

**ELECTRONIC PAYMENTS TO LOCAL
GOVERNMENT ENTITIES**

2005 GENERAL SESSION

STATE OF UTAH

Sponsor: Joseph G. Murray

LONG TITLE

General Description:

This bill enacts provisions related to the acceptance of electronic payments by local government entities.

Highlighted Provisions:

This bill:

▶ authorizes counties, municipalities, and independent special districts to accept electronic payments and to charge an electronic payment fee.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

10-8-85.6, Utah Code Annotated 1953

17-15-28, Utah Code Annotated 1953

17A-2-105, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **10-8-85.6** is enacted to read:

10-8-85.6. Definitions -- Electronic payments -- Fee.



28 (1) As used in this section:

29 (a) "Electronic payment" means the payment of money to a municipality by electronic
30 means, including by means of a credit card, debit card, or automatic clearinghouse transaction.

31 (b) "Electronic payment fee" means an amount of money to defray the discount fee,
32 processing fee, or other fee charged by a credit card company or processing agent to process an
33 electronic payment.

34 (c) "Processing agent" means a bank, transaction clearinghouse, or other third party
35 that charges a fee to process an electronic payment.

36 (2) A municipality may accept an electronic payment for the payment of funds which
37 the municipality could have received through another payment method.

38 (3) A municipality that accepts an electronic payment may charge an electronic
39 payment fee.

40 Section 2. Section **17-15-28** is enacted to read:

41 **17-15-28. Definitions -- Electronic payments -- Fee.**

42 (1) As used in this section:

43 (a) "Electronic payment" means the payment of money to a county by electronic means,
44 including by means of a credit card, debit card, or automatic clearinghouse transaction.

45 (b) "Electronic payment fee" means an amount of money to defray the discount fee,
46 processing fee, or other fee charged by a credit card company or processing agent to process an
47 electronic payment.

48 (c) "Processing agent" means a bank, transaction clearinghouse, or other third party
49 that charges a fee to process an electronic payment.

50 (2) A county may accept an electronic payment for the payment of funds which the
51 county could have received through another payment method.

52 (3) A county that accepts an electronic payment may charge an electronic payment fee.

53 Section 3. Section **17A-2-105** is enacted to read:

54 **17A-2-105. Definitions -- Electronic payments -- Fee.**

55 (1) As used in this section:

56 (a) "Electronic payment" means the payment of money to an independent special
57 district by electronic means, including by means of a credit card, debit card, or automatic
58 clearinghouse transaction.

59 **(b) "Electronic payment fee" means an amount of money to defray the discount fee,**
60 **processing fee, or other fee charged by a credit card company or processing agent to process an**
61 **electronic payment.**

62 **(c) "Processing agent" means a bank, transaction clearinghouse, or other third party**
63 **that charges a fee to process an electronic payment.**

64 **(2) An independent special district may accept an electronic payment for the payment**
65 **of funds which the independent special district could have received through another payment**
66 **method.**

67 **(3) An independent special district that accepts an electronic payment may charge an**
68 **electronic payment fee.**

Legislative Review Note
as of 12-14-04 3:26 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number HB0051

Electronic Payments to Local Government Entities

13-Jan-05

10:40 AM

State Impact

No fiscal impact.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst