

1 STATE OF OKLAHOMA

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

3 SENATE BILL 1774

By: Laster

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5
6 AS INTRODUCED

7 An Act relating to credit card transactions; amending
8 14A O.S. 2011, Sections 2-211 and 2-417, which relate
9 imposition of a surcharge for the use of credit or
10 debit cards; exempting private educational
11 institutions from certain definition; allowing
private educational institutions to charge a
convenience fee; providing limit on certain fee;
providing an effective date; and declaring an
emergency.

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

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

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

1 transaction may impose a surcharge on a cardholder who elects an
2 open-end credit card or debit card account instead of paying by
3 cash, check or similar means. There is no limit on the discount
4 which may be offered by the seller. A seller who provides a
5 discount otherwise than in accordance with the regulations of the
6 Administrator must make the disclosures required by those
7 regulations.

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

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

22 D. As used in this section, "debit card" means any instrument
23 or device, whether known as a debit card or by any other name,
24 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 E. 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 is exempt from the definition of "seller".

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

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

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

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

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

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

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

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

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