

Committee Name:

**Senate Committee – Privacy, Electronic Commerce and Financial Institutions
(SC-PECFI)**

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2601 CROSSROADS DRIVE • SUITE 185 • MADISON, WI 53718-7923 • 608/244-7150 • FAX 608/244-9030

*Testimony on AB 712/SB 365
Presented by Michelle Kussow
Wisconsin Grocers Association*

Good morning. My name is Michelle Kussow and I am here on behalf of the Wisconsin Grocers Association representing more than 1,000 retailers, distribution centers and brokers in the retail food industry.

I am here in support of Assembly Bill 712 and Senate Bill 365 related to disclosure of credit card numbers on receipts and would like to thank the Chairs for introducing this legislation and for holding this hearing. Specifically, this legislation prohibits retailers from printing more than 5 digits of a customer's credit card number on a transaction receipt.

It's not often that the WGA supports, much less requests introduction of legislation such as this that could be viewed as a mandate on our business. But, in this case our industry believes this legislation is the right thing to do to ensure our customer's privacy and therefore we have made this issue a priority for the WGA.

I have talked to many retailers and distribution centers in Wisconsin to determine their position on this legislation. Many of them told me that they already comply with this bill by either not printing the credit card number on the receipt or by truncating the number in one form or another.

There were a few retailers, however, that told me that they are currently printing the entire credit card number on the receipt. These retailers indicated that they supported this legislation and that if this bill became law, they would work with their credit card processor or distribution center to ensure that they were compliant within the allotted time.

The positive response I received from retailers indicated to me that regardless of whether or not they were currently in compliance, this issue is a benefit to their customers and therefore, a priority to them. I am certain there are retailers in Wisconsin, maybe even grocers, who may need to revamp their current systems, purchase new software or even new equipment to comply with this legislation.

However, we believe it is time to address the issue and this legislation does so while still providing flexibility to retailers. For example, the bill provides an exemption for retailers who use manual credit card machines. These businesses do not process many credit card transactions and do not own the electronic processing equipment. Forcing compliance would create an undue hardship on these select businesses.

In addition, the legislation provides 3 years from enactment for businesses to comply with the requirements. Retailers who have MasterCard and Visa contracts are already required under their agreements to truncate credit card numbers. Also, new advances in point of sale and other equipment usually push retailers to upgrade their systems frequently. For these reasons, we believe that 3 years from enactment is ample time for any business purchasing new or upgraded equipment to comply.

In this day and age where technology has left consumers subject to fraud, identity theft and other technological crimes, we believe this legislation is minimal in our responsibilities to protect our customer's privacy. We hope that you can also support this legislation.

Thank you. If you have any questions, I'd be happy to answer them at this time.