



HOUSE BILL 13: Charges for Credit & Charge Cards.

2025-2026 General Assembly

Committee:	House Judiciary 1. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	June 24, 2025
Introduced by:	Reps. Warren, Ross, Tyson	Prepared by:	Brad Krehely
Analysis of:	PCS to Second Edition H13-CSRNf-23		Committee Co-Counsel

OVERVIEW: *House Bill 13 would regulate the amount a merchant may charge customers for payments by credit card or charge card. A merchant violating these provisions would be subject to a civil penalty.*

The Proposed Committee Substitute (PCS) does all of the following: (1) removes debit cards from the bill; (2) provides that a merchant must not impose a charge for payments by credit card or charge card that is more than 3% of the total transaction or the charge that the merchant pays to a payment card entity to facilitate or process these payments, whichever is greater; (3) modifies the civil penalty language to provide that a merchant who receives a citation for a first violation is not subject to the penalty if the merchant establishes to the Secretary of Commerce that the merchant came into compliance within 30 days of the issuance of the citation, has compensated affected consumers, and has remained in compliance with these provisions; (4) increases the fee the Secretary of State may charge when a nonprofit files articles of incorporation from \$60.00 to \$65.00; (5) modifies the effective date; and (6) makes other technical and conforming changes.

CURRENT LAW: State law does not currently regulate charges imposed by merchants on customers for paying by credit card or charge card.

BILL ANALYSIS: The PCS for House Bill 13 would prohibit a merchant (person engaging in the business of selling goods or services at retail in this State) from imposing a charge on customers for paying with a credit or charge card that is more than 3% of the total transaction or the actual charge the merchant pays to a payment card entity to facilitate or process the payment, whichever is greater.

If a merchant advertises that it imposes a charge for payments made by credit or charge card, the merchant would also be required to disclose the amount of the charge as follows:

- For in-person transactions- at the point of entry and the point of sale.
- For online transactions- on the home page and webpage.
- For transactions over the phone- verbal disclosure.

A merchant would be allowed to offer discounts to induce payment by cash, check, or other means not involving the use of a credit card or charge card provided that the discount is offered to all prospective customers, and its availability is disclosed to all prospective customers.

A merchant would be prohibited from charging for use of a credit card or charge card in lieu of another means of payment if at the time of transaction only credit cards or charge cards are accepted as payment by that merchant.

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The Secretary of Commerce would be authorized to assess a civil penalty against the merchant for violating these provisions, in an amount that must not exceed \$500.00 per violation. A merchant who receives a citation for a first violation would not be subject to the penalty if the merchant establishes to the Secretary of Commerce that the merchant came into compliance within 30 days of the issuance of the citation, has compensated affected consumers, and has remained in compliance with these provisions.

The act would increase the fee the Secretary of State may charge when a nonprofit files articles of incorporation from \$60.00 to \$65.00.

EFFECTIVE DATE: This act would become effective October 1, 2025, and would apply to payments made on or after that date. The remainder of the act would be effective when it becomes law.

**Bill Patterson, Staff Attorney for the Legislative Analysis Division, contributed to this summary.*