

RÉSUMÉ DIGEST

ACT 403 (HB 1042)

2016 Regular Session

Bagley

Existing law authorizes a local entity to accept payment of any local charge by credit card, debit card, or similar payment device. Provides for the following definitions:

- (1) "Local charges" means taxes, fees, charges, licenses, service fees or charges, fines, penalties, interest, sanctions, stamps, surcharges, assessments, obligations, and any other similar charges or obligations owed the local entity, or any department, agency, board, commission, or other entity thereof.
- (2) "Local entity" means any parish, municipality, or other political subdivision of the state.

New law adds clerks of court, sheriffs, district attorneys, and assessors to the definition of a local entity.

Existing law requires a local entity to designate the cards and devices that it will accept. Authorizes a local entity to negotiate and enter into all contracts, for periods not to exceed five years, with providers of such cards or devices, including master or statewide financial providers, third party processors, or providers for internet or other similar use and payment acceptance using such cards and devices.

New law additionally authorizes a local entity to negotiate and enter into contracts with third party solutions. Defines a "third party solution" to mean a company that provides a software application, a gateway, or both, to capture credit card and other forms of electronic payments for processing by a merchant services acquirer.

Existing law requires a local entity to establish procedures and guidelines for the approval and operation of any cards or devices and to fix applicable processing fees.

New law additionally authorizes a third party solution to establish and assess a fee for processing a local charge. Requires that the fee be paid to the third party solution by the payor and provides that the fee is not considered a local charge. Requires that the amount of the fee be disclosed to the payor before the transaction is completed.

Effective August 1, 2016.

(Amends R.S. 33:2933(A)(1), (D), and (E); Adds R.S. 33:2933(A)(3))