



NJ Gasoline, C-Store, Automotive Association
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May 8, 2023

To: Assembly Consumer Affairs Committee

From: Eric Blomgren, Chief Administrator & Director of Government Affairs

New Jersey Gasoline, Convenience Store, Automotive, Association

Re: A-5076 “Prohibits seller from imposing certain surcharge for credit card transactions; establishes certain notice requirements regarding surcharge.”

First of all, thank you to the sponsor, Chairman Moriarty, for the amendments being made to the bill. Removing the specific paper printing requirement and adjusting the penalties make this a much better bill.

We remain concerned, however, about the potential impact of the bill on discounts that are tied to rewards or loyalty programs. Many of the small businesses we represent are franchisees or partners of larger corporate brands, and those companies have designed various rewards programs, often tied to a mobile app. Part of the appeal of working with these larger brands is that they go through the work of designing and marketing programs like these to incentivize customers to keep coming back.

Often these programs involve giving a specific customer specific discounts based on their prior purchases, such as buy X cups of coffee and get the next free or make three purchases and receive X¢ a gallon off your next fuel purchase. Without the exclusive use of the internet and mobile technology, these programs may no longer be workable.

I worry that in practice this law would result in fewer discounts for everyone, as some of these large corporations designing these programs may decide it might be easier to just exclude our state. Perhaps certain programs could have more limited offerings in New Jersey or certain digital coupons could wind up with fine print saying ‘not available in New Jersey’. I am also concerned it may be more burdensome for the clerk at the register to have to remember or look up certain discounts or coupons based on a customer’s description of them.

If, as much of the news coverage has focused on, the biggest problem is some consumers not getting access to coupons at their grocery store anymore, and many grocery stores are already trying to offer print versions as well, perhaps the bill should be amended to focus just on those larger, more heavily staffed businesses, which it could do by defining them as a retail store which sells food for off-premises consumption and is at least 5,000 square feet in size.

Thank you.