

By: Menendez

H.B. No. 244

A BILL TO BE ENTITLED

AN ACT

relating to requiring photo identification for credit card purchases.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle A, Title 11, Business & Commerce Code, is amended by adding Chapter 506 to read as follows:

CHAPTER 506. REQUIRING VERIFICATION OF IDENTITY FOR CREDIT CARD PURCHASES

Sec. 506.001. DEFINITIONS. In this chapter:

(1) "Cardholder" means the person named on the face of a credit card to whom or for whose benefit the card is issued.

(2) "Credit card" means a card or device issued under an agreement by which the issuer gives to a cardholder the right to obtain credit from the issuer or another person.

(3) "Merchant" means a person in the business of selling or leasing goods or services.

(4) "Photo identification" means a card or other document that:

(A) is issued by a governmental entity to identify an individual; and

(B) displays a photograph of the individual identified on the card or other document.

Sec. 506.002. REQUIRING PHOTO IDENTIFICATION FOR CREDIT CARD TRANSACTION. (a) A merchant may not accept a credit card for

1 payment in a face-to-face transaction unless the merchant requires
2 the individual presenting the credit card to provide photo
3 identification verifying the individual's identity as the
4 cardholder.

5 (b) Subsection (a) does not apply if the merchant requires
6 the individual presenting the credit card for payment to provide
7 the individual's zip code to verify the individual's identity as
8 authorized by Section 505.002.

9 SECTION 2. This Act takes effect September 1, 2013.