

1 **FIREARMS FINANCIAL TRANSACTION AMENDMENTS**

2 2024 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: A. Cory Maloy**

5 Senate Sponsor: Chris H. Wilson

7 **LONG TITLE**

8 **General Description:**

9 This bill addresses consumer transactions related to firearms.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ defines terms;
- 13 ▶ prohibits a financial entity from using a firearms merchant code to:
- 14 • distinguish a firearms retailer from other retailers;
- 15 • limit or decline a lawful payment card transaction;
- 16 • limit or decline to do business with a customer or merchant; or
- 17 • charge a merchant a higher transaction fee;
- 18 ▶ prohibits a financial entity from taking any action against a customer or merchant
- 19 that is intended to suppress or track lawful commerce involving firearms; and
- 20 ▶ gives enforcement powers to the attorney general.

21 **Money Appropriated in this Bill:**

22 None

23 **Other Special Clauses:**

24 None

25 **Utah Code Sections Affected:**

26 ENACTS:

27 **13-70-101**, Utah Code Annotated 1953



28 [13-70-201](#), Utah Code Annotated 1953

29 [13-70-301](#), Utah Code Annotated 1953



31 *Be it enacted by the Legislature of the state of Utah:*

32 Section 1. Section **13-70-101** is enacted to read:

33 **CHAPTER 70. FIREARM FINANCIAL TRANSACTIONS**

34 **Part 1. General Provisions**

35 **13-70-101. Definitions.**

36 (1) "Ammunition" means ammunition or cartridge cases, primers, bullets, or propellant
37 powder designed for use in a firearm.

38 (2) "Customer" means an individual who presents a payment card to a merchant for the
39 purchase of a good or service.

40 (3) "Financial entity" means an entity other than a merchant who is involved in
41 facilitating or processing a payment card transaction, including a bank, savings and loan
42 association, savings bank, industrial bank, credit union, or trust company.

43 (4) "Firearm" means the same as that term is defined in Section [76-10-501](#).

44 (5) (a) "Firearm accessory or component" means a device specifically adapted to:

45 (i) enable the wearing or carrying about one's person or the storage or mounting in or
46 on any conveyance of a firearm; or

47 (ii) be inserted into or affixed to a firearm to enable, alter, or improve the functioning
48 or capabilities of the firearm.

49 (b) "Firearm accessory or component" includes a telescopic or laser sight, magazine,
50 flash or sound suppressor, folding or aftermarket stock or grip, speedloader, brace, ammunition
51 carrier, or light for target illumination.

52 (6) "Firearms code" means any indicator that a financial entity assigns to a merchant or
53 to a payment card transaction that identifies whether a merchant is a firearms retailer or
54 whether a payment card transaction involves the purchase of a firearm, firearm accessory or
55 component, ammunition, or reloading supplies.

56 (7) "Firearms retailer" means a person engaged in the lawful business of selling or
57 trading firearms, firearm accessories or components, or ammunition.

58 (8) "Merchant" means a person who accepts a payment card from a customer for the

59 purchase of a good or service.

60 (9) "Payment card" means a card, code, or other means by which a person may debit a
61 deposit account or use a line of credit to purchase a good or service.

62 (10) "Reloading supplies" means any equipment, component, or material designed for
63 the reloading of ammunition, including reloading presses, shell holders, powder measures,
64 priming tools, reloading manuals, casings, and gunpowder.

65 Section 2. Section **13-70-201** is enacted to read:

66 **Part 2. Prohibited Conduct**

67 **13-70-201. Limitations on firearms merchant codes.**

68 A financial entity may not:

69 (1) require a merchant to use a firearms code in a manner that distinguishes a firearms
70 retailer located in the state from a general merchandise retailer or sporting goods retailer;

71 (2) decline a lawful payment card transaction based solely on the assignment or
72 nonassignment of a firearms code to the merchant or payment card transaction;

73 (3) limit or decline to do business with a customer, potential customer, or merchant
74 based on the assignment or nonassignment of a firearms code to a previous lawful transaction
75 involving the customer, potential customer, or merchant;

76 (4) charge a higher transaction or interchange fee to a merchant for a lawful transaction
77 based on the assignment or nonassignment of a firearms code; or

78 (5) take any action against a customer or merchant that is intended to suppress or track
79 lawful commerce involving a firearm, firearm accessory or component, ammunition, or
80 reloading supplies.

81 Section 3. Section **13-70-301** is enacted to read:

82 **Part 3. Enforcement**

83 **13-70-301. Enforcement powers of the attorney general.**

84 (1) The attorney general may enforce the provisions of this chapter.

85 (2) If, based on investigation, the attorney general believes that a person is in violation
86 of this chapter, the attorney general shall send the person written notice that identifies each
87 violation and directs the person to cease each violation within 30 days after the day on which
88 the person receives the notice.

89 (3) (a) The attorney general may initiate a civil action against a person who fails to

90 cease a violation of this chapter within the 30-day time period described in Subsection (2).

91 (b) In an action under this subsection, the attorney general may seek, and the court may
92 order:

93 (i) injunctive relief;

94 (ii) (A) if the court determines that the person negligently or recklessly violated a
95 provision of this chapter, a civil fine of \$10,000 for each violation or actual damages,
96 whichever is greater; or

97 (B) if the court determines that the person willfully violated a provision of this chapter,
98 a civil fine of \$25,000 for each violation or actual damages, whichever is greater; and

99 (iii) costs and reasonable attorney fees to the attorney general if the court issues an
100 injunction or imposes a civil fine.

101 **Section 4. Effective date.**

102 This bill takes effect on May 1, 2024.