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FISCAL IMPACT REPORT

ORIGINAL DATE 02/17/13

SPONSOR Hall LAST UPDATED 03/02/13 HB 545/aHBIC

SHORT TITLE Credit Card Surcharges On Some Transactions SB _____

ANALYST Martinez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Attorney General's Office (AGO)

SUMMARY

Synopsis of the HBIC Amendment

The House Business and Industry Committee amendment to House Bill 545 does the following:

On page 2, line 21, strike "administrator" and insert in lieu thereof "financial institutions division of the regulation and licensing department."

Synopsis of Original Bill

House Bill 545 (HB 545) creates a new section in the Credit Card Act titled New Material (Surcharges on Credit Transactions Prohibition) that defines "charge card," and "surcharge." Paragraph (B) of Section 2 prohibits surcharges on card holders who elect to use a charge card or credit card in lieu of payment by cash or check or similar means. And Paragraph C of Section 2 Allows a seller or lessor to offer a discount to induce payment by cash, check or other means without the discount being considered a finance charge so long as it does not involve a seller or lessor credit card, and the discount is offered to all prospective buyers, and is disclosed.

FISCAL IMPLICATIONS

No Fiscal Impact

SIGNIFICANT ISSUES

The AGO states that HB 545 will not apply to nationally chartered banks due to preemption.

RM/blm:svb