

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 6

H.P. 11

House of Representatives, January 4, 2005

An Act To Prohibit a Credit Card Processing Company from Charging a Termination Fee

Reference to the Committee on Insurance and Financial Services suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative MOODY of Manchester.

2 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 10 MRSA c. 202-E is enacted to read:**

6 **CHAPTER 202-E**

8 **PROHIBITED PRACTICES INVOLVING CREDIT CARD
PROCESSING COMPANIES**

10 **§1157. Prohibition on termination fees**

12 **1. Credit card processing company.** As used in this
14 chapter, "credit card processing company" means a person, firm,
16 corporation, partnership or association engaged in the business
18 of processing credit card transactions pursuant to a contract
with another person, firm, corporation, partnership or
association to facilitate the acceptance of credit cards at the
point of sale of a transaction.

20 **2. Prohibition on termination fees.** A credit card
22 processing company may not impose a termination fee or other fee
upon the termination or cancellation of a contract for the
provision of credit card processing services.

24 **3. Remedies.** A person injured as a result of a violation
26 of subsection 2 may seek a monetary refund of any prohibited
28 fees, damages and an injunction in a civil action. A person
likely to be injured by a violation of subsection 2 may seek an
30 injunction in a civil action. The court may award reasonable
attorney's fees to the plaintiff in any civil action brought
pursuant to this subsection.

32
34 **SUMMARY**

36 This bill prohibits a credit card processing company from
38 charging a termination fee upon the cancellation or termination
of a contract for credit card processing services.