



HOUSE BILL 13: Charges for Credit & Charge Cards.

2025-2026 General Assembly

Committee:	House Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	September 23, 2025
Introduced by:	Reps. Warren, Ross, Tyson	Prepared by:	Greg Roney
Analysis of:	PCS to Third Edition H13-CSTMf-16		Staff Attorney

OVERVIEW: *The Proposed Committee Substitute (PCS) for House Bill 13 would regulate the amount a merchant may charge customers for payments by credit card or charge card to a maximum of 2% of the transaction. A merchant violating these provisions would be subject to a \$500 civil penalty. The PCS also increases the fee the Secretary of State may charge when a nonprofit files articles of incorporation from \$60 to \$65.*

Compared to the third edition of House Bill 13, the PCS reduces the amount a merchant can charge for use of a credit card or charge card from 3% to 2% and moves the effective date for the regulation of these charges from 10/1/25 to 1/1/26.

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 2% of the total transaction.

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.

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 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.

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The act would increase the fee the Secretary of State may charge when a nonprofit files articles of incorporation from \$60 to \$65.

EFFECTIVE DATE: The regulation of charges for use of credit cards and charge cards would become effective January 1, 2026, and would apply to payments made on or after that date. The remainder of the act would be effective when it becomes law.

Brad Krehely and Bill Patterson, both with the Legislative Analysis Division, substantially contributed to this summary.