### STATE OF MAINE

#### IN THE YEAR OF OUR LORD

#### TWO THOUSAND TWENTY-ONE

S.P. 87 - L.D. 800

# An Act To Amend Credit and Debit Card Surcharges Imposed by Governmental Entities

Be it enacted by the People of the State of Maine as follows:

**Sec. 1. 5 MRSA §1509-A,** as amended by PL 1999, c. 762, §1 and affected by §5, is further amended to read:

## §1509-A. Payment by credit card

State departments and agencies shall implement, with the approval of the State Controller and the State Treasurer, procedures for accepting payment for goods, services, taxes, fines, forfeitures charges or any other fees by major credit eards card, debit card or other electronic means. Unless otherwise provided for in law as of the effective date of this section, any administrative expenses or credit card fees incurred in connection with this method of receiving funds must be absorbed within the existing budget of the department or agency as authorized by the Legislature a state department or agency may impose a surcharge, including a service fee, for payments made by credit card or debit card for taxes, fines, charges, utility fees, regulatory fees, registration fees, license or permit fees or the provision of a specific service or good provided by that state department or agency in accordance with the provisions of Title 9-A, section 8-509, subsection 2.

- **Sec. 2. 9-A MRSA §8-509, sub-§2,** as enacted by PL 2011, c. 427, Pt. A, §15, is amended to read:
- **2. Surcharge permitted for governmental entity.** Notwithstanding subsection 1, a governmental entity may impose a surcharge for payments made with a credit card or debit card for taxes, fines, charges, utility fees, regulatory fees, registration fees, license or permit fees or the provision of a specific service or good provided by that governmental entity if the surcharge:
  - A. Is disclosed clearly to the consumer prior to payment; and
  - B. Does not exceed the costs associated with providing the credit card or debit card service that are directly incurred by the governmental entity or assessed by an authorized 3rd-party payment service provider for a credit card or debit card transaction. If there is not a cost assessed by an authorized 3rd-party payment service

provider for a debit card transaction, the governmental entity may not impose a surcharge associated with a debit card transaction.

A governmental entity shall disclose to the consumer that the surcharge may be avoided if the consumer makes payments by cash, check or other means not a credit card or debit card. A governmental entity is not subject to any liability to the issuer of a credit card or an authorized 3rd-party payment service provider for nonpayment of credit card charges by the consumer. As used in this subsection, "governmental entity" includes, but is not limited to, a state department or agency, a county established or governed by Title 30-A, Part 1, a municipality as defined in Title 30-A, section 2001, subsection 8, a plantation established or governed by Title 30-A, chapter 301, a quasi-municipal corporation as defined in Title 30-A, section 2604, subsection 3, the Judicial Department as described in Title 4, the University of Maine System, the Maine Community College System and the Maine Maritime Academy.