
DIGEST

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HB 862 Original

2018 Regular Session

Ivey

Abstract: Imposes a \$3 Information Technology Infrastructure Fee on certain transactions with state agencies that involve electronic payments and establishes the Information Technology Infrastructure Fund and the Joint Committee on State Technology Infrastructure.

Information Technology Infrastructure Fee

Proposed law provides for definitions, including those for "agency", "fee", and "payer".

Proposed law defines "transaction" as a transaction in which an agency receives a payment from a payer, including by way of a third-party solution contractor, under both of the following circumstances:

- (1) Payment is made at the physical location of an agency, on a state website, or a website owned or operated by a third party solution contractor.
- (2) Payment is made by means of a credit card, debit card, or any other form of electronic payment.

Proposed law excludes from the definition of "transaction" a payroll withholding for a public employee or official for purposes of insurance premiums, retirement contributions, union dues, and other related benefits.

Proposed law imposes a \$3 Information Technology Infrastructure Fee ("fee") on every transaction between an agency and a payer. The fee shall be collected at the time of the transmittal of payment by the payer. If a third-party solution contractor is used, the contractor shall collect the fee at the time of transmittal of payment by the payer and then remit the fee to the agency at the time of transmittal of other monies to the agency. Proposed law excludes any transaction of the office of motor vehicles that is subject to a handling fee pursuant to present law from imposition of this fee.

Proposed law requires that proceeds of the fee be deposited into the state treasury, and after satisfaction of the requirements of the Bond Security and Redemption Fund, the state treasurer is required to deposit into the Information Technology Infrastructure Fund an amount equal to the fee proceeds transmitted to the treasury by the agencies.

Present law authorizes the office of motor vehicles to impose certain handling fees on a variety of types of license and other activities. A portion of the handling fee proceeds equal to \$3.75 of the

handling fee on Class "D" and "E" drivers licenses and \$2.50 of all other handling fees are deposited into the Office of Motor Vehicles Customer Service and Technology Fund which is a special treasury fund.

Proposed law changes present law by transferring the disposition of the \$3.75 and \$2.50 fees from the Office of Motor Vehicles Customer Service and Technology Fund to the Information Technology Infrastructure Fund.

Present law provides for the duties, powers, and functions of the following agency heads:

- (1) Director of State Civil Service.
- (2) Secretary of the Dept. of Economic Development.
- (3) Secretary of the Dept. of Elderly Affairs.
- (4) Secretary of the Dept. of Environmental Quality.
- (5) Secretary of the Dept. of Health and Hospitals.
- (6) Executive Director of the La. Workforce Commission.
- (7) Secretary of the Dept. of Natural Resources.
- (8) Secretary of the Dept. of Public Safety and Corrections.
- (9) Secretary of the Dept. of Revenue.
- (10) Secretary of the Dept. of Children and Family Services
- (11) Secretary of the Dept. of Transportation and Development.
- (12) Secretary of the Dept. of Wildlife and Fisheries.
- (13) Superintendent of Education.
- (14) Public Service Commission.
- (15) Secretary of the Dept. of Veterans Affairs.
- (16) Commissioner of the Division of Administration.

Proposed law changes present law regarding the listed agency heads's duties by adding a requirement that they collect the Information Technology Infrastructure Fee established under proposed law. Proposed law excludes from imposition of the fee any transaction of the office of motor vehicle upon which a handling fee is imposed.

Information Technology Infrastructure Fund

Proposed law establishes the Information Technology Infrastructure Fund ("fund") as a special fund within the state treasury. The fund shall be comprised of the proceeds of the fee and a portion of handling fees collected by the office of motor vehicles on certain transactions. Monies appropriated from the fund shall be expended solely for support of projects to enhance or upgrade the state's information technology infrastructure. Monies in the fund shall be invested in the same manner as the state general fund and unexpended and unencumbered monies remaining in the fund at the end of the year shall remain to the credit of the fund.

Joint Committee on State Information Technology Infrastructure

Proposed law establishes the Joint Committee on State Information Technology Infrastructure ("committee") to assist the legislature in consideration of priorities for the funding of information technology infrastructure projects through appropriations from the fund. The committee shall be composed of the following members:

- (1) Three members of the House of Representatives who are knowledgeable concerning information technology, to be appointed by the speaker of the House of Representatives.
- (2) Three members of the Senate who are knowledgeable concerning information technology, to be appointed by the president of the Senate.

Proposed law provides with respect to the function and staffing of the committee and its powers and duties.

Present law establishes specific requirements for the contents of the executive budget.

Proposed law adds to present law a requirement that the executive budget contain a recommendation for the funding of information technology infrastructure projects from monies appropriated from the fund. Further, proposed law requires that the recommendation also be submitted by March 1st of each year to the Joint Legislative Committee on Information Technology Infrastructure which is established proposed law.

Proposed law requires the committee to review and analyze the executive budget recommendations concerning the funding of information technology infrastructure projects with monies appropriated from the fund. The committee is required to submit its findings and recommendations on the proposed budget to the members of the legislature not later than 20 days after the convening of each regular session.

Proposed law urges and requests the commissioner of administration to notify all state agencies that are subject to proposed law regarding imposition of the fee, to advise them of the effectiveness of this Act so that the provisions thereof may be implemented in an efficient and equitable manner.

Effective July 1, 2018.

(Amends R.S. 32.412.1(D) and 429.2(B); Adds R.S. 36:54, R.S. 24:671 through 673, R.S.

36:104(A)(16), 154(A)(10), 234(A)(15), 254(A)(16), 304(A)(10), 354(A)(19), 404(A)(11), 454(A)(10), 474(A)(14), 504(A)(10), 605(A)(10), 645(A)(10), 722(9), and 784(A)(10), and R.S. 39:6(D), 36(A)(8), 16.1, and 16.2)