

1 **SENATE FLOOR VERSION**

2 February 22, 2012

3 As Amended

4 SENATE BILL NO. 1774

5 By: Laster and Jolley of the
6 Senate

7 and

8 Denney of the House

9 **[credit card transactions - private educational
10 institutions - convenience fee - effective date -
11 emergency]**

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

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

15 Section 2-211. A. With respect to all sales transactions, a
16 discount which a seller offers, allows or otherwise makes available
17 for the purpose of inducing payment by cash, check or similar means
18 rather than by use of an open-end credit card account shall not
19 constitute a credit service charge as determined under Section 2-109
20 of this title if the discount is offered to all prospective buyers
21 clearly and conspicuously in accordance with regulations of the
22 Administrator of Consumer Affairs. No seller in any sales
23 transaction may impose a surcharge on a cardholder who elects an
24 open-end credit card or debit card account instead of paying by

1 cash, check or similar means. There is no limit on the discount
2 which may be offered by the seller. A seller who provides a
3 discount otherwise than in accordance with the regulations of the
4 Administrator must make the disclosures required by those
5 regulations.

6 B. A seller who is registered with the United States Treasury
7 Department as a money transmitter pursuant to 31 CFR, Section
8 103.41, and who provides an electronic funds transmission service,
9 including service by telephone and the Internet, may charge a
10 different price for a funds transmission service based on the mode
11 of transmission used in the transaction without violating this
12 section so long as the price charged for a service paid for with an
13 open-end credit card or debit card account is not greater than the
14 price charged for such service if paid for with currency or other
15 similar means accepted within the same mode of transmission.

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

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

1 E. For purposes of this section, a private educational
2 institution as defined in paragraph (e) of Section 3102 of Title 70
3 of the Oklahoma Statutes is exempt from the definition of "seller".

4 F. A private educational institution may charge a convenience
5 fee. The convenience fee shall be limited to bank processing fees
6 and financial transaction fees, the cost of providing for secure
7 transaction, portal fees, and fees necessary to compensate for
8 increased bandwidth incurred as a result of providing for an online
9 transaction.

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

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

15 B. As used in this section, "debit card" means any instrument
16 or device, whether known as a debit card or by any other name,
17 issued with or without fee by an issuer for the use of the
18 cardholder in depositing, obtaining or transferring funds from a
19 consumer banking electronic facility.

20 C. For purposes of this section, a private educational
21 institution as defined in paragraph (e) of Section 3102 of Title 70
22 of the Oklahoma Statutes is exempt from the definition of "seller".

23 D. A private educational institution may charge a convenience
24 fee. The convenience fee shall be limited to bank processing fees

1 and financial transaction fees, the cost of providing for secure
2 transaction, portal fees, and fees necessary to compensate for
3 increased bandwidth incurred as a result of providing for an online
4 transaction.

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

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

10 COMMITTEE REPORT BY: COMMITTEE ON EDUCATION, dated 2-20-12 - DO
11 PASS, As Amended and Coauthored.

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