

Substitute for SENATE BILL No. 462

By Committee on Assessment and Taxation

3-21

1 AN ACT concerning financial institutions; relating to payments made with
2 credit and debit cards; eliminating the prohibition of a surcharge for use
3 of such cards; requiring notice of surcharge for use of credit cards;
4 amending K.S.A. 72-1176 and K.S.A. 2021 Supp. 12-16,125, 19-122
5 and 75-30,100 and repealing the existing sections; also repealing
6 K.S.A. 2021 Supp. 16a-2-403.

7
8 *Be it enacted by the Legislature of the State of Kansas:*

9 New Section 1. (a) No person or retailer doing business in Kansas in
10 any sales, service or lease transaction with a consumer may impose a
11 surcharge on a consumer who elects to use a credit card as payment unless
12 such person or retailer complies with the following requirements:

13 (1) A notice shall be posted that explains the imposition of the
14 surcharge, the amount of the surcharge and which credit cards are subject
15 to the surcharge;

16 (2) such notice shall be clearly and conspicuously posted at the point
17 of entry and the point of sale;

18 (3) if the sales, service or lease transaction is processed through a
19 website or mobile device, the person or retailer shall post such notice on
20 the home page and the point of sale webpage; and

21 (4) the notice required by this section shall be prominently and
22 conspicuously posted at the required locations in a minimum size of 16-
23 point font.

24 (b) All entities accepting credit cards for payment shall be subject to
25 the notice requirements of subsection (a). No such entity may impose a
26 surcharge on a person or card holder who elects to use a credit card as
27 payment unless such entity complies with such requirements.

28 Sec. 2. K.S.A. 2021 Supp. 12-16,125 is hereby amended to read as
29 follows: 12-16,125. A city may accept credit or debit cards for the payment
30 of taxes, utility fees or other exactions. The city may establish the type of
31 credit or debit card the city will accept. The city may set a fee to be added
32 to each credit card transaction equal to the charge paid by the city for the
33 use of the credit card by the person. If the city imposes a fee for payments
34 made by credit card, the city shall provide notice of such fee to the person
35 making payment by credit card.

36 ~~Any transaction involving payment by credit card pursuant to this~~

1 ~~section shall not be subject to the provisions of K.S.A. 16a-2-403, and~~
2 ~~amendments thereto.~~

3 Sec. 3. K.S.A. 2021 Supp. 19-122 is hereby amended to read as
4 follows: 19-122. ~~(a)~~ Any county may accept credit or debit cards for the
5 payment of any taxes, utility fees or other exactions. The county may
6 establish the type of credit or debit card the county will accept. The county
7 may set a fee to be added to each credit card transaction equal to the
8 charge paid by the county for the use of the credit card by the person. If
9 the county imposes a fee for payments made by credit card, the county
10 shall provide notice of such fee to the person making payment by credit
11 card.

12 ~~(b) Any transaction involving payment by credit card pursuant to this~~
13 ~~section shall not be subject to the provisions of K.S.A. 16a-2-403, and~~
14 ~~amendments thereto.~~

15 Sec. 4. K.S.A. 72-1176 is hereby amended to read as follows: 72-
16 1176. The board of education of any school district, pursuant to a policy
17 developed and adopted by the board, may provide for the acceptance of
18 payment in the form of a credit or debit card of fees, tuition or other
19 charges imposed by the school district. The policy may provide for
20 imposition of an additional fee to recover the actual amount of any costs
21 incurred by the school district by reason of the method of payment used.
22 The policy also may provide for establishment by the school district of
23 secure internet sockets that will allow payment by a credit or debit card via
24 the internet. ~~Any transactions involving payment by credit card pursuant to~~
25 ~~this section shall not be subject to the provisions of K.S.A. 16a-2-403, and~~
26 ~~amendments thereto.~~

27 Sec. 5. K.S.A. 2021 Supp. 75-30,100 is hereby amended to read as
28 follows: 75-30,100. (a) Any state agency that imposes or collects fees,
29 tuition or other charges shall accept payment thereof in the form of a
30 personal, certified or cashier's check or money order. A state agency may
31 accept payment by credit card, debit card or other method designated by
32 the agency. A state agency may impose an additional fee to recover the
33 actual amount of any cost incurred by reason of the method of payment
34 used by the payee.

35 (b) In addition to the methods specified in subsection (a), after June
36 30, 2001, a state agency shall accept payment of fees, tuition or other
37 charges in the form of a credit card or debit card.

38 ~~(c) Any transactions involving payment by credit card or debit card~~
39 ~~pursuant to this section shall not be subject to the provisions of K.S.A.~~
40 ~~16a-2-403, and amendments thereto.~~

41 ~~(d)~~ The provisions of this section shall not apply to any fees, fines or
42 charges imposed by the secretary of corrections on offenders under the
43 jurisdiction of the secretary of corrections or juvenile offenders placed in

1 juvenile correctional facilities under the jurisdiction of the secretary of
2 corrections.

3 ~~(e) Any municipal university, community college, technical college or~~
4 ~~vocational educational school, as defined by K.S.A. 74-3201b, and~~
5 ~~amendments thereto, or not-for-profit private postsecondary educational~~
6 ~~institution that was granted approval to confer academic or honorary~~
7 ~~degrees by the Kansas state board of education under the provisions of~~
8 ~~K.S.A. 17-6105, prior to its repeal, or is otherwise exempt from the Kansas~~
9 ~~private and out-of-state postsecondary educational institution act pursuant~~
10 ~~to K.S.A. 74-32,164, and amendments thereto, accepting payment of fees,~~
11 ~~tuition or other charges in the form of a credit card or debit card shall not~~
12 ~~be subject to the provisions of K.S.A. 16a-2-403, and amendments thereto.~~

13 Sec. 6. K.S.A. 72-1176 and K.S.A. 2021 Supp. 12-16,125, 16a-2-403,
14 19-122 and 75-30,100 are hereby repealed.

15 Sec. 7. This act shall take effect and be in force from and after its
16 publication in the statute book.