

Department of Legislative Services
Maryland General Assembly
2011 Session

FISCAL AND POLICY NOTE
Revised

House Bill 482
Economic Matters

(Delegates Frick and Hucker)

Finance

Consumer Protection - Information on Payment Device Receipts - Limitations

This bill generally conforms State law to federal law by decreasing from eight to five the number of digits of a payment device number that a person accepting payment may print on an electronically printed receipt provided to the purchaser, at the point of sale or transaction, in connection with a purchase of consumer goods or services. Likewise, the bill prohibits the person accepting payment from printing the expiration date of the payment device on the electronically printed receipt provided to the purchaser at the point of sale or transaction. The bill also extends the limitation on the printing of payment device numbers and expiration dates to cover electronically printed receipts retained by the person accepting payment and alters the definition of a “payment device number” to include a credit card number and a debit card number. A person that violates the bill’s provisions is subject to a civil penalty of up to \$25 for each violation. Each instance in which a payment device number or expiration date is printed in violation of the bill’s provisions is a separate violation.

The bill takes effect January 1, 2013.

Fiscal Summary

State Effect: The bill’s imposition of existing penalty provisions does not have a material impact on State finances or operations. If the Consumer Protection Division of the Office of the Attorney General receives fewer than 50 complaints per year stemming from the bill, the additional workload can be handled with existing resources.

Local Effect: None.

Small Business Effect: Potential minimal. Because there is a federal law prohibiting the printing of more than five digits of a payment device number or the complete expiration date, the majority of small businesses should already be in compliance.

Analysis

Current Law: “Payment device number” is defined as any code, account number, or other means of account access, other than a check, draft, or similar paper instrument, that can be used to obtain money, goods, services, or anything of value, or for purposes of initiating a transfer of funds.

A person that accepts a credit card number or a payment device number in connection with the purchase of consumer goods or consumer services may not print more than eight digits of the credit card number or payment device number on an electronically printed receipt that is provided to the holder of the credit card or payment device.

The Attorney General may initiate a civil action against a violator to recover a civil penalty of up to \$25 for each violation.

Background: In 2003, the U.S. Congress passed the Federal Fair and Accurate Credit Transactions Act, which prohibits all persons accepting credit or debit cards as payment in business transactions from printing more than five digits of the credit or debit card number or the complete expiration date on an electronically printed receipt provided to the customer. Federal law does not encompass receipts retained by the seller.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division), National Conference of State Legislatures, Department of Legislative Services

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