

56:11-1

LEGISLATIVE HISTORY CHECKLIST
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NJSA: 56:11-1

(Credit card
purchases--prohibit
merchant from
requesting certain
information)

LAWS OF: 1990

CHAPTER: 72

Bill No: A3224

Sponsor(s): Doyle and others

Date Introduced: March 12, 1990

Committee: Assembly: Financial Institutions

Senate: -----

Amended during passage: Yes Amendments during passage
denoted by asterisks.

Date of Passage: Assembly: June 11, 1990

Senate: June 18, 1990

Date of Approval: July 17, 1990

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: Yes

Senate: No

Fiscal Note: No

Veto Message: No

Message on signing: No

Following were printed:

Reports: No

Hearings: No

KBG/SLJ

[SECOND REPRINT]
ASSEMBLY, No. 3224

STATE OF NEW JERSEY

INTRODUCED MARCH 12, 1990

By Assemblyman DOYLE, Assemblywomen FORD,
Ogden, Assemblymen Mazur and Baer

1 AN ACT concerning the use of credit cards and supplementing
2 P.L.1974, c.146 (C.56:11-1 et seq.).

3

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

6 1. As used in this act:

7 "Consumer" means a natural person.

8 "Credit card" means any instrument or device, whether known
9 as a credit card, credit plate, or by any other name, issued with
10 or without fee by an issuer for the use of the credit card holder in
11 obtaining money, goods, services or anything else of value on
12 credit.

13 "Credit card holder" means a consumer named on the face of a
14 credit card to whom or for whose benefit the credit card is issued
15 by an issuer.

16 "Consumer transaction" means the sale of goods, services or
17 anything of value to a consumer, primarily for personal, family or
18 household purposes.

19 "Issuer" means the person which issues a credit card or its duly
20 authorized agent.

21 2. ²[a.]² No person which accepts a credit card for a consumer
22 transaction shall require the credit card holder ², as a condition
23 of using a credit card in completing the consumer transaction,²
24 to ²[write] provide for recordation² on the credit card
25 transaction form ²or any other form², ²[nor shall it write or
26 cause to be written on such form]² any personal identification
27 information that is not required by the issuer to complete the
28 credit card transaction, including, but not limited to, the credit
29 card holder's address or telephone number, or both ¹; provided,
30 however, that the credit card holder's address or telephone
31 number, or both, may be required on a credit card transaction
32 form if the person processes credit card transactions by mailing
33 credit card transaction forms to a designated bankcard center for
34 settlement]^{1 2}; provided, however, that the credit card holder's
35 telephone number may be required on a credit card transaction
36 form if the credit card transaction is one for which the credit
37 card issuer does not require authorization².

38 ²[b. Notwithstanding the provisions of subsection a. of this

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.

¹ Assembly AFI committee amendments adopted April 23, 1990.

² Assembly floor amendments adopted May 21, 1990.

1 section, a person shall not be prohibited from requesting that a
2 consumer provide personal identification information which:

3 (1) Is written on a separate sales invoice or other form
4 separate from the credit card transaction form; and

5 (2) Is necessary for warranties, maintenance agreements,
6 shipping, delivery or installation of purchased merchandise or
7 special orders.]²

8 3. Any person who violates any provision of this act shall be
9 liable to a civil penalty of not more than \$250 for the first
10 offense and not more than \$1,000 for the second and
11 each subsequent offense. Any penalty imposed pursuant to this
12 section shall be collected by summary proceedings instituted by
13 the Attorney General in accordance with "the penalty
14 enforcement law," N.J.S.2A:58-1 et seq.

15 4. The Attorney General of the State of New Jersey may
16 promulgate regulations pursuant to the "Administrative
17 Procedures Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to
18 effectuate the purposes of this act.

19 5. This act shall take effect on the 180th day following
20 enactment.

21

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23 CONSUMER AFFAIRS

24

25 Prohibits merchants from requiring consumer to provide certain
26 information in order to complete a credit card transaction.

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2 each subsequent offense. Any penalty imposed pursuant to this
3 section shall be collected by summary proceedings instituted by
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6 4. The Attorney General of the State of New Jersey may
7 promulgate regulations pursuant to the "Administrative
8 Procedures Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to
9 effectuate the purposes of this act.

10 5. This act shall take effect on the 180th day following
11 enactment.

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14 STATEMENT

15
16 This bill prohibits a merchant who accepts a credit card from
17 requiring a consumer to provide personal identification
18 information not also required by the credit card issuer to
19 complete the credit card transaction, including, but not limited
20 to, a telephone number and address.

21 The bill provides exceptions to this prohibition by permitting
22 the merchant to require a customer's address or telephone
23 number, or both, if: the merchant does not need authorization
24 from the credit card issuer to complete the credit card
25 transaction; or transactions are processed by mailing credit card
26 transaction forms to a designated bankcard center for settlement.

27 The bill clarifies that this prohibition does not extend to the
28 solicitation of information from a customer, on a separate sales
29 invoice or other form, if that information is necessary for
30 warranties, maintenance agreements, shipping, delivery or
31 installation of purchased merchandise or in relation to special
32 orders.

33 Any person who violates any provision of this bill would be
34 subject to a penalty of not more than \$250 for a first offense and
35 not more than \$1,000 for each subsequent offense.

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38 CONSUMER AFFAIRS

39
40 Prohibits merchants from requiring consumer to provide
41 certain information in order to complete a credit card
42 transaction.

A3224 (1990)

ASSEMBLY FINANCIAL INSTITUTIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3224

with committee amendments

STATE OF NEW JERSEY

DATED: APRIL 5, 1990

The Assembly Financial Institutions Committee reports favorably, with amendments, Assembly Bill No. 3224.

This bill, as amended, prohibits a merchant who accepts a credit card from requiring a consumer to provide personal identification information not also required by the credit card issuer to complete the credit card transaction, including, but not limited to, the consumer's telephone number and address.

The bill clarifies that this prohibition does not extend to the solicitation of information from a customer, on a separate sales invoice or other form, if that information is necessary for warranties, maintenance agreements, shipping, delivery or installation of purchased merchandise or in relation to special orders.

Any person who violates any provision of this bill would be subject to a penalty of not more than \$250 for a first offense and not more than \$1,000 for each subsequent offense.

The amendment to the bill removes the provision which would have permitted a merchant who processes credit card transactions by shipping the transaction forms to a designated bankcard center for settlement to require the consumer to provide personal identification information on the transaction form.