

(Audio archived recordings of the committee meetings, corresponding to the date of the committee statement, **may possibly** be found at www.njleg.state.nj.us)

FLOOR AMENDMENT STATEMENT: Yes 06/20/2023
0626/2023

LEGISLATIVE FISCAL ESTIMATE: No

VETO MESSAGE: No

GOVERNOR'S PRESS RELEASE ON SIGNING: Yes

FOLLOWING WERE PRINTED:

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REPORTS: No

HEARINGS: No

NEWSPAPER ARTICLES: Yes

Karin Price Mueller - For The Star-Ledger, 'New N.J. law addresses credit card surcharges Businesses can't profit from the charges, must reveal them before a consumer pays for a service.', *South Jersey Times* (online), 19 Aug 2023006

CL/JA

P.L. 2023, CHAPTER 146, *approved August 18, 2023*
Assembly, No. 4284 (*Fifth Reprint*)

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 ¹["Consumer" shall have the same meaning as provided in
9 section 1 of P.L.1974, c.146 (C.56:11-1).]¹

10 "Credit card" means a card, plate, ¹charge card, ¹charge plate,¹ or
11 other single credit device that may be used from time to time to
12 obtain credit.

13 "Goods" means any beverage, chattels, foodstuffs, products, or
14 wares of any type or description but shall not include "motor fuel."

15 "Motor fuel" means any combustible liquid or gaseous substance
16 used, or suitable, for the generation of power to propel motor
17 vehicles.

18 "Restaurant" means an establishment in which the principal
19 business is the sale of food or beverages for consumption on or off
20 the premises.

21 "Seller" means a person who sells ¹, ¹leases,¹ or rents goods or
22 services to a ¹["consumer"] customer¹ .

23 "Surcharge" means any additional amount imposed by a seller at
24 the time of a credit card transaction that increases a charge to a
25 ¹["consumer"] customer¹ for the use of a credit card.

26
27 2. a. A seller shall not impose on a ¹["consumer"] customer¹ who
28 uses a credit card for a transaction ¹occurring in New Jersey¹ a
29 surcharge that is greater than ¹["the actual cost to the seller to process
30 the credit card payment"] ²["2.5 percent of the total amount being paid
31 by the customer¹"] the actual cost to the seller to process the credit card
32 payment² . ⁵A seller subject to the provisions of P.L. , c. (C.)
33 (pending before the Legislature as this bill) shall make available to the
34 Director of the Division of Consumer Affairs in the Department of
35 Law and Public Safety for inspection any account books, papers,
36 documents, and other records necessary to enable the director to

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly AFI committee amendments adopted October 13, 2022.

²Assembly floor amendments adopted November 21, 2022.

³Senate SCM committee amendments adopted May 15, 2023.

⁴Senate floor amendments adopted June 20, 2023.

⁵Senate floor amendments adopted June 26, 2023.

1 determine reasonable compliance with the provisions of P.L. _____, c.
2 (C. _____) (pending before the Legislature as this bill).⁵

3 b. A seller that imposes a surcharge on a ¹["consumer"] customer¹
4 to process a credit card payment shall disclose the amount of the
5 surcharge to a ¹["consumer"] customer^{1 2}, prior to the customer
6 incurring any charge for goods or services, ⁴["by providing verbal
7 notice to the customer and²⁴ by ⁴, in the case of a seller other than a
8 restaurant, ⁴ posting clear and conspicuous notice on a sign at the point
9 of ¹entry and point of¹ sale ⁴["⁴ ¹or⁴ ⁴and¹, for any] or, in the case
10 of a⁴ restaurant, on a sign in the customer service area ¹["or] and¹ on
11 ²["a printed ¹or online¹ ²the menu, except:

12 (1) if the seller is processing a credit card payment for a
13 transaction that will occur through an Internet website ⁵["or] , a⁵
14 mobile application, ⁵or an electronic kiosk,⁵ the seller shall provide
15 clear and conspicuous electronic notice ¹on the ³["homepage and]³
16 checkout page of the Internet website ⁵["or] , ⁵ mobile application^{1 5},
17 or electronic kiosk⁵ prior to processing the transaction; or

18 (2) if the seller is processing a credit card payment for a
19 transaction that will occur over the telephone, the seller shall provide
20 verbal notice prior to processing the transaction.

