# SB 538 -1 STAFF MEASURE SUMMARY

### Senate Committee On Labor and Business

**Prepared By:** Whitney Perez, LPRO Analyst **Meeting Dates:** 1/17, 2/9

## WHAT THE MEASURE DOES:

Allows state agency to accept credit card as payment of a charge or fee imposed on a member of the public for goods or services. Permits state agency to add surcharge to offset fees charged to state agency for accepting credit card payment.

#### **ISSUES DISCUSSED:**

- Financial institutions do not waive credit card usage fees for government entities
- Examples of state agency costs associated with credit card processing fees
- Related statutes
- Oregon Department of Geology and Mineral Industries has bill to accept credit card payments and add fee to
  offset associated costs

#### **EFFECT OF AMENDMENT:**

-1 Replaces measure. Permits state agency that accepts payment by credit or debit card to add fee or surcharge in amount reasonably calculated to offset amounts charged or withheld from state agency accepting credit or debit card payment.

#### **BACKGROUND:**

Several Oregon laws govern state agency acceptance of credit card payments and the imposition of a surcharge to offset fees associated with the acceptance of a credit card payment. For example, ORS 496.148 authorizes the State Department of Fish and Wildlife to accept payment by credit card for products or services. ORS 802.112 specifies when the Department of Transportation may impose a surcharge on any fee paid with a credit card.

Senate Bill 538 permits any state agency to accept credit card for charges or fees imposed on members of the public.