

ASSEMBLY, No. 3820

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED MARCH 16, 2020

Sponsored by:

Assemblyman GARY S. SCHAER

District 36 (Bergen and Passaic)

SYNOPSIS

Prohibits retail mercantile establishments from imposing surcharges on consumer credit card purchases.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning credit card surcharges and supplementing
2 P.L.1960, c.39 (C.56:8-1 et seq.).
3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*
6

7 1. As used in this act:

8 “Credit card” means a card, plate or other single credit device
9 that may be used from time to time to obtain credit.

10 “Merchandise” means any objects, wares, merchandise,
11 commodities, services, or anything offered directly or indirectly to
12 consumers for sale or rental at retail.

13 “Retail mercantile establishment” means any place of business
14 where merchandise is offered at retail to consumers.

15 “Surcharge” means any additional amount imposed by a retail
16 mercantile establishment at the time of a sales transaction that
17 increases a charge to a consumer for the use of a credit card.
18

19 2. a. It shall be an unlawful practice and a violation of
20 P.L.1960, c.39 (C.56:8-1 et seq.) for a retail mercantile
21 establishment to impose a surcharge on a consumer who uses a
22 credit card instead of cash, check, or any similar means of payment.

23 b. Notwithstanding the provisions of subsection a. of this
24 section, a retail motor fuel dealer may sell similar fuels at different
25 prices to cash and credit customers, provided that neither price is
26 below the net cost of the fuel to the retail dealer plus all selling
27 expenses, as provided in section 201 of P.L.1938, c.163 (C.56:6-2),
28 including, in the case of credit sales, the cost to the dealer of
29 providing credit sales.
30

31 3. This act shall take effect immediately.
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34 STATEMENT
35

36 This bill prohibits retailers from imposing a surcharge on
37 consumers for the use of a credit card. The bill clarifies that,
38 notwithstanding this prohibition, a retail motor fuel dealer is
39 permitted to sell similar fuels at different prices to cash and credit
40 customers provided that neither price is below the net cost of the
41 fuel to the retailer dealer plus all selling expenses, as provided in
42 section 201 of P.L.1938, c.163 (C.56:6-2), including, in the case of
43 credit card sales, the cost to the dealer of providing credit sales.

44 Under the bill, a violation is an unlawful practice under the
45 consumer fraud act. An unlawful practice is punishable by a
46 monetary penalty of not more than \$10,000 for a first offense and
47 not more than \$20,000 for any subsequent offense. In addition, a
48 violation can result in cease and desist orders issued by the
49 Attorney General, the assessment of punitive damages, and the
50 awarding of treble damages and costs to the injured party.