21 c. A violation of this section is an unlawful practice pursuant to
22 P.L.1960, c.39 (C.56:8-1 et seq.).

23

24 3. This act shall take effect immediately.

25

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27

28

29 _____
30 Prohibits seller from imposing certain surcharge for credit card
31 transactions; establishes certain notice requirements regarding
surcharge.

ASSEMBLY, No. 4284

STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED JUNE 16, 2022

Sponsored by:

Assemblyman PAUL D. MORIARTY

District 4 (Camden and Gloucester)

Assemblywoman SADAF F. JAFFER

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman LISA SWAIN

District 38 (Bergen and Passaic)

Co-Sponsored by:

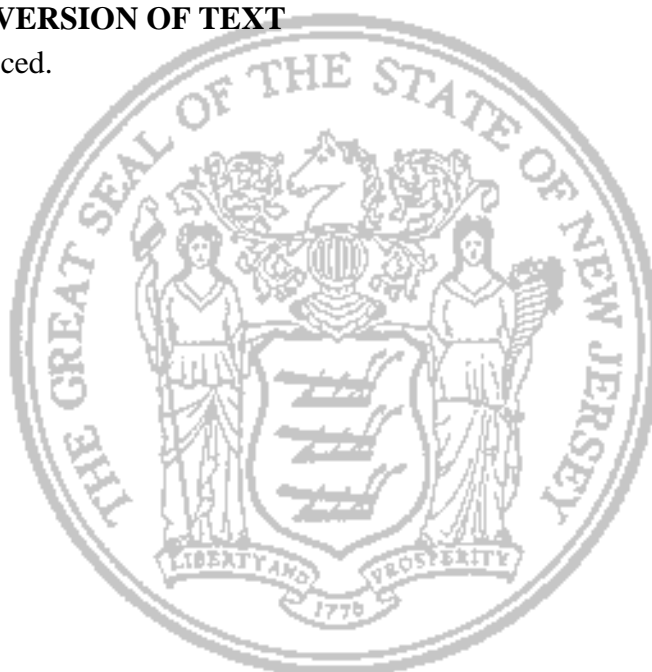
Assemblywomen Chaparro and Quijano

SYNOPSIS

Prohibits seller from imposing surcharge on consumer for credit card transaction greater than cost to seller to process payment; establishes certain notice requirements regarding surcharge.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 9/22/2022)

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 “Consumer” shall have the same meaning as provided in section
9 1 of P.L.1974, c.146 (C.56:11-1).

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

12 “Goods” means any beverage, chattels, foodstuffs, products, or
13 wares of any type or description but shall not include “motor fuel.”

14 “Motor fuel” means any combustible liquid or gaseous substance
15 used, or suitable, for the generation of power to propel motor
16 vehicles.

17 “Restaurant” means an establishment in which the principal
18 business is the sale of food or beverages for consumption on or off
19 the premises.

20 “Seller” means a person who sells or rents goods or services to a
21 consumer.

22 “Surcharge” means any additional amount imposed by a seller at
23 the time of a credit card transaction that increases a charge to a
24 consumer for the use of a credit card.

25

26 2. a. A seller shall not impose on a consumer who uses a credit
27 card for a transaction a surcharge that is greater than the actual cost
28 to the seller to process the credit card payment.

29 b. A seller that imposes a surcharge on a consumer to process a
30 credit card payment shall disclose the amount of the surcharge to a
31 consumer by posting clear and conspicuous notice on a sign at the
32 point of sale, or, for any restaurant, on a sign in the customer
33 service area or on a printed menu, except:

34 (1) if the seller is processing a credit card payment for a
35 transaction that will occur through an Internet website or mobile
36 application, the seller shall provide clear and conspicuous electronic
37 notice prior to processing the transaction; or

38 (2) if the seller is processing a credit card payment for a
39 transaction that will occur over the telephone, the seller shall
40 provide verbal notice prior to processing the transaction.

