

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FOURTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 955**

Introduced by Scheer, 19.

Read first time January 14, 2016

Committee:

- 1 A BILL FOR AN ACT relating to state agencies; to amend section 81-118.01,
- 2 Reissue Revised Statutes of Nebraska; to except the University of
- 3 Nebraska and the Nebraska State College System from participation in
- 4 certain state contracts regarding electronic payments as prescribed;
- 5 and to repeal the original section.
- 6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 81-118.01, Reissue Revised Statutes of Nebraska,  
2 is amended to read:

3 81-118.01 (1) Any state official or state agency may accept credit  
4 cards, charge cards, or debit cards, whether presented in person or  
5 electronically, or electronic funds transfers as a method of cash payment  
6 of any tax, levy, excise, duty, custom, toll, interest, penalty, fine,  
7 license, fee, or assessment of whatever kind or nature, whether general  
8 or special, as provided by section 77-1702.

9 (2) The total amount of such taxes, levies, excises, duties,  
10 customs, tolls, interest, penalties, fines, licenses, fees, or  
11 assessments of whatever kind or nature, whether general or special, paid  
12 for by credit card, charge card, debit card, or electronic funds transfer  
13 shall be collected by the state official or state agency.

14 (3) Any state official or state agency operating a facility in a  
15 proprietary capacity may choose to accept credit cards, charge cards, or  
16 debit cards, whether presented in person or electronically, or electronic  
17 funds transfers as a means of cash payment, and may adjust the price for  
18 services to reflect the handling and payment costs.

19 (4) The state official or state agency shall obtain, for each  
20 transaction, authorization for use of any credit card, charge card, or  
21 debit card used pursuant to this section from the financial institution,  
22 vending service company, credit card or charge card company, or third-  
23 party merchant bank providing such service.

24 (5) Except with respect to the University of Nebraska and the  
25 Nebraska State College System, the The types of credit cards, charge  
26 cards, or debit cards accepted and the payment services provided for any  
27 state official or state agency shall be determined by the State Treasurer  
28 and the Director of Administrative Services with the advice of the  
29 committee convened pursuant to subsection (5) of section 13-609. The  
30 State Treasurer and the director shall contract with one or more credit  
31 card, charge card, or debit card companies or third-party merchant banks

1 for services on behalf of the state and those counties, cities, and  
2 political subdivisions that choose to participate in the state contract  
3 for such services. The University of Nebraska and the Nebraska State  
4 College System may choose to participate in the state contract for such  
5 services. Any negotiated discount, processing, or transaction fee imposed  
6 by a credit card, charge card, or debit card company or third-party  
7 merchant bank shall be considered, for purposes of this section, as an  
8 administrative expense.

9 (6) A state official or state agency obtaining, for each  
10 transaction, authorization for use of any credit card or charge card used  
11 pursuant to this section may, but is not required to, impose a surcharge  
12 or convenience fee upon the person making a payment by credit card or  
13 charge card so as to wholly or partially offset the amount of any  
14 discount or administrative fees charged to the state agency, but the  
15 surcharge or convenience fee shall not exceed the surcharge or  
16 convenience fee imposed by the credit card or charge card companies or  
17 third-party merchant banks which have contracted under subsection (5) of  
18 this section. The surcharge or convenience fee shall be applied only when  
19 allowed by the operating rules and regulations of the credit card or  
20 charge card involved or when authorized in writing by the credit card or  
21 charge card company involved. When a person elects to make a payment to a  
22 state agency by credit card or charge card and such a surcharge or  
23 convenience fee is imposed, the payment of such surcharge or convenience  
24 fee shall be deemed voluntary by such person and shall be in no case  
25 refundable. If a payment is made electronically by credit card, charge  
26 card, debit card, or electronic funds transfer as part of a system for  
27 providing or retrieving information electronically, the state official or  
28 state agency shall be authorized but not required to impose an additional  
29 surcharge or convenience fee upon the person making a payment.

30 (7) For purposes of this section, electronic funds transfer means  
31 the movement of funds by nonpaper means, usually through a payment

1 system, including, but not limited to, an automated clearinghouse or the  
2 Federal Reserve's Fedwire system.

3 Sec. 2. Original section 81-118.01, Reissue Revised Statutes of  
4 Nebraska, is repealed.