

STATE OF OKLAHOMA

1st Session of the 56th Legislature (2017)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 2178

By: Ortega

COMMITTEE SUBSTITUTE

An Act relating to credit card transactions; amending 14A O.S. 2011, Sections 2-211, as last amended by Section 2, Chapter 319, O.S.L. 2015, and 2-417, as last amended by Section 3, Chapter 319, O.S.L. 2015 (14A O.S. Supp. 2016, Sections 2-211 and 2-417), which relate to surcharge for the use of credit or debit cards; allowing private schools to charge a service fee; and providing an effective date.

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

SECTION 1. AMENDATORY 14A O.S. 2011, Section 2-211, as last amended by Section 2, Chapter 319, O.S.L. 2015 (14A O.S. Supp. 2016, Section 2-211), is amended to read as follows:

Section 2-211. A. With respect to all sales transactions, a discount which a seller offers, allows or otherwise makes available for the purpose of inducing payment by cash, check or similar means rather than by use of an open-end credit card account shall not constitute a credit service charge as determined under Section 2-109

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

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

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

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

6 E. For purposes of this section, a private educational
7 institution as defined in paragraph (e) of Section 3102 of Title 70
8 of the Oklahoma Statutes, a private school defined as a nonpublic
9 entity conducting an educational program for at least one grade
10 between prekindergarten through twelve, a municipality as defined in
11 paragraph 5 of Section 1-102 of Title 11 of the Oklahoma Statutes or
12 a public trust with a municipality as its beneficiary may charge a
13 ~~convenience~~ service fee. The ~~convenience~~ service fee shall be
14 limited to bank processing fees and financial transaction fees, the
15 cost of providing for secure transaction, portal fees, and fees
16 necessary to compensate for increased bandwidth incurred as a result
17 of providing for an online transaction.

18 SECTION 2. AMENDATORY 14A O.S. 2011, Section 2-417, as
19 last amended by Section 3, Chapter 319, O.S.L. 2015 (14A O.S. Supp.
20 2016, Section 2-417), is amended to read as follows:

21 Section 2-417. A. No seller in any sales transaction may
22 impose a surcharge on a cardholder who elects to use a credit card
23 or debit card in lieu of payment by cash, check or similar means.
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1 B. As used in this section, "debit card" means any instrument
2 or device, whether known as a debit card or by any other name,
3 issued with or without fee by an issuer for the use of the
4 cardholder in depositing, obtaining or transferring funds from a
5 consumer banking electronic facility.

6 C. For purposes of this section, a private educational
7 institution as defined in paragraph (e) of Section 3102 of Title 70
8 of the Oklahoma Statutes, a private school defined as a nonpublic
9 entity conducting an educational program for at least one grade
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14 limited to bank processing fees and financial transaction fees, the
15 cost of providing for secure transaction, portal fees, and fees
16 necessary to compensate for increased bandwidth incurred as a result
17 of providing for an online transaction.

18 SECTION 3. This act shall become effective November 1, 2017.
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