41 c. A violation of this section is an unlawful practice pursuant to
42 P.L.1960, c.39 (C.56:8-1 et seq.).

43

44 3. This act shall take effect immediately.

STATEMENT

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This bill prohibits a seller from imposing on a consumer who uses a credit card for a transaction a surcharge that is greater than the actual cost to the seller to process the credit card payment.

Under the bill, a seller that imposes a surcharge on a consumer to process a credit card payment is to disclose the existence of the surcharge to a consumer by posting clear and conspicuous notice regarding the surcharge on a sign at the point of sale, or, for any restaurant, in the customer entry area or on a printed menu. However, if the seller is processing a credit card payment for a transaction that will occur through an Internet website or mobile application, the seller is to provide clear and conspicuous electronic notice prior to processing the transaction. Or, if the seller is processing a credit card payment for a transaction that will occur over the telephone, the seller is to provide verbal notice prior to processing the transaction.

The bill defines “surcharge” to mean any additional amount imposed by a seller at the time of a sales transaction that increases a charge to a consumer for the use of a credit card. In addition, the bill defines “goods” to exclude motor fuel.

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

ASSEMBLY CONSUMER AFFAIRS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4284

STATE OF NEW JERSEY

DATED: SEPTEMBER 15, 2022

The Assembly Consumer Affairs Committee reports favorably Assembly Bill No. 4284.

As reported by the committee, this bill prohibits a seller from imposing on a consumer who uses a credit card for a transaction a surcharge that is greater than the actual cost to the seller to process the credit card payment.

Under the bill, a seller that imposes a surcharge on a consumer to process a credit card payment is to disclose the existence of the surcharge to a consumer by posting clear and conspicuous notice regarding the surcharge on a sign at the point of sale, or, for any restaurant, in the customer entry area or on a printed menu. However, if the seller is processing a credit card payment for a transaction that will occur through an Internet website or mobile application, the seller is to provide clear and conspicuous electronic notice prior to processing the transaction. Or, if the seller is processing a credit card payment for a transaction that will occur over the telephone, the seller is to provide verbal notice prior to processing the transaction.

The bill defines “surcharge” to mean any additional amount imposed by a seller at the time of a sales transaction that increases a charge to a consumer for the use of a credit card. In addition, the bill defines “goods” to exclude motor fuel.

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

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 4284

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 13, 2022

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No. 4284 with committee amendments.

As amended, this bill prohibits a seller from imposing on a customer who uses a credit card for a transaction occurring in New Jersey a surcharge that is greater than 2.5 percent of the total amount being paid by the customer.

Under the bill, a seller that imposes a surcharge on a customer to process a credit card payment is to disclose the existence of the surcharge to a customer by posting clear and conspicuous notice regarding the surcharge on a sign at the point of entry and point of sale, and, for any restaurant, in the customer entry area and on a printed or online menu. However, if the seller is processing a credit card payment for a transaction that will occur through an Internet website or mobile application, the seller is to provide clear and conspicuous electronic notice on the homepage and checkout page of the Internet website or mobile application prior to processing the transaction. Or, if the seller is processing a credit card payment for a transaction that will occur over the telephone, the seller is to provide verbal notice prior to processing the transaction.

The bill defines “surcharge” to mean any additional amount imposed by a seller at the time of a sales transaction that increases a charge to a customer for the use of a credit card. In addition, the bill defines “goods” to exclude motor fuel.

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

COMMITTEE AMENDMENTS:

The committee amended the bill to:

(1) revise the definition of “credit card” to include a charge card and charge plate;

(2) provide that the provisions of the bill are applicable to customers, not consumers as originally drafted;

(3) provide that a seller is not to impose a surcharge that is greater than 2.5 percent of the total amount being paid by the customer;

(4) require notice to be posted at the point of entry, at the point of sale, and for any restaurant;

(5) provide that for online credit card payment, the seller is to provide notice of the surcharge on the website or mobile application’s homepage and checkout page; and

(6) make certain technical changes.

