

2008 State Interchange Fee Legislation

State	Bill	Type	Description
FL	SB 1562/ HB 689	<u>Tax</u>	States that a dealer that has paid the sales tax and use tax may take a credit on its sales and use tax return for the tax paid by the dealer on the percentage of tax not reimbursed due to any fee charged or deducted from a payment card sale to the dealer by an issuer of a payment card for processing a payment card transaction. The credit shall be equal to the percentage of the payment card fee multiplied by the amount of tax of each transaction.
KS	SB 349/ HB 2856	<u>Disclosure</u>	A contract authorizing a merchant to accept a credit card or debit card may not: (a) Give a financial institution the right to charge a merchant or deduct from the merchant's account the cost of a credit card or debit card transaction because the cost of the transaction exceeds a predetermined amount; or (b) require a merchant to limit or waive its rights under this act.
KS	SB 348	<u>Sales Tax</u>	Discount rates, transaction charges, interchange rates or any other charges or fees charged to merchants or deducted from credit card or debit card sales for processing credit card or debit card transactions shall not be applied to the tax portion of any credit card or debit card sales.
KS	SB 350	<u>Disclosure</u>	Whenever a contract authorizing a merchant to accept a credit card or debit card specifies that the merchant is bound by the rules of a financial institution, the contracting financial institution must: (1) Give the merchant access to the complete rules referenced in the contract, notify the merchant of any rule additions or modification, and provide a copy of the new or modified rule; (2) provide a complete schedule of interchange fees, credit card and debit card transaction rates and any other fees that the financial institution charges to merchants, as well as provide an explanation of which rates apply to the merchant and the situations in which those rates apply; and (3) not require a merchant to agree not to disclose the contracting financial institution's rules or rates as a condition of receiving access to the rules or rates.
KY	HB 499	<u>Disclosure</u>	No credit card company, financial institution or card processor may impose any requirement, condition, penalty or fine on a merchant relating to that merchant's acceptance of credit or debit cards other than that specifically set forth in the actual terms of a contract with the merchant or in a copy of the rules provided to the merchant and incorporated by reference in the contract. No credit card company, financial institution or card processor may require a merchant to agree not to disclose any of the rules or rates to which the merchant is subject.

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LA	HB 866/ SB 518	<u>Disclosure</u>	Whenever a contract authorizing a merchant to accept a credit card or debit card specifies that the merchant is bound by the rules of a financial institution, the contracting financial institution must: (1) Give the merchant access to the complete rules referenced in the contract, notify the merchant of any rule additions or modification, and provide a copy of the new or modified rule; (2) provide a complete schedule of interchange fees, credit card and debit card transaction rates and any other fees that the financial institution charges to merchants, as well as provide an explanation of which rates apply to the merchant and the situations in which those rates apply; and (3) not require a merchant to agree not to disclose the contracting financial institution's rules or rates as a condition of receiving access to the rules or rates.
LA	HB 673/ SB 516	<u>Sales Tax</u>	Discount rates, transaction charges, interchange fees, or any other charges or fees charged to a merchant or deducted from a credit card or debit card sale by an issuing bank for processing credit card or debit card transactions of that merchant may be based on the dollar amount of the credit or debit card sale but shall exclude any sales and use tax portion of credit or debit card sales.
MA	HD 4849	<u>Disclosure</u>	This is a House Draft. Text will be available when it's introduced as a House Bill.
MO	HB 2350	<u>Disclosure</u>	Whenever a contract authorizing a merchant to accept a credit card or debit card specifies that the merchant is bound by the rules of a financial institution, the contracting financial institution must: (1) Give the merchant access to the complete rules referenced in the contract, notify the merchant of any rule additions or modification, and provide a copy of the new or modified rule; (2) provide a complete schedule of interchange fees, credit card and debit card transaction rates and any other fees that the financial institution charges to merchants, as well as provide an explanation of which rates apply to the merchant and the situations in which those rates apply; and (3) not require a merchant to agree not to disclose the contracting financial institution's rules or rates as a condition of receiving access to the rules or rates.
NE	LB 174	<u>Disclosure</u>	Whenever a contract authorizing a merchant to accept a credit card or debit card specifies that the merchant is bound by the rules of a financial institution, the contracting financial institution must: (1) Give the merchant access to the complete rules referenced in the contract, notify the merchant of any rule additions or modification, and provide a copy of the new or modified rule; (2) provide a complete schedule of interchange fees, credit card and debit card transaction rates and any other fees that the financial institution charges to merchants, as well as provide an explanation of which rates apply to the merchant and the situations in which those rates apply; and (3) not require a merchant to agree not to disclose the contracting financial institution's rules or rates as a condition of receiving access to the rules or rates.

