



February 22, 2002

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**ENGROSSED**  
**SENATE BILL No. 329**

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DIGEST OF SB 329 (Updated February 20, 2002 11:21 AM - DI 87)

**Citations Affected:** IC 5-27.

**Synopsis:** Electronic payments to governmental bodies. Establishes a uniform procedure that allows state agencies to accept credit cards and other forms of electronic payment as payment for a service, a tax, a license, a permit, a fee, information, or any other amount due to a governmental body if the transaction is conducted through the computer gateway administered by the intelenet commission.

**Effective:** July 1, 2002.

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(HOUSE SPONSOR — CROOKS)

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January 8, 2002, read first time and referred to Committee on Governmental and Regulatory Affairs.

January 31, 2002, amended, reported favorably — Do Pass.

February 4, 2002, read second time, amended, ordered engrossed.

February 5, 2002, engrossed. Read third time, passed. Yeas 48, nays 0.

HOUSE ACTION

February 11, 2002, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.

February 21, 2002, amended, reported — Do Pass.

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ES 329—LS 6697/DI 94+



February 22, 2002

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

## ENGROSSED SENATE BILL No. 329

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A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 5-27 IS ADDED TO THE INDIANA CODE AS A  
2 NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
3 2002]:  
4 **ARTICLE 27. ELECTRONIC PAYMENTS TO**  
5 **GOVERNMENTAL BODIES**  
6 **Chapter 1. Applicability**  
7 **Sec. 1. This article applies to a governmental body that conducts**  
8 **a transaction through the computer gateway administered by the**  
9 **intelenet commission.**  
10 **Chapter 2. Definitions**  
11 **Sec. 1. The definitions in this chapter apply throughout this**  
12 **article.**  
13 **Sec. 2. "Contract" means the total legal obligation resulting**  
14 **from the parties' agreement as affected by this chapter and other**  
15 **applicable law.**  
16 **Sec. 3. "Electronic payment" means a payment by means of:**  
17 **(1) a credit card;**

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- 1           (2) a debit card;
- 2           (3) a charge card;
- 3           (4) a stored value card;
- 4           (5) a bank card;
- 5           (6) an electronic check; or
- 6           (7) an electronic funds transfer, including but not limited to:
- 7                (A) Fed wire; and
- 8                (B) Automated Clearing House.

9           **Sec. 4. "Governmental body" means the state or a state agency.**

10           **Sec. 5. "Provider company" means an individual, a corporation,**  
 11 **a limited liability company, a partnership, a joint stock company,**  
 12 **a business trust, a voting trust, a joint venture, an association, or**  
 13 **a similar organization that provides a system allowing electronic**  
 14 **payments.**

15           **Chapter 3. Electronic Payment**

16           **Sec. 1. A governmental body may accept electronic payment for**  
 17 **a service, a tax, a license, a permit, a fee, information, or any other**  
 18 **amount due the governmental body for a transaction conducted**  
 19 **through the computer gateway administered by the intelenet**  
 20 **commission.**

21           **Sec. 2. (a) A governmental body may enter into a contract with**  
 22 **a provider company to enable the governmental body to accept an**  
 23 **electronic payment.**

24           **(b) A governmental body must use the provider company**  
 25 **provided or specified by the network manager established by the**  
 26 **intelenet commission under IC 5-21-2-2(c) to accept an electronic**  
 27 **payment submitted to the governmental body as payment for a fee**  
 28 **based service, license, or permit or for fee based information**  
 29 **obtained through electronic access.**

30           **Sec. 3. (a) A governmental body may:**

31                **(1) if the governmental body obtains the consent of each**  
 32 **governmental body that is directly affected by the transaction,**  
 33 **recognize the net amount remitted by the provider company**  
 34 **as payment in full of an amount due the governmental entity**  
 35 **for a service, a tax, a license, a permit, a fee, information, or**  
 36 **any other amount due the governmental body that was paid**  
 37 **by an electronic payment; or**

38                **(2) collect a sum for the vendor transaction charge, discount**  
 39 **fee, or any other charge from the person who makes an**  
 40 **electronic payment.**

41           **A fee under subdivision (2) may be collected as an enhanced service**  
 42 **fee by a governmental body. The fee is a permitted additional**

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- 1 **charge under IC 24-4.5-3-202.**
- 2 **(b) A governmental body may pay a service charge or fee in**
- 3 **connection with its agreement with the provider company.**

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## COMMITTEE REPORT

Mr. President: The Senate Committee on Governmental and Regulatory Affairs, to which was referred Senate Bill No. 329, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 4, delete "." and insert ", **including but not limited to:**

**(A) Fed wire; and**

**(B) Automated Clearing House."**

Page 2, delete lines 35 through 38, begin a new paragraph and insert:

**"(c) The state or a state agency must use the provider company provided or specified by the network manager established by the intelenet commission under IC 5-21-2-2(c) to accept an electronic payment submitted to the governmental body as payment for a fee based service, license, or permit or for fee based information obtained through electronic access."**

Page 3, line 3, delete "equal to the amount of a" and insert "**for the**".

Page 3, delete lines 6 through 9, begin a new line blocked left and insert:

**"A fee under subdivision (2) may be collected as an enhanced service fee by a governmental body. The fee is a permitted additional charge under IC 24-4.5-3-202."**

and when so amended that said bill do pass.

(Reference is to SB 329 as introduced.)

MERRITT, Chairperson

Committee Vote: Yeas 8, Nays 0.

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SENATE MOTION

Mr. President: I move that Senate Bill 329 be amended to read as follows:

Page 3, line 2, after "(1)" insert "**if the governmental body obtains the consent of each governmental body that is directly affected by the transaction,**".

(Reference is to SB 329 as printed February 1, 2002.)

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## COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Policy, Ethics and Veterans Affairs, to which was referred Senate Bill 329, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 7, after "body" insert "**that conducts a transaction through the computer gateway administered by the intelenet commission**".

Page 2, line 7, delete ":" and insert "**the state or a state agency**".

Page 2, delete lines 8 through 14.

Page 2, line 23, after "body" insert "**for a transaction conducted through the computer gateway administered by the intelenet commission**".

Page 2, delete lines 27 through 36.

Page 2, line 37, delete "(c) The state or a state agency" and insert "**(b) A governmental body**".

Page 3, delete lines 17 through 42.

Delete pages 4 through 5.

and when so amended that said bill do pass.

(Reference is to SB 329 as reprinted February 5, 2002.)

KUZMAN, Chair

Committee Vote: yeas 11, nays 1.

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