SENATE COMMERCE COMMITTEE

STATEMENT TO

[Second Reprint]

ASSEMBLY, No. 4284

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 15, 2023

The Senate Commerce Committee reports favorably and with committee amendments Assembly Bill No. 4284 (2R).

As amended, this bill prohibits a seller from imposing on a customer who uses a credit card for a transaction occurring in New Jersey a surcharge greater than the actual cost to the seller to process the credit card payment.

Under the bill, a seller that imposes a surcharge on a customer to process a credit card payment is to disclose the existence of the surcharge to the customer before the customer incurs any charge for goods or services by providing verbal notice to the customer and by posting clear and conspicuous notice on a sign at the point of entry and point of sale, and for any restaurant, on a sign in the customer service area and on the menu. However, if the seller is processing a credit card payment for a transaction that will occur through an Internet website or mobile application, the seller is to provide clear and conspicuous electronic notice on the checkout page of the Internet website or mobile application prior to processing the transaction. Or, if the seller is processing a credit card payment for a transaction that will occur over the telephone, the seller is to provide verbal notice before processing the transaction.

The bill defines “surcharge” to mean any additional amount imposed by a seller at the time of a credit card transaction that increases a charge to a customer for the use of a credit card. In addition, the bill defines “goods” to exclude motor fuel.

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

As amended and reported by the committee, this bill is identical to Senate Bill 3508, as also amended and reported by the committee.

COMMITTEE AMENDMENTS:

The committee amended the bill to stipulate that, if the seller is processing a credit card payment for a transaction that will occur through an Internet website or mobile application, the seller is to provide clear and conspicuous electronic notice on only the checkout page of the Internet website or mobile application prior to processing the transaction and not on the website homepage and the checkout page.

STATEMENT TO
[First Reprint]
ASSEMBLY, No. 4284

with Assembly Floor Amendments
(Proposed by Assemblyman MORIARTY)

ADOPTED: NOVEMBER 21, 2022

Assembly Bill No. 4284 (1R) prohibits a seller from imposing certain surcharges for credit card transactions and establishes certain notice requirements regarding surcharges.

The Assembly amendments provide that a seller is prohibited from imposing on a customer who uses a credit card a surcharge that is greater than the actual cost to the seller to process the credit card payment. Prior to amendment, the bill prohibited a seller from imposing a surcharge on a customer that is greater than 2.5 percent of the total amount being paid by the customer.

In addition, the Assembly amendments provide that a seller who imposes a surcharge on a customer to process a credit card transaction is to provide verbal notice of the amount of the surcharge to the customer prior to the customer incurring any charge for goods or services, unless the seller falls under the exception for online transactions. Prior to amendment, the bill only required verbal notice for transactions occurring over the telephone.

The Assembly amendments also make certain clarifying and technical changes.

STATEMENT TO
[Third Reprint]
ASSEMBLY, No. 4284

with Senate Floor Amendments
(Proposed by Senator JOHNSON)

ADOPTED: JUNE 20, 2023

Assembly Bill No. 4284 (3R) prohibits a seller from imposing on a customer who uses a credit card for a transaction occurring in New Jersey a surcharge greater than the actual cost to the seller to process the credit card payment and establishes certain notice requirements regarding the surcharge.

Under the bill, a seller that imposes a surcharge on a customer to process a credit card payment is required to disclose the amount of the surcharge to a customer, prior to the customer incurring any charge for goods or services, by providing verbal notice to the customer and by posting clear and conspicuous notice on a sign at the point of entry and point of sale and, for any restaurant, on a sign in the customer service area and on the menu.

These Senate amendments remove the requirement for a seller to provide verbal notice of the surcharge as set forth above. The Senate amendments also remove the requirement for restaurants to provide notice of the surcharge at the point of entry and point of sale. Restaurants would still be required to provide notice of the surcharge on a sign in the customer service area and on the menu.

