

**One Hundred Third Legislature - Second Session - 2014**

**Introducer's Statement of Intent**

**LB991**

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**Chairperson: Senator Mike Gloor**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: February 24, 2014**

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

LB 991 prohibits the imposition of interchange or swipe fees by the payment card networks on the sales tax portion of a purchase made using a debit or credit card.

To accomplish this, the bill allows a payment card network to deduct the sales tax portion of a purchase prior to calculating interchange fees. If a person's credit or debit card terminal is incapable of capturing and transmitting tax amounts to the payment card networks it allows the person to submit monthly tax payment documents and sales data to the payment card network for a rebate of applicable interchange fees.

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

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

**Senator Jeremy Nordquist**