

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 53rd Legislature (2012)

4 COMMITTEE SUBSTITUTE
5 FOR ENGROSSED
6 SENATE BILL NO. 1774

By: Laster and Jolley of the
Senate

and

Denney of the House

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10 COMMITTEE SUBSTITUTE

11 An Act relating to credit card transactions; amending
12 14A O.S. 2011, Sections 2-211 and 2-417, which relate
13 to imposition of a surcharge for the use of credit or
14 debit cards; allowing private educational
15 institutions to charge a convenience fee; providing
16 limit on certain fee; providing an effective date;
17 and declaring an emergency.

18 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

19 SECTION 1. AMENDATORY 14A O.S. 2011, Section 2-211, is
20 amended to read as follows:

21 Section 2-211. A. With respect to all sales transactions, a
22 discount which a seller offers, allows or otherwise makes available
23 for the purpose of inducing payment by cash, check or similar means
24 rather than by use of an open-end credit card account shall not

1 constitute a credit service charge as determined under Section 2-109
2 of this title if the discount is offered to all prospective buyers
3 clearly and conspicuously in accordance with regulations of the
4 Administrator of Consumer Affairs. No seller in any sales
5 transaction may impose a surcharge on a cardholder who elects an
6 open-end credit card or debit card account instead of paying by
7 cash, check or similar means. There is no limit on the discount
8 which may be offered by the seller. A seller who provides a
9 discount otherwise than in accordance with the regulations of the
10 Administrator must make the disclosures required by those
11 regulations.

12 B. A seller who is registered with the United States Treasury
13 Department as a money transmitter pursuant to 31 CFR, Section
14 103.41, and who provides an electronic funds transmission service,
15 including service by telephone and the Internet, may charge a
16 different price for a funds transmission service based on the mode
17 of transmission used in the transaction without violating this
18 section so long as the price charged for a service paid for with an
19 open-end credit card or debit card account is not greater than the
20 price charged for such service if paid for with currency or other
21 similar means accepted within the same mode of transmission.

22 C. Any seller subject to the provisions of subsection B of this
23 section shall either conduct business at a location in this state or
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1 comply with the provisions of Section 1022 of Title 18 of the
2 Oklahoma Statutes.

3 D. As used in this section, "debit card" means any instrument
4 or device, whether known as a debit card or by any other name,
5 issued with or without fee by an issuer for the use of the
6 cardholder in depositing, obtaining or transferring funds from a
7 consumer banking electronic facility.

8 E. For purposes of this section, a private educational
9 institution as defined in paragraph (e) of Section 3102 of Title 70
10 of the Oklahoma Statutes may charge a convenience fee. The
11 convenience fee shall be limited to bank processing fees and
12 financial transaction fees, the cost of providing for secure
13 transaction, portal fees, and fees necessary to compensate for
14 increased bandwidth incurred as a result of providing for an online
15 transaction.

16 SECTION 2. AMENDATORY 14A O.S. 2011, Section 2-417, is
17 amended to read as follows:

18 Section 2-417. A. No seller in any sales transaction may
19 impose a surcharge on a cardholder who elects to use a credit card
20 or debit card in lieu of payment by cash, check or similar means.

21 B. As used in this section, "debit card" means any instrument
22 or device, whether known as a debit card or by any other name,
23 issued with or without fee by an issuer for the use of the

1 cardholder in depositing, obtaining or transferring funds from a
2 consumer banking electronic facility.

3 C. For purposes of this section, a private educational
4 institution as defined in paragraph (e) of Section 3102 of Title 70
5 of the Oklahoma Statutes may charge a convenience fee. The
6 convenience fee shall be limited to bank processing fees and
7 financial transaction fees, the cost of providing for secure
8 transaction, portal fees, and fees necessary to compensate for
9 increased bandwidth incurred as a result of providing for an online
10 transaction.

11 SECTION 3. This act shall become effective July 1, 2012.

12 SECTION 4. It being immediately necessary for the preservation
13 of the public peace, health and safety, an emergency is hereby
14 declared to exist, by reason whereof this act shall take effect and
15 be in full force from and after its passage and approval.

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17 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
18 03/29/2012 - DO PASS, As Amended.

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