

I am a former law enforcement officer, firearms instructor, current Federal Firearms Licensee (FFL), gunsmith and small business owner in Greenbush, Maine. I am writing in support of LD 1867.

An Act to Prohibit Financial Institutions from Using Merchant Category Codes to Identify or Track Firearm Purchases or Disclose Firearm Purchase Records

While the main support for proposed legislation is to prevent financial institutions from using specific merchant category codes (MCC) to collect data on firearm purchase, I would like to emphasize what a specific firearm dealer MCC can enable.

Until recently, firearm dealers – FFLs - were designated as with a MCC of Sporting Goods - 5941. The assignment of Firearm Retailer - 5723 was introduced by the gun control community as a law enforcement investigation tool. It was advertised as being all about ‘public safety’ by allowing credit card companies to flag so-called ‘suspicious purchases’ and report them to law enforcement, thereby (somehow) preventing mass shootings.

While the information could be used in this manner, the Firearm Retailer MCC is entirely unnecessary for this purpose as all the data for this is already available.

A quick trip to the ATFE (Alcohol Tobacco Firearms and Explosives) website allows you to download the complete current list of every FFL in the country in .xlsx, .txt or .pdf format. Even someone with rudimentary programming skills could write a program to flag sales from every firearm retailer in the country in real time in about a day.

What the Firearm Retailer MCC does enable is allowing the financial institution issuing a credit card, or the credit card companies themselves – Visa, MasterCard, American Express, etc., to deny purchases made with their cards at these establishments at their own discretion. This can be done with no warning to the purchaser or retailer.

Since a credit card purchase does not break down the item purchased, it could be a firearm, ammunition, clothing, hearing protection, safety equipment or anything else offered by the retailer.

Imagine going to your local gun store and trying to pay with your credit card only to have it denied because your local or national bank or credit card company has decided they don’t want their card to be used for “firearms” anymore. A lawful and legal transaction using your own funds is denied because someone thinks their institution name shouldn’t be used for these kinds of things.

Understand also the new Firearm Retailer MCC is being implemented NOW in Maine.

As of January 2025, new merchants MUST be assigned the MCC of 5723, Firearms Retailer. The only places exempted are in those states that have outlawed the use of a specific merchant category code for firearms and firearm related businesses.

Unless a state has specifically outlawed it, it is being implemented in that state, even if the state has not mandated it.

The states who have mandated the use of this MCC are California, Colorado and New York. The states who have outlawed the use of this MCC are Florida, Idaho, North Dakota, West Virginia, Texas, Montana, Mississippi, Utah, Iowa, Wyoming, Tennessee, Georgia, Louisiana, Indiana, Alabama and Kentucky.

The failure of this bill will allow any number of small or large banks in the country, or credit card companies to unilaterally decide they do not wish to allow their customers to conduct lawful business with firearm retailers in Maine and deny their purchases.

The greatest impact would be to Maine's smaller retailers who have only one location and/or one MCC available to them to complete credit card transactions.

I urge you to vote for this proposal.