

ASSEMBLY BILL NO. 532—COMMITTEE ON COMMERCE AND LABOR

MARCH 26, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Prohibits certain fees to be charged to certain transactions involving a credit card or debit card. (BDR 52-1397)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets [omitted-material] is material to be omitted.

AN ACT relating to commercial transactions; prohibiting certain fees to be charged to certain transactions involving a credit card or debit card; providing a civil penalty; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 This bill prohibits certain fees to be charged to certain transactions involving a
2 credit card or debit card. This bill also provides for the imposition of a civil penalty
3 of \$5,000 for each violation, which is recoverable by the Attorney General. Finally,
4 this bill authorizes a merchant who is damaged as a result of a violation to bring a
5 civil action to recover his damages, costs and reasonable attorney's fees.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 597 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *1. No discount rate, interchange rate, transaction charge or*
4 *any other charge or fee charged to a merchant or deducted from*
5 *his sales as a charge or fee for processing credit card or debit card*
6 *transactions may be applied to any tax portion of the credit card or*
7 *debit card sale.*

8 *2. Any person who violates subsection 1 is liable for a civil*
9 *penalty of \$5,000 for each violation.*

10 *3. The Attorney General, in the name of the State of Nevada,*
11 *may bring a civil action to recover the civil penalty provided in*



1 *subsection 2. Any money recovered by the Attorney General*
2 *pursuant to this subsection, after deducting all costs and expenses*
3 *incurred by the Attorney General to investigate and act upon the*
4 *violation, must be deposited in the State General Fund.*

5 *4. A merchant who is damaged by a violation of this section*
6 *may bring a civil action to recover his damages, costs and*
7 *reasonable attorney's fees.*

8 *5. As used in this section:*

9 *(a) "Credit card" means any instrument or device, whether*
10 *known as a credit card, credit plate or by any other name, that*
11 *issued with or without a fee by an issuer for the use of the*
12 *cardholder in obtaining money, property, goods, services or*
13 *anything else of value on credit.*

14 *(b) "Debit card" means any instrument or device, whether*
15 *known as a debit card or by any other name, that is issued with or*
16 *without a fee by an issuer for the use of the cardholder in*
17 *obtaining money, property, goods, services or anything else of*
18 *value, subject to the issuer removing money from the checking*
19 *account or savings account of the cardholder.*