STATEMENT TO
[Fourth Reprint]
ASSEMBLY, No. 4284

with Senate Floor Amendments
(Proposed by Senator JOHNSON)

ADOPTED: JUNE 26, 2023

Assembly Bill No. 4284 (4R) prohibits a seller from imposing on a customer who uses a credit card for a transaction occurring in New Jersey a surcharge greater than the actual cost to the seller to process the credit card payment and establishes certain notice requirements regarding the surcharge.

These Senate amendments provide that a seller that processes a credit card payment for a transaction that will occur through an electronic kiosk is required to provide clear and conspicuous electronic notice regarding the surcharge on the checkout page of the electronic kiosk before processing the transaction. The Senate amendments also provide that a seller is to make available to the Director of the Division of Consumer Affairs in the Department of Law and Public Safety for inspection any account books, papers, documents, and other records necessary to enable the director to determine reasonable compliance with the provisions of the bill.

SENATE, No. 3508

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED JANUARY 26, 2023

Sponsored by:

Senator GORDON M. JOHNSON

District 37 (Bergen)

Co-Sponsored by:

Senators Singer and Bramnick

SYNOPSIS

Prohibits seller from imposing certain surcharge for credit card transactions; establishes certain notice requirements regarding surcharge.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 2/2/2023)

S3508 JOHNSON

2

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, charge card, charge plate, or
9 other single credit device that may be used from time to time to obtain
10 credit.

11 "Goods" means any beverage, chattels, foodstuffs, products, or
12 wares of any type or description but shall not include "motor fuel."

13 "Motor fuel" means any combustible liquid or gaseous substance
14 used, or suitable, for the generation of power to propel motor
15 vehicles.

16 "Restaurant" means an establishment in which the principal
17 business is the sale of food or beverages for consumption on or off
18 the premises.

19 "Seller" means a person who sells, leases, or rents goods or
20 services to a customer.

21 "Surcharge" means any additional amount imposed by a seller at
22 the time of a credit card transaction that increases a charge to a
23 customer for the use of a credit card.

24

25 2. a. A seller shall not impose on a customer who uses a credit
26 card for a transaction occurring in New Jersey a surcharge that is
27 greater than the actual cost to the seller to process the credit card
28 payment.

29 b. A seller that imposes a surcharge on a customer to process a
30 credit card payment shall disclose the amount of the surcharge to a
31 customer, prior to the customer incurring any charge for goods or
32 services, by providing verbal notice to the customer and by posting
33 clear and conspicuous notice on a sign at the point of entry and point
34 of sale, and, for any restaurant, on a sign in the customer service area
35 and on the menu, except:

36 (1) if the seller is processing a credit card payment for a
37 transaction that will occur through an Internet website or mobile
38 application, the seller shall provide clear and conspicuous electronic
39 notice on the homepage and checkout page of the Internet website or
40 mobile application prior to processing the transaction; or

41 (2) if the seller is processing a credit card payment for a
42 transaction that will occur over the telephone, the seller shall provide
43 verbal notice prior to processing the transaction.

44 c. A violation of this section is an unlawful practice pursuant to
45 P.L.1960, c.39 (C.56:8-1 et seq.).

46

47 3. This act shall take effect immediately.

1 STATEMENT

2 This bill prohibits a seller from imposing on a customer who uses
3 a credit card for a transaction occurring in New Jersey a surcharge
4 greater than the actual cost to the seller to process the credit card
5 payment.

6 Under the bill, a seller that imposes a surcharge on a customer to
7 process a credit card payment is to disclose the existence of the
8 surcharge to the customer before the customer incurs any charge for
9 goods or services by providing verbal notice to the customer and by
10 posting clear and conspicuous notice on a sign at the point of entry
11 and point of sale, and for any restaurant, on a sign in the customer
12 service area and on the menu. However, if the seller is processing a
13 credit card payment for a transaction that will occur through an
14 Internet website or mobile application, the seller is to provide clear
15 and conspicuous electronic notice on the homepage and checkout
16 page of the Internet website or mobile application prior to processing
17 the transaction. Or, if the seller is processing a credit card payment
18 for a transaction that will occur over the telephone, the seller is to
19 provide verbal notice before processing the transaction.

