

SB2657



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB2657

Introduced 2/8/2018, by Sen. Emil Jones, III

SYNOPSIS AS INTRODUCED:

815 ILCS 505/2VVV new

Amends the Consumer Fraud and Deceptive Business Practices Act. Provides that it is an unlawful practice for a person to violate a merchant agreement between a merchant and a credit card service provider. Provides that imposing a surcharge to a debit or credit card or prepaid card purchase if those charges are prohibited by the merchant agreement constitutes a violation.

LRB100 16976 JLS 32123 b

A BILL FOR

1 AN ACT concerning business.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Consumer Fraud and Deceptive Business
5 Practices Act is amended by adding Section 2VVV as follows:

6 (815 ILCS 505/2VVV new)

7 Sec. 2VVV. Violation of certain merchant agreements.

8 (a) As used in this Section:

9 "Merchant" means a person who deals in goods of the kind or
10 otherwise by his occupation and holds himself out as having
11 knowledge or skill peculiar to the practices or goods involved
12 in the transaction or to whom such knowledge or skill may be
13 attributed by his employment of an agent or broker or other
14 intermediary who by his occupation holds himself out as having
15 such knowledge.

16 "Merchant agreement" means a contract between a merchant
17 and a credit card service provider that establishes the rules
18 and responsibilities that apply to each party regarding payment
19 card acceptance, authorization, processing, and settlement.

20 (b) It is an unlawful practice within the meaning of this
21 Act for any person to violate a merchant agreement between a
22 merchant and a credit card service provider. Violations may
23 include, but are not limited to, applying a surcharge to a

1 debit card or prepaid card purchase, if those practices are
2 banned by the agreement.