

## Blyden Introduces Bill to Ban Credit Card Surcharges in U.S. Virgin Islands

**Blyden has introduced a bill to ban credit card surcharges in the Virgin Islands, citing rising costs for consumers and negative impacts on tourism. The bill, set for an April 14 hearing, aims to promote fair pricing and boost local spending.**

Economy / **Published On March 18, 2025 06:26 PM /**

Staff Consortium **March 18, 2025**

Image not found or type unknown



With credit card surcharges becoming increasingly common in the U.S. Virgin Islands, Senator Marvin Blyden is moving to put an end to the practice with the introduction of Bill No. 36-0019, which seeks to ban businesses from imposing extra charges on customers who use credit cards.

The bill, which is set to be heard by the Committee on Economic Development & Agriculture on April 14, would align the territory with other U.S. jurisdictions, including Connecticut,

Massachusetts, and Puerto Rico, where surcharges on credit card transactions are prohibited, Mr. Blyden said.

Prior to 2013, surcharges weren't explicitly illegal under federal law. Instead, they were prohibited by the card networks (Visa, Mastercard, etc.) through their private contracts with merchants. Additionally, many states had laws banning surcharges, often classifying them as unfair consumer practices. For example, as of the early 2000s, about 10 states—including California, New York, and Texas—had "no-surcharge" laws in place. These state laws, not a federal ban, were the primary legal barrier.

From 2013, businesses across the country have increasingly adopted credit card surcharges, leading to additional expenses for consumers.

A J.D. Power survey conducted in October 2024 found that 34% of businesses in the U.S. now impose credit card surcharges, resulting in an average annual cost of \$1,000 per family. These fees remain illegal in the United Kingdom, the European Union.

Mr. Blyden argues that credit card surcharges harm both local residents and the tourism economy by making purchases in the territory less attractive.

"Credit card surcharges not only harm local residents who are struggling to make ends meet, but they make our tourism economy less competitive, as they encourage visitors to delay purchases until they reach their next destination, where there will likely be no surcharge," Blyden explained.

He further noted that these fees contribute to economic leakage, as local consumers may opt for online shopping to avoid surcharges, reducing the circulation of money within the Virgin Islands economy.

"At the end of the day, these surcharges do more harm than good to local businesses and our economy," he stated. "In a time where the cost of living continues to rise, we must take every step to ease the financial strain on residents and ensure that our economy remains competitive and consumer-friendly."

Bill No. 36-0019 aims to prohibit merchants, vendors, and corporations from imposing additional charges on customers who pay with a credit card. However, the legislation does not prevent businesses from offering discounts to customers who use cash, checks, or other alternative payment methods—allowing for consumer choice while preventing penalties on those who rely on credit cards, Mr. Blyden said.

Additionally, surcharges on debit card payments remain illegal under federal law, meaning the bill strictly focuses on credit card transactions.

The senator believes that eliminating credit card surcharges will boost local spending, strengthen the tourism sector, and promote fair pricing practices that align with other competitive markets.

"Removing these fees will encourage spending within the local market, enhance the tourism sector by making purchases in the territory more attractive, and promote fair pricing practices that align with other competitive destinations," he said.

Beyond direct consumer savings, Blyden noted that reducing unnecessary charges would support economic growth by fostering a business environment centered on transparency and consumer trust.

With the bill set for discussion on April 14, the senator is urging fellow lawmakers and business leaders to support the legislation. He sees the measure as a necessary step toward protecting both residents and visitors from excessive fees while fostering a fairer economic landscape.

"By fostering a fair and competitive marketplace," Blyden concluded, "this bill will ease the burden on our consumers and encourage spending within our local economy."

© Viconsortium 2025