

Assembly Bill No. 1104

CHAPTER 646

An act to add Section 13081 to the Financial Code, relating to financial transactions.

[Approved by Governor October 3, 1997. Filed
with Secretary of State October 6, 1997.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1104, Knox. Point-of-sale transactions.

Existing law provides that if the sale of a good or service is conducted at an ATM, the operator of that ATM shall disclose the total price of the good or service and any fee charged solely for ATM usage.

This bill would prohibit the operator of a point-of-sale device, as defined, from imposing any fee upon a customer for usage of the device unless the fee is disclosed prior to the customer being obligated to pay for any goods or services, as specified.

The people of the State of California do enact as follows:

SECTION 1. Section 13081 is added to the Financial Code, to read:

13081. (a) In enacting this section, the Legislature finds and declares all of the following:

(1) It is in the best interest of consumers in this state to be aware of fees they may be charged for using point-of-sale devices prior to being obligated to pay those fees.

(2) In 1996, the Legislature enacted Assembly Bill 3366 (Chapter 98 of the Statutes of 1996), which required operators of automatic teller machines (ATMs) to electronically disclose fees for transactions at those ATMs. That legislation did not require disclosure of fees at point-of-sale devices.

(3) In order to maximize consumer awareness of fees at point-of-sale devices, and to create equity between operators of ATMs and operators of point-of-sale devices, it is the intent of the Legislature in enacting this section to require the maximum feasible disclosure of fees at point-of-sale devices.

(b) No operator of a point-of-sale device in this state shall impose any fee upon a customer for the use of that device unless that fee is disclosed to the customer prior to the customer's being obligated to pay for any goods or services. That disclosure shall be placed on or at the point-of-sale device as follows:

(1) For all point-of-sale devices, the fee disclosure shall be on a label meeting federal standards.

(2) For point-of-sale devices purchased on or after January 1, 2001, that have electronic displays, the fee disclosure shall also be electronic.

(c) For purposes of this section, the term “point-of-sale device” includes any device used for the purchase of a good or service where a personal identification number (PIN) is required, but does not include an access device as defined in subdivision (b) of Section 13020.

(d) For the purposes of this section, the term “operator of a point-of-sale device” means the person who imposes the fee on a customer for using a point-of-sale device to pay for a good or service.

