

**SB 538 A STAFF MEASURE SUMMARY**

**Carrier:** Sen. Sollman

**Senate Committee On Labor and Business**

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**Action Date:** 02/09/23

**Action:** Do pass with amendments. (Printed A-Eng.)

**Vote:** 5-0-0-0

**Yeas:** 5 - Bonham, Hansell, Jama, Patterson, Taylor

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Whitney Perez, LPRO Analyst

**Meeting Dates:** 1/17, 2/9

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**WHAT THE MEASURE DOES:**

Permits state agency that accepts or collects 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.

**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:**

Replaces the measure.

**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 Oregon Department of Fish and Wildlife to accept payment by credit card for products or services. ORS 802.112 specifies when the Oregon Department of Transportation may impose a surcharge on any fee paid with a credit card. Additionally, ORS 291.055 governs the process for state agencies seeking to create new fees or increase fees, requiring a fee ratification process with enabling legislation for fees established or increased by administrative rule. The fee ratification process outlined in ORS 291.055 does not apply to fees set in statute.

Senate Bill 538 A allows a state agency that accepts or collects payment by credit or debit card to add a fee or surcharge to offset amounts charged or withheld from the state agency accepting the credit or debit card payment.