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NJ	HB 2261/ SB 1138	<u>Sales Tax</u>	Discount rates, transaction charges, interchange fees, or any other charges 9 or fees charged to a merchant or deducted from a credit card or debit card sale by an 10 issuing bank for processing credit card or debit card transactions of that merchant 11 may be based on the dollar amount of the credit or debit card sale but shall exclude 12 any sales and use tax portion of credit or debit card sales.
NY	HB 501	<u>Disclosure/Study</u>	Mandated interchange fee disclosure for NY merchants followed by a study from the Superintendent's office.
NY	HB 1020	<u>Sales Tax</u>	DISCOUNT RATES, TRANSACTION CHARGES, INTERCHANGE RATES, OR ANY OTHER CHARGES OR FEES CHARGED TO A SELLER BY AN ISSUER OR DEDUCTED FROM CREDIT OR DEBIT CARD SALES FOR PROCESSING CREDIT OR DEBIT CARD TRANSACTIONS WHERE THE CHARGES OR FEES ARE A PERCENTAGE MULTIPLIED BY THE GROSS DOLLAR AMOUNT OF A CREDIT OR DEBIT CARD TRANSACTION SHALL BE BASED ON THE DOLLAR AMOUNT OF THE CREDIT OR DEBIT CARD SALE EXCLUDING ANY SALES AND USE TAXES ON THE SALE. IN NO EVENT SHALL SUCH FEES OR CHARGES BE APPLIED TO THE SALES AND USE TAX PORTION OF ANY CREDIT OR DEBIT CARD SALES.
NY	HB 7775/ S 5035	<u>Disclosure</u>	Whenever a contract authorizing a merchant to accept a credit card or debit card specifies that the merchant is bound by the rules of a financial institution, the contracting financial institution must: (1) Give the merchant access to the complete rules referenced in the contract, notify the merchant of any rule additions or modification, and provide a copy of the new or modified rule; (2) provide a complete schedule of interchange fees, credit card and debit card transaction rates and any other fees that the financial institution charges to merchants, as well as provide an explanation of which rates apply to the merchant and the situations in which those rates apply; and (3) not require a merchant to agree not to disclose the contracting financial institution's rules or rates as a condition of receiving access to the rules or rates. (close - slightly different language)
NY	SB 774	<u>Sales Tax</u>	An Act to amend the tax law, in relation to requiring issuers of credit cards and debit cards to pay and collect sales and use taxes and pay such taxes to the commissioner of taxation and finance

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OK	HB 3321	<u>Disclosure</u>	Whenever a contract authorizing a merchant to accept a credit card or debit card specifies that the merchant is bound by the rules of a financial institution, the contracting financial institution must: (1) Give the merchant access to the complete rules referenced in the contract, notify the merchant of any rule additions or modification, and provide a copy of the new or modified rule; (2) provide a complete schedule of interchange fees, credit card and debit card transaction rates and any other fees that the financial institution charges to merchants, as well as provide an explanation of which rates apply to the merchant and the situations in which those rates apply; and (3) not require a merchant to agree not to disclose the contracting financial institution's rules or rates as a condition of receiving access to the rules or rates. (close - slightly different language)
RI	HB 7509	<u>Disclosure</u>	Whenever a contract authorizing a merchant to accept a credit card or debit card specifies that the merchant is bound by the rules of a financial institution, the contracting financial institution must: (1) Give the merchant access to the complete rules referenced in the contract, notify the merchant of any rule additions or modification, and provide a copy of the new or modified rule; (2) provide a complete schedule of interchange fees, credit card and debit card transaction rates and any other fees that the financial institution charges to merchants, as well as provide an explanation of which rates apply to the merchant and the situations in which those rates apply; and (3) not require a merchant to agree not to disclose the contracting financial institution's rules or rates as a condition of receiving access to the rules or rates. (close - slightly different language)
		<u>Sales Tax</u>	Discount rates, transaction charges, interchange rates or any other charges or fees charged to merchants or deducted from credit card or debit card sales for processing credit card or debit card transactions shall not be applied to the tax portion of any credit card or debit card sales.
TN	SB 850/ HB 1019	<u>Fee Cap</u>	This bill prohibits persons who issue credit and debit cards from charging retail merchants who conduct at least 80 percent of their credit card transactions through a credit card terminal more than .75 percent for all processing fees involving the use of a credit or debit card.
UT	HB 308	<u>Disclosure</u>	Whenever a contract authorizing a merchant to accept a credit card or debit card specifies that the merchant is bound by the rules of a financial institution, the contracting financial institution must: (1) Give the merchant access to the complete rules referenced in the contract, notify the merchant of any rule additions or modification, and provide a copy of the new or modified rule; (2) provide a complete schedule of interchange fees, credit card and debit card transaction rates and any other fees that the financial institution charges to merchants, as well as provide an explanation of which rates apply to the merchant and the situations in which those rates apply; and (3) not require a merchant to agree not to disclose the contracting financial institution's rules or rates as a condition of receiving access to the rules or rates. (close - slightly different language)

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VT	HB 600	<u>Disclosure</u>	Whenever a contract authorizing a merchant to accept a credit card or debit card specifies that the merchant is bound by the rules of a financial institution, the contracting financial institution must: (1) Give the merchant access to the complete rules referenced in the contract, notify the merchant of any rule additions or modification, and provide a copy of the new or modified rule; (2) provide a complete schedule of interchange fees, credit card and debit card transaction rates and any other fees that the financial institution charges to merchants, as well as provide an explanation of which rates apply to the merchant and the situations in which those rates apply; and (3) not require a merchant to agree not to disclose the contracting financial institution's rules or rates as a condition of receiving access to the rules or rates. (close - slightly different language)
VT	HJR 53	<u>Resolution</u>	Joint resolution urging Congress to address the dramatic rise of electronic payment interchange rates that merchants and consumers are assessed.
WA	HB 6825	<u>Fee Cap</u>	A fee charged by a financial institution for the processing of a credit card transaction to a small business owner must be set at a percentage rate of no higher than the rate established in subsection (2) of this section. (2) By no later than January 2, 2009, the department of financial institutions must negotiate, on behalf of small business owners licensed within Washington state, a written agreement limiting the maximum transaction fee that financial institutions doing business with small business owners licensed in this state may charge such business owners for the processing of a credit card transaction.