

# **One Hundred Fifth Legislature - First Session - 2017**

## **Introducer's Statement of Intent**

**LB559**

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**Chairperson: Senator Brett Lindstrom**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: March 07, 2017**

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB193 would prohibit payment card networks from imposing interchange or swipe on the sales tax portion of a purchase made using a debit or credit card. Under the provisions of the bill, a payment card network would be required to either 1) deduct the sales tax portion of a purchase before calculating interchange fees; or, 2) rebate applicable interchange fees, the calculation for which would be based on monthly tax payment documents and sales data the seller or merchant submits to the payment card network, if a seller's or merchant's credit or debit card terminal is incapable of capturing and transmitting tax amounts to the payment card networks.

The attorney general would be authorized to bring action against payment card networks that intentionally violates the requirements and seek civil penalties of up to \$5,000 for each violation. A person paying interchange fees may also bring action to recover actual damages.

**Principal Introducer:** \_\_\_\_\_

**Senator Paul Schumacher**