

CHAPTER.....

AN ACT relating to state financial administration; revising the manner of calculating the maximum fee per transaction for the use of a credit card, debit card or electronic transfer of money to make a payment to a state agency, local government or court; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law limits the amount of any fee that may be charged by a state agency or local government for the use of a credit card, debit card or electronic transfer of money to make a payment to the state agency or local government to an amount not to exceed the cost to the state agency or local government for the transaction. (NRS 353.1465, 354.770) **Sections 1 and 2** of this bill revise that limitation to allow each state agency and local government to aggregate these fees over the period of a fiscal year to determine the maximum amount that may be charged per transaction. **Section 3** of this bill makes the same change to the limitation on the amount that a court may charge for the use of a credit card or debit card. This bill also clarifies that the fees charged by state agencies, local governments and the courts for the use of a credit card or debit card and by state agencies and local governments for the use of an electronic transfer of money are convenience fees.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 353.1465 is hereby amended to read as follows:

353.1465 1. Upon approval of the State Board of Finance, a state agency may enter into contracts with issuers of credit cards or debit cards or operators of systems that provide for the electronic transfer of money to provide for the acceptance of credit cards, debit cards or electronic transfers of money by the agency:

(a) For the payment of money owed to the agency for taxes, interest, penalties or any other obligation; or

(b) In payment for goods or services.

2. Before a state agency may enter into a contract pursuant to subsection 1, the agency must submit the proposed contract to the State Treasurer for his review and transmittal to the State Board of Finance.

3. Except as otherwise provided in subsection 4, if the issuer or operator charges the state agency a fee for each use of a credit card or debit card or for each electronic transfer of money, the state agency may require the cardholder or the person requesting the electronic transfer of money to pay a *convenience* fee ~~[which]~~ *when*



appropriate and authorized. The total convenience fees charged by the state agency in a fiscal year must not exceed the total amount of fees charged to the state agency by the issuer or operator ~~H~~ in that fiscal year.

4. A state agency that is required to pay a fee charged by the issuer or operator for the use of a credit card or debit card or for an electronic transfer of money may, pursuant to NRS 353.148, file a claim with the Director of the Department of Administration for reimbursement of the fees paid to the issuer or operator during the immediately preceding quarter.

5. The Director of the Department of Administration shall adopt regulations providing for the submission of payments to state agencies pursuant to contracts authorized by this section. The regulations must not conflict with a regulation adopted pursuant to NRS 360.092 or 360A.020.

6. As used in this section:

(a) "Cardholder" means the person or organization named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued by an issuer.

(b) *"Convenience fee" means a fee paid by a cardholder or person requesting the electronic transfer of money to a state agency for the convenience of using the credit card or debit card or the electronic transfer of money to make such payment.*

(c) "Credit card" means any instrument or device, whether known as a credit card or credit plate or by any other name, issued with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit.

~~H(e)~~ (d) "Debit card" means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds.

~~H(d)~~ (e) "Electronic transfer of money" has the meaning ascribed to it in NRS 463.01473.

~~H(e)~~ (f) "Issuer" means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit card or debit card.

Sec. 2. NRS 354.770 is hereby amended to read as follows:

354.770 1. A local government may enter into contracts with issuers of credit cards or debit cards, or operators of systems that provide for the electronic transfer of money to provide for the acceptance of credit cards, debit cards or electronic transfers of money by the local government:



(a) For the payment of money owed to the local government for taxes, interest, penalties or any other obligation; or

(b) In payment for goods or services.

2. If the issuer or operator charges the local government a fee for each use of a credit card or debit card or for each electronic transfer of money, the local government may require the cardholder or the person requesting the electronic transfer of money to pay a *convenience fee* ~~[-which]~~ *when appropriate and authorized. The total convenience fees charged by the local government in a fiscal year* must not exceed the *total* amount *of fees* charged to the local government by the issuer or operator ~~[-]~~ *in that fiscal year.*

3. As used in this section:

(a) “Cardholder” means the person or organization named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued by an issuer.

(b) *“Convenience fee” means a fee paid by a cardholder or person requesting the electronic transfer of money to a local government for the convenience of using the credit card or debit card or the electronic transfer of money to make such payment.*

(c) “Credit card” means any instrument or device, whether known as a credit card or credit plate, or by any other name, issued with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit.

~~[(e)]~~ (d) “Debit card” means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds.

~~[(d)]~~ (e) “Electronic transfer of money” has the meaning ascribed to it in NRS 463.01473.

~~[(e)]~~ (f) “Issuer” means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit card or debit card.

~~[(f)]~~ (g) “Local government” has the meaning ascribed to it in NRS 354.474, except that the term does not include a court that has entered into a contract pursuant to NRS 1.113.

Sec. 3. NRS 1.113 is hereby amended to read as follows:

1.113 1. A court in this State may enter into contracts with issuers of credit cards or debit cards to provide for the acceptance of credit cards or debit cards by the court for the payment of money owed to the court for a fee, fine, administrative assessment, restitution or any other charge owed to the court.



2. If the issuer charges the court a fee for each use of a credit card or debit card, the court may require the cardholder to pay a *convenience* fee. The ~~{fee}~~ *total convenience fees* charged by the court *in a fiscal year* must not exceed the *total amount of fees* charged *to the court* by the issuer ~~{for the use of the card.}~~ *in that fiscal year.*

3. As used in this section:

(a) “Cardholder” means the person or organization named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued by an issuer.

(b) *“Convenience fee” means a fee paid by a cardholder to a court for the convenience of using a credit card or debit card to make a payment to the court.*

(c) “Credit card” means any instrument or device, whether known as a credit card or credit plate, or by any other name, issued with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit.

~~{(d)}~~ (d) “Debit card” means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds.

~~{(e)}~~ (e) “Issuer” means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit card or debit card.

Sec. 4. This act becomes effective on July 1, 2009.

