

RÉSUMÉ DIGEST

ACT 414 (HB 638)

2015 Regular Session

Ivey

Existing law authorizes the Department of Public Safety and Corrections to collect certain fees associated with the suspension of an operator's license (R.S. 32:57.1) and related to automobile insurance requirements (R.S. 32:863 and 863.1).

New law provides that such fees are due within 60 days of the date of notice to pay these fees. Further provides that after 60 days, these fees shall be considered final delinquent debt.

New law requires the office of motor vehicles to refer all final delinquent debt to the office of debt recovery. Further provides that final delinquent debt shall be collected by the office of debt recovery pursuant to the provisions of new law and shall be deposited in the Debt Recovery Fund. Provides that \$25 million from the fund shall be utilized by the office of state police.

Existing law establishes the office of debt recovery within the Dept. of Revenue to aid in the collection of delinquent debts on behalf of state agencies that do not have debt collection contracts with the attorney general's office.

New law establishes procedures for state agencies to consider debt that is 60 days or more past due as final delinquent debt that is collectible by the office of debt recovery.

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

Prior law (R.S. 40:1322) authorized the collection of convenience fees on credit card transactions authorized for the Department of Public Safety and Corrections including a \$1 fee for transactions through 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. Prior law further provided that the percentage rate used to calculate the fee on in-person transactions was the percentage rate used by the bank to calculate its processing fee.

New law changes the provisions regarding the amount of the convenience fee from a required amount to a fee that may either be a uniform dollar amount, a percentage of the transaction, or a tiered amount based on the transaction amount.

Prior law (R.S. 49:316.1) required agencies that accept credit card payments to assess certain fees, as established by the treasurer, when accepting payment as authorized in prior law. New law removes requirement to assess these fees and provides that the assessment of these fees is permissive.

New law further changes the provisions regarding the amount of the convenience fee from a uniform dollar amount to a fee that may either be a uniform dollar amount, a percentage of the transaction, or a tiered amount based on the transaction amount.

New law changes one of the authorized payment methods to be accepted from "similar payment devices" to "other forms of electronic payments" to broaden the forms of payment accepted by state agencies.

Prior law allowed certain agencies to use a third-party processor to collect a convenience fee on payments authorized in prior law. The agencies permitted in prior law to use the third-party processor were the following:

- (1) Department of Revenue.
- (2) Department of Insurance.
- (3) Department of Transportation and Development.

- (4) Department of Public Safety and Corrections.
- (5) Department of Wildlife and Fisheries.
- (6) Department of Environmental Quality.

New law changes the agencies allowed to use a third-party solution to collect a convenience fee from those agencies specifically authorized in prior law to any state entity.

New law provides for review and recommendation of the treasurer on the fee charged by a third-party solution.

New law changes the term of the third-party that is authorized in existing law from "third-party processor" to "third-party solution" and further defines third-party solution.

New law does not apply to any payments made through a nationwide licensing or registry system, or any payments made pursuant to existing law in the Louisiana Securities Law.

Effective August 1, 2015.

(Amends R.S. 32:863(A)(3)(a) and (B)(intro. para.) and 863.1(C)(1)(b), R.S. 40:1322(B), R.S. 47:1676(G), (H), (I), and (J), and R.S. 49:316.1; Adds R.S. 32:8 and 57.1(C) and R.S. 47:1676(K))