

119TH CONGRESS
1ST SESSION

H. R. 1181

To prohibit payment card networks and covered entities from requiring the use of or assigning merchant category codes that distinguish a firearms retailer from general-merchandise retailer or sporting-goods retailer, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 11, 2025

Mr. MOORE of West Virginia (for himself, Mr. BARR, Mr. HUDSON, Mr. BEAN of Florida, Mr. CLINE, Mr. PERRY, Ms. VAN DUYNE, Mr. GUTHRIE, Mr. COLLINS, Mr. FINSTAD, Mr. MOORE of Alabama, Mr. WEBSTER of Florida, Mr. GUEST, Mr. RULLI, Mr. WILLIAMS of Texas, Mr. HIGGINS of Louisiana, Mr. BOST, Ms. TENNEY, Mr. SCHMIDT, Mr. MOORE of North Carolina, Mr. NEWHOUSE, Mr. COMER, Mr. WOMACK, Mr. ROSE, Mr. YAKYM, Mr. GILL of Texas, and Mr. RUTHERFORD) introduced the following bill; which was referred to the Committee on Financial Services

A BILL

To prohibit payment card networks and covered entities from requiring the use of or assigning merchant category codes that distinguish a firearms retailer from general-merchandise retailer or sporting-goods retailer, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Protecting Privacy in
3 Purchases Act”.

4 **SEC. 2. DISTINGUISHING FIREARMS SALES.**

5 (a) **PROHIBITIONS RELATING TO MERCHANT CAT-**
6 **EGORY CODES.—**

7 (1) **PAYMENT CARD NETWORKS.—**A payment
8 card network may not require a firearms retailer to
9 use, nor require a covered entity to assign, a mer-
10 chant category code that distinguishes such firearms
11 retailer from a general-merchandise retailer or a
12 sporting-goods retailer.

13 (2) **COVERED ENTITIES.—**A covered entity or
14 its agent may not assign to a firearms retailer any
15 merchant category code that distinguishes from a
16 general-merchandise retailer or a sporting-goods re-
17 tailer.

18 (b) **ENFORCEMENT.—**

19 (1) **IN GENERAL.—**The Attorney General shall
20 enforce this section and shall, not later than 90 days
21 after the date of the enactment of this section, es-
22 tablish a process for individuals, including firearms
23 retailers, to submit complaints relating to alleged
24 violations of this section.

1 (2) INVESTIGATION.—The Attorney General
2 shall investigate each complaint received through the
3 processes established under paragraph (1).

4 (3) WRITTEN NOTICE.—If the Attorney General
5 determines after conducting an investigation that a
6 payment card network or covered entity has violated
7 this section, the Attorney General shall send a writ-
8 ten notice of such violation to such payment card
9 network or covered entity that requires the payment
10 card network or covered entity to remedy the viola-
11 tion not later than 30 days after the date on which
12 the payment card network or covered entity receives
13 such notice.

14 (4) INJUNCTION.—

15 (A) IN GENERAL.—If a payment card net-
16 work or covered entity does not remedy a viola-
17 tion within 30 days of receiving a written notice
18 under paragraph (3), the Attorney General may
19 bring an action in Federal court to enjoin the
20 violating behavior.

21 (B) NO PRIVATE RIGHT OF ACTION.—This
22 Act does not create a private right of action.

23 (c) PREEMPTION.—Any law of a State or local gov-
24 ernment regulating merchant category codes for firearm
25 retailers is hereby preempted.

1 (d) REPORT.—The Attorney General shall, each year,
2 submit a report to the Congress that—

3 (1) identifies the number of investigations un-
4 dertaken by the Attorney General under this section;

5 (2) includes a summary of such cases and their
6 disposition; and

7 (3) provides any available data and analysis re-
8 garding the effectiveness of this Act.

9 (e) DEFINITIONS.—In this Act:

10 (1) AMMUNITION.—The term “ammunition”
11 has the meaning given the term in section
12 921(a)(17)(A) of title 18, United States Code.

13 (2) COVERED ENTITY.—The term “covered en-
14 tity” means any entity that—

15 (A) establishes a relationship with a mer-
16 chant for the purposes of processing credit,
17 debit, or prepaid transactions; or

18 (B) establishes a relationship with an enti-
19 ty that establishes a relationship with a mer-
20 chant for the purposes of processing credit,
21 debit, or prepaid transactions.

22 (3) FIREARM.—The term “firearm” has the
23 meaning given the term in section 921(a)(3), (5),
24 (7), (16), (29), (30), of title 18, United States Code.

1 (4) FIREARMS RETAILER.—The term “firearms
2 retailer” means a person or entity engaged in the
3 lawful business of selling or trading firearms or am-
4 munition to be used in firearms.

5 (5) MERCHANT CATEGORY CODE.—The term
6 “merchant category code” means a multi-digit code,
7 issued by the International Organization for Stand-
8 ardization, for the purposes of enabling the classi-
9 fication of merchants into specific categories based
10 on the type of business, trade or services supplied.

11 (6) PAYMENT CARD NETWORK.—The term
12 “payment card network” means an entity that di-
13 rectly or through a licensed member, processor, or
14 agent provides proprietary services, infrastructure,
15 or software, or hardware that route information
16 used to authorize, clear and settle credit card and
17 debit card transactions.

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