

HB 1487

Rep. Ben Koppelman- Testimony

Mr. Chairman and Members of the Committee,

Thank You for the opportunity to introduce HB1487 to you today.

I introduced this bill with the intent of stopping credit card companies and their affiliates from tracking purchases from gun retailers with a unique Merchant Category Code (MCC).

In early September, the AG's of California and New York sent a letter to Visa, Mastercard, and American Express suggesting that the three credit card giants should begin tracking gun sales and flagging suspicious purchases to law enforcement. The two AG's wrote:

“If tracking MCC's could stop just one mass shooting or derail one gun trafficker aiming to flood the streets with guns, the change would be” justified.”

The International Organization for Standardization (ISO) indicated that they intended to create a unique MCC code for gun retailers which would provide a mechanism to single out and track purchases at gun retailers. Although individual items purchased at a gun retailer would not be singled out, the size and frequency of purchases from such a store would be analyzed to try and predict the likelihood of gun violence.

After the ISO decision to create the unique MCC code, all three of the credit card giants said that they planned to implement the international standards.

Twenty- Four state attorneys general signed a letter to the big three credit card companies in protest of the proposed changes, questioning the legality of such a breach of the right of privacy.

Recently, Visa CEO, Al Kelly said in an interview that the new merchant codes aren't needed and won't be useful in flagging suspicious purchases as anti-gun activists claimed. He said: