

Senate Bill 425

Sponsored by Senators PROZANSKI, MANNING JR; Senators FREDERICK, MEEK (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: Says that a merchant cannot charge a fee to use a credit card or debit card if the merchant does not accept cash. (Flesch Readability Score: 76.8).

Prohibits a merchant from charging or collecting a fee for a person's use of a credit card or debit card in payment for goods or services if the merchant does not accept payment for the goods or services in cash.

A BILL FOR AN ACT

1
2 Relating to fees charged for use of a payment card; amending ORS 646A.214.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 646A.214 is amended to read:

5 646A.214. (1) **As used in this section, "merchant" means a person that, in the ordinary**
6 **course of the person's business, permits another person to present a credit card or debit**
7 **card in payment for goods or services.**

8 [(1)] (2) A merchant that accepts a credit card or debit card for a transaction may require that
9 the credit card or debit card holder provide personal information, other than the personal informa-
10 tion that appears on the face of the credit card or debit card, for the purposes of verification of the
11 card holder's identity. The merchant may not write the information on the credit card or debit card
12 transaction form.

13 [(2)] (3) **Subsection (2) of this section [may not be construed to] does not** prevent a merchant
14 from requesting and keeping in written form information necessary for shipping, delivery or instal-
15 lation of purchased goods or services, or for warranty when the information is provided voluntarily
16 by a credit card or debit card holder.

17 [(3)] (4) Any provision in a contract between a merchant and a credit card or debit card issuer,
18 financial institution or other person that prohibits the merchant from verifying the identity of a
19 person who presents a credit card or debit card in payment for goods or services by requiring or
20 requesting identification is contrary to public policy and void.

21 (5) **A merchant may not charge or collect a fee for a person's use of a credit card or debit**
22 **card in payment for goods or services if the merchant does not accept payment for the goods**
23 **or services in cash.**

24 [(4)] (6) *[Nothing in]* This section *[may be construed to]* **does not:**

25 (a) Compel a merchant to verify the identity of a person who presents a credit card or debit card
26 in payment for goods or services; or

27 (b) Interfere with the ability of a merchant to make and enforce policies regarding verification
28 of the identity of a person who presents a credit card or debit card in payment for goods or services.

29 [(5) *As used in this section, "merchant" means a person who, in the ordinary course of that*

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 *person's business, permits persons to present credit cards or debit cards in payment for goods or ser-*
2 *vices.]*
3 _____