



House Committee on Financial Institutions and Pensions

Testimony in Support of House Bill 2812

Presented by Eric Stafford, Vice President of Government Affairs

Monday, March 11, 2024

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large businesses of all industry segments across the state. We also serve as the state's affiliate for the National Retail Federation through the Kansas Retail Council. The Kansas Retail Council (KRC) focuses on retail business issues and gives Kansas retailers a unified voice on legislative and public policy matters.

We appreciate the opportunity to testify in support of House Bill 2812, a bill that eliminates the prohibition of a surcharge when purchases are made with a credit or debit card.

Kansas is one of four states to still have such a prohibition on the books and is one that is important for our retail members. In a U.S. Supreme Court decision *Expressions Hair Design v Schneiderman*, the Court ruled to vacate the states surcharge prohibition similar to Kansas. This opened up the opportunity for credit card surcharging in New York, California, Florida, Texas, Maine and Oklahoma. The Oklahoma AG issued an opinion stating their law would not survive scrutiny following the Supreme Court's decision.

While HB 2812 is a broad bill updating the UCCC statutes, Section 51 on page 58 of the bill contains negotiated language between the retail industry and credit card companies allowing retailers to pass their credit card fees on to consumers, so long as the retailer discloses such surcharge either at the point of entry or the point of sale. Previous attempts to find common ground were unsuccessful as the requirements on retailers were too restrictive. These negotiations took time to work out over the summer months but we are pleased to say we did find agreement on this change.

In closing, we would respectfully ask for the committee's support of House Bill 2812, and I am happy to answer any questions at the appropriate time.

