
DIGEST

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Ivey

HB No. 488

Abstract: Requires state agencies to accept credit cards, debit cards, or similar payment devices.

Present law authorizes state agencies to accept credit cards, debit cards, or similar payment devices approved by the treasurer and provides for the treasurer to establish fees for such transactions (R.S. 49:316.1) and provides for a separate authorization for the Dept. of Public Safety and Corrections, public safety services (R.S. 40:1322(A)), to accept similar cards.

Proposed law requires state agencies to accept credit cards on transactions.

Present law (R.S. 40:1322) allows for the collection of convenience fees on credit card transactions authorized for the Dept. of Public Safety and Corrections including a \$1 fee for transactions through a telephone or Internet and a fee on transactions where the customer appears in person with a minimum charge of \$1 and a maximum charge of \$150 allowed. Present law further provides that the percentage rate used to calculate the fee on in-person transactions is the percentage rate used by the bank to calculate its processing fee.

Proposed law requires the collection of the convenience fees in present law and removes the minimum and maximum allowed amounts. Proposed law further provides that the percentage rate used to calculate the fee on in-person transactions does not exceed the cost of the processing fee charged by the bank.

Effective Jan. 1, 2014.

(Amends R.S. 40:1322(A) and (B) and R.S. 49:316.1 (A)(1); Adds R.S. 49:316.1(G))

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Appropriations to the original bill.

1. Deleted requirement that state agencies accept cash for transactions of \$250 or less.
2. Required the Department of Public Safety and Corrections to charge convenience fees on credit card transactions.
3. Deleted minimum and maximum amount of charges for convenience fees charged by

the Dept. of Public Safety and Corrections and added that the percentage rate used to calculate the fee does not exceed the cost of the processing fee charge by the bank.

4. Added an effective date.