
SENATE BILL 6825

State of Washington

60th Legislature

2008 Regular Session

By Senator Jacobsen

Read first time 01/25/08. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to assisting small business owners by capping the
2 credit card transaction fee paid by such owners; and adding a new
3 chapter to Title 19 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** (1) A fee charged by a financial institution
6 for the processing of a credit card transaction to a small business
7 owner must be set at a percentage rate of no higher than the rate
8 established in subsection (2) of this section.

9 (2) By no later than January 2, 2009, the department of financial
10 institutions must negotiate, on behalf of small business owners
11 licensed within Washington state, a written agreement limiting the
12 maximum transaction fee that financial institutions doing business with
13 small business owners licensed in this state may charge such business
14 owners for the processing of a credit card transaction.

15 (a) The agreement must include a maximum percentage rate, as
16 provided in (b) of this subsection (2), that financial institutions may
17 charge small business owners licensed in the state of Washington.

18 (b) The department of financial institutions must negotiate a
19 maximum percentage rate that is no higher than the maximum percentage

1 rate that is allowed to be charged to state agencies by financial
2 institutions for the processing of similar credit card transactions.
3 For the purposes of this subsection (2)(b), the department of general
4 administration must notify the department of financial institutions of
5 the maximum percentage rate that financial institutions are allowed to
6 charge state agencies as of the effective date of this act, and
7 annually every year thereafter.

8 (c) The percentage rate established by agreement under this section
9 must be adjusted annually to reflect any changes in the credit card
10 transaction fee percentage rate charged to state agencies, as reported
11 to the department of financial institutions by the department of
12 general administration under subsection (2)(b) of this section.

13 NEW SECTION. **Sec. 2.** The definitions in this section apply
14 throughout this chapter unless the context clearly requires otherwise.

15 (1) "Small business owner" has the same meaning as provided in RCW
16 19.85.020.

17 (2) "Financial institution" has the same meaning as provided in RCW
18 31.45.010.

19 NEW SECTION. **Sec. 3.** Sections 1 and 2 of this act constitute a
20 new chapter in Title 19 RCW.

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