

MAINE STATE LEGISLATURE

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120th MAINE LEGISLATURE

FIRST REGULAR SESSION-2001

Legislative Document

No. 947

H.P. 727

House of Representatives, February 20, 2001

An Act Concerning Fair Debit Card Practices.

Reference to the Committee on Business and Economic Development suggested and ordered printed.

Millicent M. MacFarland

MILLICENT M. MacFARLAND, Clerk

Presented by Representative USHER of Westbrook.
Cosponsored by Senator O'GARA of Cumberland and
Representatives: CLARK of Millinocket, LaVERDIERE of Wilton, MAYO of Bath,
McDONOUGH of Portland, ROSEN of Bucksport, SULLIVAN of Biddeford, THOMAS of
Orono, Senator: SAWYER of Penobscot.

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

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

6 CHAPTER 202-D

8 DEBIT CARDS SPONSORED BY PUBLIC
10 POST-SECONDARY INSTITUTIONS

12 §1147. Debit card programs

14 1. Debit card program authorized. A public post-secondary
16 institution located in this State may enter into an agreement
18 with a financial institution, as defined in Title 9-B, section
20 131, subsection 17; a credit union, as defined in Title 9-B,
22 section 131, subsection 12; or other credit card issuer to issue
24 a debit card for use by students enrolled at the post-secondary
26 institution. The debit card program must be operated in
28 accordance with this section.

30 2. Use of card. A student issued a debit card under the
32 program pursuant to subsection 1 may use the debit card:

34 A. To purchase merchandise or services available through
36 the post-secondary institution or on the institution's
38 campus from a person authorized by the institution to sell
40 merchandise or services; and

42 B. To purchase merchandise or services from a person
44 operating a business off-campus authorized to accept the
46 debit card under an agreement with the post-secondary
48 institution and the financial institution, credit union or
other credit card issuer that issued the debit card.

3. Agreements with off-campus businesses. If a
participation agreement of an off-campus business owner pursuant
to subsection 2, paragraph B imposes a per transaction fee for
debit card purchases, the fee charged by the financial
institution, credit union or other credit card issuer that issued
the debit card must be reasonable and consistent with the
merchant fees charged for participation in credit card programs.

44 **SUMMARY**

46 This bill authorizes public post-secondary institutions
48 located in this State to sponsor debit card programs for their
students. The bill also enables students to use their

2 school-sponsored debit cards at local businesses outside the campus.