

SENATE BILL 1702

By Hensley

AN ACT to amend Tennessee Code Annotated, Title 4, Chapter 54; Title 39, Chapter 17, Part 13; Title 45 and Title 47, relative to financial transactions involving firearms.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 47, Chapter 18, Part 1, is amended by adding the following as a new section:

47-18-136.

(a) As used in this section:

(1) "Financial institution" means a:

- (A) Bank or trust company;
- (B) Mutual savings and loan association;
- (C) Credit union;
- (D) Payment card network;
- (E) Online payment provider;
- (F) Cryptocurrency company;
- (G) Internet-based payment application;
- (H) Payment acquirer, as defined in § 47-22-401;
- (I) Payment facilitator; or
- (J) Similar company or institution providing financial transaction

services;

(2) "Firearms code" means the merchant category code approved by the international organization for standardization for the purposes of initiating a card-based transaction for firearms retailers; and

(3) "Firearms retailer" means a person or entity engaged in the lawful business of selling or trading the following items that are physically located in this state:

- (A) Firearms;
- (B) Firearms parts or components;
- (C) Firearms accessories;
- (D) Ammunition; or
- (E) Ammunition components, including, but not limited to, powder or casings.

(b) A financial institution shall not require a firearms retailer in this state to:

(1) Use a firearms code that is different from the merchant category code used for a general transaction; or

(2) Adopt a firearms code that is different from a general merchandise retailer or sporting goods retailer.

(c) A violation of this section constitutes an unfair or deceptive act prohibited under § 47-18-104, and is punishable as provided in this part. Each act in violation of this section constitutes a separate violation.

SECTION 2. Tennessee Code Annotated, Section 47-18-104(b), is amended by adding the following as a new subdivision:

() Violating § 47-18-136;

SECTION 3. This act takes effect July 1, 2024, the public welfare requiring it.