

## SENATE BILL No. 348

By Committee on Federal and State Affairs

2-14

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9 AN ACT relating to merchants; prohibiting certain changes by credit or  
10 debit card issuers.

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12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. As used in sections 1 through 3, and amendments thereto,  
14 the following terms have the following meanings:

15 (a) "Credit card" means:

16 (1) Any instrument or device, whether known as a credit card, charge  
17 card, credit plate, courtesy card or identification card or by any other  
18 name, issued with or without a fee by an issuer for the use of the card-  
19 holder in obtaining money, goods, services or anything else of value, ei-  
20 ther on credit or in possession or in consideration of an undertaking or  
21 guaranty by the issuer of the payment of a check drawn by the cardholder  
22 on a promise to pay in part or in full at a future time, whether or not all  
23 or any part of the indebtedness represented by this promise to make  
24 deferred payment is secured or unsecured;

25 (2) any stored value card, smart card or other instrument or device  
26 that enables a person to obtain goods, services or anything else of value  
27 through the use of value stored on the instrument or device; and

28 (3) the number assigned to an instrument or device described in par-  
29 agraph (1) or (2) even if the physical instrument or device is not used or  
30 presented;

31 (b) "debit card" means:

32 (1) Any instrument or device whether known as a debit card, ATM  
33 card, electronic benefit transfer card or any other access instrument or  
34 device, other than a check, that is signed by the holder or other authorized  
35 signatory on the deposit account that draws moneys from a deposit ac-  
36 count in order to obtain money, goods, services or anything else of value;  
37 and

38 (2) the number assigned to an instrument or device described in par-  
39 agraph (1) even if the physical instrument or device is not used or  
40 presented.

41 Sec. 2. Discount rates, transaction charges, interchange rates or any  
42 other charges or fees charged to merchants or deducted from credit card  
43 or debit card sales for processing credit card or debit card transactions

1 shall not be applied to the tax portion of any credit card or debit card  
2 sales.

3 Sec. 3. (a) Right of action:

4 (1) Any merchant whose rights under this act have been violated may  
5 maintain a civil action for damages or equitable relief as provided for in  
6 this section; and

7 (b) The attorney general shall have the power to maintain an action  
8 to enforce the penalties provided for in this section.

9 (2) Any person who violates this section will be subject to a civil pen-  
10 alty of \$5,000 per violation.

11 Sec. 4. This act shall take effect and be in force from and after its  
12 publication in the statute book.