20 The bill defines “surcharge” to mean any additional amount
21 imposed by a seller at the time of a sales transaction that increases a
22 charge to a customer for the use of a credit card and “goods” to
23 exclude motor fuel.

24 A violation of the bill’s provisions is an unlawful practice under
25 the consumer fraud act. An unlawful practice is punishable by a
26 monetary penalty of not more than \$10,000 for a first offense and not
27 more than \$20,000 for any subsequent offense. In addition, a
28 violation can result in cease and desist orders issued by the Attorney
29 General, the assessment of punitive damages, and the awarding of
30 treble damages and costs to the injured party.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 3508

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 15, 2023

The Senate Commerce Committee reports favorably and with committee amendments Senate Bill No. 3508.

As amended, this bill prohibits a seller from imposing on a customer who uses a credit card for a transaction occurring in New Jersey a surcharge greater than the actual cost to the seller to process the credit card payment.

Under the bill, a seller that imposes a surcharge on a customer to process a credit card payment is to disclose the existence of the surcharge to the customer before the customer incurs any charge for goods or services by providing verbal notice to the customer and by posting clear and conspicuous notice on a sign at the point of entry and point of sale, and for any restaurant, on a sign in the customer service area and on the menu. However, if the seller is processing a credit card payment for a transaction that will occur through an Internet website or mobile application, the seller is to provide clear and conspicuous electronic notice on the checkout page of the Internet website or mobile application prior to processing the transaction. Or, if the seller is processing a credit card payment for a transaction that will occur over the telephone, the seller is to provide verbal notice before processing the transaction.

The bill defines “surcharge” to mean any additional amount imposed by a seller at the time of a sales transaction that increases a charge to a customer for the use of a credit card and “goods” to exclude motor fuel.

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

As amended and reported by the committee, this bill is identical to Assembly Bill 4284 (2R), as also amended and reported by the committee.

COMMITTEE AMENDMENTS:

The committee amended the bill to stipulate that, if the seller is processing a credit card payment for a transaction that will occur through an Internet website or mobile application, the seller is to provide clear and conspicuous electronic notice on only the checkout page of the Internet website or mobile application prior to processing the transaction and not on the website homepage and the checkout page.

STATEMENT TO
[First Reprint]
SENATE, No. 3508

with Senate Floor Amendments
(Proposed by Senator JOHNSON)

ADOPTED: JUNE 20, 2023

Senate Bill No. 3508 (1R) prohibits a seller from imposing on a customer who uses a credit card for a transaction occurring in New Jersey a surcharge greater than the actual cost to the seller to process the credit card payment and establishes certain notice requirements regarding the surcharge.

Under the bill, a seller that imposes a surcharge on a customer to process a credit card payment is required to disclose the amount of the surcharge to a customer, prior to the customer incurring any charge for goods or services, by providing verbal notice to the customer and by posting clear and conspicuous notice on a sign at the point of entry and point of sale and, for any restaurant, on a sign in the customer service area and on the menu.

These Senate amendments remove the requirement for a seller to provide verbal notice of the surcharge as set forth above. The Senate amendments also remove the requirement for restaurants to provide notice of the surcharge at the point of entry and point of sale. Restaurants would still be required to provide notice of the surcharge on a sign in the customer service area and on the menu.

STATEMENT TO
[Second Reprint]
SENATE, No. 3508

with Senate Floor Amendments
(Proposed by Senator JOHNSON)

ADOPTED: JUNE 26, 2023

Senate Bill No. 3508 (2R) prohibits a seller from imposing on a customer who uses a credit card for a transaction occurring in New Jersey a surcharge greater than the actual cost to the seller to process the credit card payment and establishes certain notice requirements regarding the surcharge.

