
DIGEST

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HB 1042 Original

2016 Regular Session

Bagley

Abstract: Relative to electronic payments, authorizes clerks of court, sheriffs, district attorneys, and assessors to accept such payments for local charges.

Present law authorizes a "local entity" to accept payment of any "local charge" that it, or any of its departments, agencies, boards, commissions, or other entities is authorized to collect 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.

Proposed law retains present law and adds clerks of court, sheriffs, district attorneys, and assessors to the definition of a "local entity".

Present law requires a local entity to designate the cards and devices that it will accept to receive payment of local charges. Further requires a local entity, at least annually, to publish a list of approved cards by which any unit of the local entity may accept payment of local charges. 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.

Proposed law retains present law and 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.

Present 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.

Proposed law retains present law and 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.

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