

1 SB280
2 148034-3
3 By Senator Holley
4 RFD: Governmental Affairs
5 First Read: 28-FEB-13

2
3
4
5
6
7
8 SYNOPSIS: Under existing law, there is no provision
9 which allows the county commission of a county to
10 utilize a credit or debit card for county
11 purchasing.

12 This bill would allow a county commission to
13 establish procedures to allow the chief
14 administrative officer to make limited purchases
15 utilizing a credit or debit card provided the
16 proper procedures are followed.

17
18 A BILL
19 TO BE ENTITLED
20 AN ACT
21

22 To authorize the county commission of a county to
23 establish procedures to allow the chief administrative officer
24 to make limited purchases utilizing a credit or debit card
25 provided the proper procedures are followed.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1 Section 1. (a) For the purposes of this act, the
2 following words shall have the following meanings:

3 (1) CHIEF ADMINISTRATIVE OFFICER. A person employed
4 by the county commission of a county pursuant to Section
5 11-3-18, Code of Alabama 1975.

6 (2) CREDIT CARD. A line of credit issued by a
7 domestic lender or credit card bank.

8 (3) DEBIT CARD. A card issued by a bank in relation
9 to a checking or savings account held by the county
10 commission.

11 (b) To provide for convenience in making purchases
12 of tangible personal property or services approved by the
13 county commission, the county commission of a county may
14 establish procedures for the chief administrative officer to
15 make certain purchases through use of a credit or debit card
16 issued to the county commission. The county commission shall
17 promulgate written policy and procedures governing the
18 utilization of credit or debit cards which, at a minimum,
19 shall include each of the following:

20 (1) A monetary limit on the amount of any individual
21 purchase which may be made with a credit or debit card.

22 (2) A monetary limit on the total monthly amount
23 that may be purchased with a credit or debit card, taking into
24 consideration the debt limit of the county, which shall not be
25 greater than one-fourth of one percent (.25 percent) of the
26 general fund budget of the county.

1 (3) Procedures to ensure that the chief
2 administrative officer has sole access to any credit or debit
3 card issued to the county commission.

4 (4) Procedures to ensure that the chief
5 administrative officer has sole access to credit or debit card
6 numbers, access codes, or security codes.

7 (5) Procedures for public officials and department
8 heads to properly submit purchase orders to the chief
9 administrative officer for the purchase of items or services
10 which may be paid for utilizing a credit or debit card.

11 (6) Procedures for the chief administrative officer
12 to keep accurate records of all purchases made with a credit
13 or debit card, which records shall be periodically reviewed by
14 the chair of the county commission and may be reviewed
15 periodically by any other member of the county commission.

16 (7) Procedures to ensure that all credit or debit
17 card bills are carefully reviewed by the chief administrative
18 officer each month to make sure that no unauthorized charges
19 appear on the bill.

20 (8) Procedures to ensure that all credit or debit
21 card bills are paid in full on a timely basis each month to
22 avoid service charges, late fees, or interest payments.

23 (9) Procedures to ensure that the county is at all
24 times in compliance with the provisions of Title 39 and
25 Article 3 of Chapter 16, Title 41, Code of Alabama 1975.

1 (c) The county commission shall select the credit or
2 debit card provider or providers taking into consideration
3 each of the following:

4 (1) Whether the credit or debit card issuer requires
5 an annual fee for utilizing the card.

6 (2) Whether the credit or debit card issuer offers
7 rewards or rebates based upon purchases made utilizing the
8 account.

9 (3) What interest rates, service charges, finance
10 charges, or late fees, will be assessed in the event a bill
11 from the credit or debit card issuer is paid late or the
12 balance is not paid in full.

13 (4) Whether penalties or fees will be assessed
14 against the county in the event it decides to terminate the
15 credit or debit card.

16 (5) Any other consideration deemed relevant by the
17 county commission.

18 (d) In the event the credit or debit card provides
19 rewards or rebates based upon use of the card, any rewards or
20 rebates earned from the card or cards shall be deposited into
21 the county general fund of the county.

22 Section 2. This act shall become effective
23 immediately following its passage and approval by the
24 Governor, or its otherwise becoming law.