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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**HOUSE BILL**

**No. 686**      Session of  
1991

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NAHILL, ITKIN, VEON, SERAFINI, TELEK, FLICK AND OLASZ,  
MARCH 12, 1991

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REFERRED TO COMMITTEE ON CONSUMER AFFAIRS, MARCH 12, 1991

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AN ACT

1 Prohibiting persons who accept credit cards for the transaction  
2 of business from requiring certain additional information  
3 from the credit cardholder; providing for enforcement of the  
4 act; and imposing civil penalties.

5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 Section 1. Definitions.

8 The following words and phrases when used in this act shall  
9 have the meanings given to them in this section unless the  
10 context clearly indicates otherwise:

11 "Credit card." A device or instrument which entitles the  
12 holder to obtain money, goods, services or anything of value on  
13 credit.

14 "Person." An individual, corporation, trust, partnership,  
15 limited partnership, incorporated or unincorporated association

1 or other entity.

2 Section 2. Requirement of information prohibited.

3 (a) General rule.--No person who accepts credit cards for  
4 the transaction of business shall require the credit cardholder  
5 to write on the credit card transaction form, nor shall the  
6 person write or cause to be written on the form, any personal  
7 identification information, including, but not limited to, the  
8 credit cardholder's address or telephone number, that is not  
9 required by the credit card issuer to complete the credit card  
10 transaction: Provided, however, That the credit cardholder's  
11 address and telephone number may be required on the form where:

12 (1) the information is necessary for shipping, delivery  
13 or installation of purchased merchandise, warranties or  
14 service maintenance agreements, or for special orders;

15 (2) the person processes credit card transactions by  
16 mailing transaction forms to a designated bankcard center for  
17 settlement; or

18 (3) the information is necessary to comply with Federal  
19 or State law or regulations adopted pursuant thereto.

20 (b) Checks.--No person shall, as a condition of acceptance  
21 of a check for the purchase of goods or services, as a means of  
22 identification or for any other purpose, require that a person  
23 presenting a check produce a credit card number for recordation.  
24 No person shall record a credit card number in connection with:

25 (1) a sale of goods or services in which a purchaser  
26 pays by check; or

27 (2) the acceptance of a check.

28 (c) Guaranteed checks.--A credit card number may be  
29 requested and recorded as a condition for cashing a check where  
30 payment of the check is being guaranteed by the credit card

1 issuer and all of the following conditions are met:

2 (1) the person requesting the card has agreed with the  
3 issuer to cash checks as a service to the issuer's  
4 cardholders;

5 (2) the issuer has agreed to guarantee cardholder checks  
6 cashed by that person; and

7 (3) the cardholder has given actual, apparent or implied  
8 authority for use of his card number in this manner and for  
9 this purpose.

10 (d) Construction of section.--This section shall not be  
11 construed to prohibit a person from requesting a purchaser to  
12 display a credit card as identification. The only information  
13 concerning a credit card which may be recorded when a credit  
14 card is being used as identification and the credit card issuer  
15 is not guaranteeing payment is the type, the issuer and the  
16 expiration date of the credit card. A credit card number may be  
17 requested and recorded as a condition for cashing a check where  
18 the credit card was issued by the person accepting the check.  
19 This section does not require acceptance of a check whether or  
20 not a credit card is presented.

21 Section 3. Injunctive relief.

22 Whenever the Attorney General or a district attorney has  
23 reason to believe that any person is violating or is about to  
24 violate section 2 and that proceedings would be in the public  
25 interest, the Attorney General or a district attorney may bring  
26 an action in the name of the Commonwealth against the person to  
27 restrain, by temporary or permanent injunction, violations of  
28 section 2.

29 Section 4. Assurances of voluntary compliance.

30 In the administration of this act, the Attorney General may

1 accept an assurance of voluntary compliance with respect to any  
2 method, act or practice deemed to be violative of this act from  
3 any person who has engaged or was about to engage in the method,  
4 act or practice. Any assurance shall be in writing and be filed  
5 with the court. The assurance of voluntary compliance shall not  
6 be considered an admission of violation for any purpose. Matters  
7 thus closed may at any time be reopened by the Attorney General  
8 for further proceedings in the public interest, pursuant to  
9 section 3.

10 Section 5. Civil penalties.

11 (a) Violation of injunction.--Any person who violates the  
12 terms of an injunction issued under section 3 or any of the  
13 terms of an assurance of voluntary compliance duly filed in  
14 court under section 4 shall forfeit and pay to the Commonwealth  
15 a civil penalty of not more than \$250 for the first offense and  
16 \$1,000 for the second or any subsequent offense. For the purpose  
17 of this section, the court issuing an injunction or in which an  
18 assurance of voluntary compliance is filed shall retain  
19 jurisdiction and the cause shall be continued, and, in such  
20 cases, the Attorney General or the appropriate district  
21 attorney, acting in the name of the Commonwealth, may petition  
22 for recovery of civil penalties and any other equitable relief  
23 deemed needed or proper.

24 (b) Willful violations of act.--In any action brought under  
25 section 3, if the court finds that a person is willfully using  
26 or has willfully used a method, act or practice declared  
27 unlawful by section 2, the Attorney General or the appropriate  
28 district attorney, acting in the name of the Commonwealth, may  
29 recover, on behalf of the Commonwealth, a civil penalty not  
30 exceeding \$200 per violation, which civil penalty shall be in

- 1 addition to other relief which may be granted under this act.
- 2 Section 6. Effective date.
- 3 This act shall take effect in 60 days.