

SECOND REGULAR SESSION

HOUSE BILL NO. 1270

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES LANT (Sponsor), REIBOLDT, LYNCH,
SPENCER AND MUNTZEL (Co-sponsors).

4901H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 407, RSMo, by adding thereto one new section relating to credit card processing services.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 407, RSMo, is amended by adding thereto one new section, to be
2 known as section 407.1400, to read as follows:

**407.1400. 1. (1) Any person or entity that offers a credit card processing service
2 in this state shall disclose the following information on any contract or agreement to render
3 a credit card processing service:**

4 **(a) The effective date of the contract;**

5 **(b) The term of the contract;**

6 **(c) The amount of any monthly minimum fee or charge for the credit card
7 processing service; and**

8 **(d) The amount of any fee or charge for terminating the contract or agreement.**

9 **(2) The disclosures required in subdivision (1) of this subsection and any other
10 terms and conditions pertaining to the use of the credit card processing service shall be
11 printed in eight-point font at a minimum.**

12 **2. (1) A person or entity that offers a credit card processing service in this state
13 shall not charge:**

14 **(a) A fee of more than fifty dollars for terminating a contract for credit card
15 processing service; or**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 (b) A monthly minimum fee under a credit card processing service contract for
17 more than one month after the credit card processing service contract is terminated.

18 (2) Equipment rentals or lease purchase payments charged by a person or entity
19 that offers a credit card processing service shall not be considered to be fees for the
20 purpose of this section.

21 3. (1) A violation of the provisions of this section by any person or entity providing
22 a credit card processing service shall constitute an unfair and deceptive act or practice
23 under this chapter.

24 (2) Nothing in this section shall limit the rights or remedies that are otherwise
25 available to a person or an entity that has contracted with a credit card processing service.

26 (3) The obligations under this section are cumulative and do not limit the
27 obligations imposed under any other state or federal law.

28 (4) The provisions under this subsection and subsections 1 and 2 of this section
29 shall not apply to:

30 (a) A state bank or a state savings association that offers a credit card processing
31 service or is a party to a contract that offers a credit card processing service; or

32 (b) A national bank or a national savings association that offers a credit card
33 processing service or is a party to a contract that offers a credit card processing service;
34 or

35 (c) The parent, affiliate, or subsidiary of any bank or savings association that offers
36 a credit card processing service; or

37 (d) A credit union that offers a credit card processing service; or

38 (e) The parent, affiliate, or subsidiary of any credit union or the affiliate or
39 subsidiary of any credit union trade organization that offers a credit card processing
40 service.

41 4. (1) Nothing contained in this section shall affect the jurisdiction of state or
42 federal bank regulators over regulations of credit card processing services provided by
43 state or national banks.

44 (2) Nothing contained in this section shall affect the jurisdiction of state or federal
45 credit union regulators over regulations of credit card processing services provided by
46 state or federal credit unions.

47 (3) The provisions of this section shall only apply to new contracts entered into
48 after August 28, 2014.

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