These Senate amendments provide that a seller that processes a credit card payment for a transaction that will occur through an electronic kiosk is required to provide clear and conspicuous electronic notice regarding the surcharge on the checkout page of the electronic kiosk before processing the transaction. The Senate amendments also provide that a seller is to make available to the Director of the Division of Consumer Affairs in the Department of Law and Public Safety for inspection any account books, papers, documents, and other records necessary to enable the director to determine reasonable compliance with the provisions of the bill.

Governor Murphy Signs Legislation to Safeguard New Jersey Consumer Against Unfair Credit Card Surcharges

08/18/2023

TRENTON – Governor Phil Murphy today signed A4284/S3508, which prohibits sellers from imposing certain surcharges for credit card transactions and establishes certain notice requirements regarding surcharges. The legislation builds upon the Murphy Administration's efforts to protect New Jersey consumers by improving transparency and curtailing unfair practices that disproportionately burden low- and moderate-income New Jerseyans.

"As our post-pandemic economy continues to grow and evolve, we too must adapt to best safeguard New Jersey consumers against unfair practices," said **Governor Murphy**. "All residents and visitors doing business in New Jersey deserve the utmost transparency with respect to their transactions, especially given the affordability challenges experienced by low- and moderate-income families. Today's legislation marks yet another step New Jersey is taking to ease those pressures and put well-earned money back in the pockets of hardworking New Jerseyans."

"I thank Governor Murphy and our legislators for expanding protections for New Jersey's consumers," said **Cari Fais, Acting Director of the Division of Consumer Affairs**. "This law provides consumers with greater price transparency and allows the Division to take action against merchants that use credit card surcharges to make a profit."

"No one likes to be hit with a surprise credit card fee, which can be stressful and expensive," said **Assemblyman Paul Moriarty**. "Now consumers will learn about credit card surcharges before they complete a transaction, which will help them make an informed decision about choosing their method of payment."

"These fees are more than just a nuisance, they can create financial hardships for consumers," said **Assemblywoman Sadaf Jaffer**. "I am pleased to see these new protections put in place."

"Eliminating surprise swipe fees and putting limits on surcharges will go a long way to protect consumers," said **Assemblywoman Lisa Swain**. "We want to make sure consumers have all the information they need when making their daily financial decisions."

"It seems in recent months credit card surcharges have been popping up all over the place with no consistency of what to expect from business to business. This law will ensure that sellers are only passing on the processing fees that they are charged rather than making a profit on someone using a card over cash," said **Senator Gordon Johnson**. "So few people carry cash anymore, and we understand these processing fees can be burdensome for businesses, but we also don't want them taking advantage of the situation."

"Tacking on extra surcharge fees for credit card use, fees that often go unnoticed by the consumer, is an unconscionable practice that affects many New Jerseyans, who are using credit cards more and more frequently in the wake of the pandemic," said **Senator Nellie Pou**. "This law will bring greater transparency and safeguard residents from this unfair practice that no doubt has affected low-income residents most harshly of all."

"Restaurant and hospitality businesses take great pride in providing consumers with exceptional customer service, including transparency, when it comes to the cost of goods and services," said **NJ Restaurant and Hospitality Association CEO Dana Lancellotti**. "Surcharge fees, while not new, have become prevalent in many industries as a way for businesses to recoup – not profit off of – some of the exorbitant fees placed on credit card transactions by credit card processing companies. The New Jersey Restaurant and Hospitality Association, along with our counterparts across the nation, support federal legislation that would create competition among credit card processing companies in hopes of driving these fees to benefit both businesses and consumers. We appreciate Senator Johnson and Assemblyman Moriarty for sponsoring this bill to protect New Jersey consumers."

"Unfair credit card fees add to the stresses that New Jersey families face as they struggle to make ends meet," said **Beverly Brown Ruggia, New Jersey Citizen Action Financial Justice Program Director**. "New Jersey Citizen Action applauds the bill sponsors and Governor Murphy for taking action to protect New Jersey consumers who are inundated with junk fees attached to everyday financial transactions and purchases."