



General Assembly

January Session, 2013

Committee Bill No. 196

LCO No. 4404



Referred to Committee on GENERAL LAW

Introduced by:
(GL)

AN ACT CONCERNING CREDIT BLOCKS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective January 1, 2014*) No person who accepts
2 credit or debit cards for the retail transaction of business shall, without
3 the knowledge and consent of the consumer, place or allow a third
4 party to place a credit block on purchases larger than the actual
5 purchase amount for goods or services being purchased by the
6 consumer. For purposes of this section: (1) "Credit block" means an
7 arrangement between a retailer and an issuer in which the issuer, at
8 the request of a retailer, before the completion of a purchase, reserves a
9 specified dollar amount of the customer's purchasing capacity for use
10 in connection with a purchase initiated by the customer with the
11 retailer, (2) "issuer" means the entity that issued the credit card or debit
12 card or an entity that administers credit blocks on behalf of the issuer,
13 and (3) "capacity" means a dollar amount of available credit in the case
14 of a credit card, and a dollar amount of the account balance or
15 overdraft capacity in the case of a debit card.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>January 1, 2014</i>	New section
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GL *Joint Favorable*