

FINAL BILL REPORT

SB 5720

C 89 L 03
Synopsis as Enacted

Brief Description: Allowing merchants to require additional identification when conducting credit and debit card sales.

Sponsors: Senators Winsley, Prentice, Benton, Kline and Rasmussen.

Senate Committee on Financial Services, Insurance & Housing
House Committee on Financial Institutions & Insurance

Background: Credit and debit card fraud is increasing, costing consumers money and adding pressure to the limited resources of law enforcement. Some of this type of fraud might be preventable, if retailers were able to confirm the identity of the person making the transaction. Some retailers are prevented from asking for additional identification, because their master agreement with the credit card issuer prevents it.

Summary: Provisions of contracts between retailers and credit/debit card issuers that prohibit verification of identity during a credit/debit card transaction are void for violation of public policy. Merchants are not required to check additional identification, but may if they choose to do so. Retail chains may make and enforce their own policies regarding verification of identity.

Votes on Final Passage:

Senate	49 0
House	92 1

Effective: July 27, 2003