

# HOUSE BILL No. 1145

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 36-1-8-11.

**Synopsis:** Payments to political subdivisions or utilities. Authorizes a political subdivision or municipally owned utility to charge a reasonable fee for administration and convenience when accepting a credit card or bank card for payments.

**Effective:** July 1, 2013.

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## Candelaria Reardon

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January 10, 2013, read first time and referred to Committee on Local Government.

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First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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## HOUSE BILL No. 1145



A BILL FOR AN ACT to amend the Indiana Code concerning local government.

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

- 1 SECTION 1. IC 36-1-8-11, AS AMENDED BY P.L.137-2012,
- 2 SECTION 115, IS AMENDED TO READ AS FOLLOWS
- 3 [EFFECTIVE JULY 1, 2013]: Sec. 11. (a) This section does not apply
- 4 to a county treasurer governed by IC 36-2-10-23.
- 5 (b) As used in this section, "credit card" means a:
- 6 (1) credit card;
- 7 (2) debit card;
- 8 (3) charge card; or
- 9 (4) stored value card.
- 10 (c) A payment to a political subdivision or a municipally owned
- 11 utility for any purpose may be made by any of the following financial
- 12 instruments that the fiscal body of the political subdivision or the board
- 13 of the municipally owned utility authorizes for use:
- 14 (1) Cash.
- 15 (2) Check.
- 16 (3) Bank draft.
- 17 (4) Money order.



1 (5) Bank card or credit card.

2 (6) Electronic funds transfer.

3 (7) Any other financial instrument authorized by the fiscal body.

4 (d) If there is a charge to the political subdivision or municipally  
5 owned utility for the use of a financial instrument, the political  
6 subdivision or municipally owned utility may collect a sum equal to the  
7 amount of the charge from the person who uses the financial  
8 instrument.

9 (e) If authorized by the fiscal body of the political subdivision or the  
10 board of the municipally owned utility, the political subdivision or  
11 municipally owned utility may accept payments under this section with  
12 a bank card or credit card under the procedures set forth in this section.  
13 However, the procedure authorized for a particular type of payment  
14 must be uniformly applied to all payments of the same type.

15 (f) The political subdivision or municipally owned utility may  
16 contract with a bank card or credit card vendor for acceptance of bank  
17 cards or credit cards. However, if there is a vendor transaction charge  
18 or discount fee, whether billed to the political subdivision or  
19 municipally owned utility or charged directly to the political  
20 subdivision's or municipally owned utility's account, the political  
21 subdivision or municipally owned utility may collect from the person  
22 using the card **either or both of the following:**

23 (1) An official fee that may not exceed the transaction charge or  
24 discount fee charged to the political subdivision or municipally  
25 owned utility by bank or credit card vendors.

26 (2) **A reasonable fee for administration and convenience. This**  
27 **fee may be collected regardless of retail merchant agreements**  
28 **between the bank and credit card vendors that may prohibit**  
29 **such a fee.**

30 ~~The fee is a~~ **These fees are** permitted additional ~~charge~~ **charges** under  
31 IC 24-4.5-3-202.

32 (g) The political subdivision or municipally owned utility may pay  
33 any applicable bank card or credit card service charge associated with  
34 the use of a bank card or credit card under this subsection.

35 (h) The authorization of the fiscal body of the political subdivision  
36 is not required by the bureau of motor vehicles or the bureau of motor  
37 vehicles commission to use electronic funds transfer or other financial  
38 instruments to transfer funds to the political subdivision.

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