

SECOND REGULAR SESSION

HOUSE BILL NO. 2383

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE JOHNSON (12).

5004H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 407, RSMo, by adding thereto one new section relating to retail business financial transaction fees.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 407, RSMo, is amended by adding thereto one new section, to be known as section 407.1550, to read as follows:

407.1550. 1. For purposes of section 407.1550, the following terms mean:

(1) "Actual cost", the amount paid by a third party for the processing of a payment made by electronic means. If a lender or merchant is a subsidiary of an entity that processes payments made by electronic means, the parent entity shall be considered a third party;

(2) "Credit card", any instrument or device, whether known as a credit card, credit plate, bank service card, banking card, check guarantee card, or debit card or by any other name, that is issued with or without a fee by an issuer for the use of the cardholder in obtaining moneys or merchandise on credit or by transferring payment from the cardholder's checking account or for use in an automated banking device to obtain any of the services offered through the device. The presentation of a credit card account number is deemed to be the presentation of a credit card. "Credit card" shall include credit or debit cards whose information is stored in a digital wallet for use in in-app purchases or contactless payments;

(3) "Payment by electronic means", the remittance of an amount owed through the use of a credit card, debit card, electronic funds transfer, electronic check, or other electronic method.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in bold-face type in the above bill is proposed language.

18 **2. Any retail business that adds a surcharge onto purchases when a customer**
19 **uses a credit card, debit card, or digital in-app payment system shall not charge a**
20 **surcharge amount that is greater than the amount that the business pays to process the**
21 **transaction.**

22 **3. In addition to any other charges, interest, and fees permitted by law and**
23 **subject to the terms and conditions of the debit card or credit card acceptance**
24 **agreement, a lender or merchant may collect a nonrefundable convenience fee from any**
25 **person electing to utilize an option of payment by electronic means. Such convenience**
26 **fee shall be in an amount that represents the actual cost to a lender or merchant;**
27 **provided, however, that in lieu of the actual cost, a lender or merchant is authorized to**
28 **collect a convenience fee which does not exceed the average of the actual cost incurred**
29 **for a specific type of payment made by electronic means for which such lender or**
30 **merchant imposes a convenience fee.**

31 **4. No convenience fee shall be charged unless a lender or merchant also provides**
32 **a direct payment option by check, cash, or money order in which no convenience fee is**
33 **imposed.**

34 **5. Any lender or merchant imposing a convenience fee as provided for in this**
35 **section shall provide clear disclosure of such fee prior to imposition. Such notice shall**
36 **include the dollar amount of such fee, a statement that such fee is nonrefundable if**
37 **applicable, and a statement that such fee is charged for a specific payment method from**
38 **a list of available payment options.**

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