
DIGEST

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Cortez

HB No. 324

Abstract: Authorizes the Dept. of Insurance to accept credit and debit cards for payment of obligations owed to the state through use of a third-party processor with a convenience fee charged by such processor.

Present law authorizes any state entity to accept payments of obligations it is authorized to collect by means of credit cards, debit cards, or similar payment devices as approved by the state treasurer. Further requires a state entity to assess a fee for such transactions in an amount established by the treasurer provided that the fee is a uniform dollar amount or percentage assessed for each card or device. Provides that such fee is deemed to be a "state charge".

Present law exempts public postsecondary institutions of higher education, public postsecondary institutions of higher education, or transactions administered by a third-party processor for the Dept. of Revenue, the DOTD, or the DEQ from the requirement of present law to assess a "state charge" fee on credit card, debit card, or other like transactions.

Proposed law adds the Dept. of Insurance to the state entities exempted from assessing a "state charge" fee on credit card, debit card, or other like transactions; otherwise retains present law.

Present law provides that, notwithstanding present law above, a convenience fee may be charged by a private third-party payment processor for the Dept. of Revenue, the DOTD, or the DEQ and provides that such fee shall not be considered to be a "state charge". Provides that such fee shall be paid directly to the private third-party processor by the payor.

Present law further requires that the amount of the convenience fee be approved by the Senate Committee on Revenue and Fiscal Affairs and the House Committee on Ways and Means. Also requires that the amount of the convenience fee be disclosed to the payor before the transaction is completed and that the payor be given the option of canceling the transaction at that time.

Proposed law adds the Dept. of Insurance to the state entities for which a convenience fee may be charged by a private third-party payment processor; otherwise retains present law.

(Amends R.S. 49:316.1(A)(2)(a) and (c))