFF		PHONE NUMBER: 314-440-9000	
BUSINESS/ORGANIZATION NAME: STATE PUBLIC ADVOCACY		TITLE: STATE PUBLIC ADVOCATE	
ADDRESS: PO BOX #1535			
CITY: O'FALLON		STATE: MO	ZIP: 63366
EMAIL:	ATTENDANCE:	SUBMIT DATE: 3/3/2026 12:00 AM	
THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.			



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WITNESS NAME		
REGISTERED LOBBYIST:		
WITNESS NAME: DAVID KENT		PHONE NUMBER:
REPRESENTING: MISSOURI BANKERS ASSOCIATION		TITLE: CHIEF LOBBYIST
ADDRESS: 207 E CAPITOL AVE		
CITY: JEFFERSON CITY		STATE: MO
		ZIP: 65102
EMAIL: dkent@mobankers.com	ATTENDANCE: Written	SUBMIT DATE: 3/3/2026 1:21 PM

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MBA supports efforts to combat fraud. We thank Rep. Hinman for introducing the legislation, which will help protect Missourians from being a victim of gift card fraud.



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WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: DAVID SAMUEL OVERFELT		PHONE NUMBER: 573-230-6006	
REPRESENTING: MISSOURI RETAILERS ASSOCIATION; MISSOURI GROCERS ASSOCIATION		TITLE: PRESIDENT	
ADDRESS: 618 E CAPITOL			
CITY: JEFFERSON CITY		STATE: MO	ZIP: 65101
EMAIL: dave@moretailers.com	ATTENDANCE: In-Person	SUBMIT DATE: 3/3/2026 8:21 AM	
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Combating Gift Card Fraud and Protecting Consumers Problem

The U.S. gift card market reached \$447.7 billion in 2025, highlighting the industry’s value and importance to consumers. Along with the market growth, criminal schemes tied to gift cards have grown exponentially, undermining public trust, causing significant financial loss and enabling broader criminal schemes.

Organized transnational criminal syndicates are using sophisticated methods to compromise gift cards, launder money and commit large-scale theft through various criminal schemes, including tampering and consumer-targeted scams. We need state laws that specifically criminalize gift card tampering and scams to better protect consumers and businesses from this growing form of retail fraud.

What is Gift Card Tampering: Criminals steal large quantities of inactive gift cards from stores, fraudulently obtain activation information (e.g., card numbers and PINs), put the tampered cards back on the store shelf, and drain funds after unsuspecting consumers purchase/load the cards.

What are Gift Card Scams: Criminals trick consumers into buying gift cards and revealing the card numbers and PIN.

Solution

To better protect consumers from financial harm and maintain confidence in the gift card market, policymakers should adopt legislative solutions that focus on safeguarding the public and ensuring victims have a pathway to justice. We need legislative solutions that will enhance consumer protection by:

? **Protecting Consumers from Tampered Cards:** Establishing specific laws that criminalize gift card tampering. By holding offenders accountable for the potential loss (the card’s highest possible value), these measures deter the fraudulent circulation of compromised cards and protect consumers from risk.

? **Safeguarding Against Unauthorized Use of Gift Cards:** Implementing clear penalties for the unauthorized use or receipt of stolen gift card redemption details. By closing legal gaps, we make it

easier to pursue those who exploit consumer data and ensure faster recovery for victims.

? **Shielding Consumers from Scams:** Granting law enforcement the necessary authority to arrest and prosecute fraudsters who deceive consumers into providing gift card information under false pretenses. This creates a stronger deterrent against consumer-targeted scams and provides greater security for the public.

Industry Efforts

Retailers and gift card networks are actively working to prevent gift card fraud through:

? **Advanced Technology:** Deploying cutting-edge technologies to detect tampering before gift cards are purchased.

? **Employee Training:** Teaching retail employees how to spot tampered cards and identify consumers who are being targeted by fraudsters.

? **Public Service Campaigns:** Educating consumers about gift card fraud, tips to avoid fraud and how to report suspicious activity.

? **Innovation and Security:** Introducing innovative solutions, tamper warnings, and activation protocols to ensure sensitive information remains protected until activation.



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WITNESS NAME			
REGISTERED LOBBYIST:			
WITNESS NAME: RON LEONE		PHONE NUMBER: 573-864-5189	
REPRESENTING: MPCA - MO PETROLEUM & CONVENIENCE ASSOC.		TITLE:	
ADDRESS: 205 E CAPITOL AVE, SUITE 200			
CITY: JC		STATE: MO	ZIP: 65101
EMAIL:	ATTENDANCE:	SUBMIT DATE: 3/3/2026 12:00 AM	
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WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: KORTNIE HUDDLESTON		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL:	ATTENDANCE: Written	SUBMIT DATE: 3/3/2026 11:15 PM	

THE INFORMATION ON THIS FORM IS PUBLIC RECORD UNDER CHAPTER 610, RSMo.

I am writing to express my strong opposition to House Bill 1990. While the goal of curbing fraud is understandable, this bill represents a flawed approach that prioritizes punitive measures for individuals while ignoring the corporate practices that create the conditions for this crime.

This legislation is fundamentally a solution in search of a different problem. By creating new, harsh felony classifications for gift card fraud, the bill targets low-level actors and those who may be desperate or struggling, rather than addressing the systemic issues that make gift card fraud so prevalent. The real beneficiaries of the gift card economy are the corporations that issue them. These companies profit immensely from the billions of dollars in unspent gift card value that goes unused every year, a practice that is itself a form of corporate windfall at the expense of consumers.

Instead of focusing on corporate accountability, HB 1990 expands the criminal justice system’s reach into yet another area of poverty law. The felony thresholds in this bill are a gateway to mass incarceration. A person who alters a gift card and obtains \$750 worth of goods can be charged with a class D felony, facing years in prison and a permanent record. This will disproportionately impact low-income Missourians and people of color, further entrenching racial and economic disparities in our justice system. We should be working to reduce our prison population and invest in communities, not creating new pathways to lock people up for nonviolent property crimes.

Furthermore, the bill’s broad definition of “gift card fraud” is concerning. It criminalizes the mere possession and use of information “obtained in violation” of the statute, which could potentially sweep up vulnerable individuals who are themselves victims of scams, such as the elderly or immigrants misled into acting as money mules. The focus should be on the sophisticated, often organized, rings that perpetrate large-scale fraud, not on the individuals on the lower rungs who may be coerced or manipulated into participation.

A progressive approach to public safety prioritizes prevention and rehabilitation over punishment. Instead of this bill, we should be advocating for measures that hold the gift card industry accountable. This could include requiring clearer disclosures about fees and expiration dates, prohibiting the sale of gift cards with inactive fees, or creating a statewide consumer protection fund to reimburse victims. We should also invest in social services that address the root causes of property crime, like poverty, lack of opportunity, and addiction.

HB 1990 does nothing to prevent fraud; it only promises to punish it more severely after the fact. It is a punitive measure that will do little to stop sophisticated criminals but will do immense harm to

vulnerable Missourians. I urge you to vote no on this bill and to instead pursue justice reforms that are truly just and equitable.



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WITNESS NAME			
INDIVIDUAL:			
WITNESS NAME: MICHAEL DREYER		PHONE NUMBER:	
BUSINESS/ORGANIZATION NAME:		TITLE:	
ADDRESS:			
CITY:		STATE:	ZIP:
EMAIL:	ATTENDANCE: Written	SUBMIT DATE: 3/3/2026 11:14 PM	
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