

Senate Study Bill 1092

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL
BY CHAIRPERSON
GASKILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to electronic financial transactions with county
2 treasurers.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1600SC 80
5 av/cl/14

PAG LIN

1 1 Section 1. Section 12C.1, subsection 2, paragraph e, Code
1 2 2003, is amended to read as follows:
1 3 e. "Public funds" and "public deposits" mean the moneys of
1 4 the state or a political subdivision or instrumentality of the
1 5 state including a county, school corporation, special
1 6 district, drainage district, unincorporated town or township,
1 7 municipality, or municipal corporation or any agency, board,
1 8 or commission of the state or a political subdivision; any
1 9 court or public body noted in subsection 1; a legal or
1 10 administrative entity created pursuant to chapter 28E; an
1 11 electric power agency as defined in section 28F.2 or 476A.20;
1 12 and federal and state grant moneys of a quasi-public state
1 13 entity that are placed in a depository pursuant to this
1 14 chapter; and moneys placed in a depository for the purpose of
1 15 completing an electronic financial transaction pursuant to
1 16 section 14B.203 or 331.427.

1 17 Sec. 2. Section 12C.4, Code 2003, is amended to read as
1 18 follows:
1 19 12C.4 LOCATION OF DEPOSITORIES.
1 20 Deposits by the treasurer of state shall be in depositories
1 21 located in this state; by a county officer or county public
1 22 hospital officer or merged area hospital officer, in
1 23 depositories located in the county or in an adjoining county
1 24 within this state; by a memorial hospital treasurer, in a
1 25 depository located within this state which shall be selected
1 26 by the memorial hospital treasurer and approved by the
1 27 memorial hospital commission; by a city treasurer or other
1 28 city financial officer, in depositories located in the county
1 29 in which the city is located or in an adjoining county, but if
1 30 there is no depository in the county in which the city is
1 31 located or in an adjoining county then in any other depository
1 32 located in this state which shall be selected as a depository
1 33 by the city council; by a school treasurer or by a school
1 34 secretary in a depository within this state which shall be
1 35 selected by the board of directors or the trustees of the
2 1 school district; by a township clerk in a depository located
2 2 within this state which shall be selected by the township
2 3 clerk and approved by the trustees of the township. However,
2 4 deposits may be made in depositories outside of Iowa for the
2 5 purpose of paying principal and interest on bonded
2 6 indebtedness of any municipality when the deposit is made not
2 7 more than ten days before the date the principal or interest
2 8 becomes due. Further, the treasurer of state may maintain an
2 9 account or accounts outside the state of Iowa for the purpose
2 10 of providing custodial services for the state and state
2 11 retirement fund accounts. Deposits made for the purpose of
2 12 completing an electronic financial transaction pursuant to
2 13 section 14B.203 or 331.427 may be made in any depository
2 14 located in this state.

2 15 Sec. 3. Section 331.427, Code 2003, is amended by adding
2 16 the following new subsection:
2 17 NEW SUBSECTION. 1A. Fees and charges including service
2 18 delivery fees, credit card fees, and electronic funds transfer
2 19 charges payable to a third party, not to the county, that are
2 20 imposed for completing an electronic financial transaction
2 21 with the county are not considered county revenues for

2 22 purposes of subsection 1.

2 23 Sec. 4. Section 331.553, subsection 5, Code 2003, is
2 24 amended to read as follows:

2 25 5. Accept credit cards and electronic transfers of funds
2 26 in payment of moneys due to the county, including but not
2 27 limited to credits and reimbursements received from the state,
2 28 tax payments, and tax sale redemptions. A county treasurer
2 29 may adjust fees to reflect the cost of processing such
2 30 payments.

2 31 Sec. 5. Section 445.57, Code 2003, is amended by adding
2 32 the following new unnumbered paragraph after unnumbered
2 33 paragraph 2:

2 34 NEW UNNUMBERED PARAGRAPH. Fees and charges including
2 35 service delivery fees, credit card fees, and electronic funds
3 1 transfer charges payable to a third party, not to the county,
3 2 that are imposed for completing an electronic financial
3 3 transaction with the county are not considered taxes collected
3 4 for the purposes of this section.

3 5 EXPLANATION

3 6 This bill relates to electronic funds transactions with
3 7 county treasurers. The bill amends the definition of "public
3 8 funds" and "public deposits" to provide that moneys placed in
3 9 a depository for the purpose of completing an electronic
3 10 financial transaction pursuant to Code section 14B.203 using
3 11 the IowaAccess information and transaction service or Code
3 12 section 331.427, concerning county revenues from taxes and
3 13 other sources, are considered public funds or public deposits
3 14 and such deposits may be made in any depository in the state.
3 15 The bill also provides that county treasurers can accept
3 16 credit cards as well as electronic funds transfers for
3 17 payments owed to the county and may adjust fees to reflect the
3 18 cost of processing such payments. The bill also provides that
3 19 fees and charges including service delivery fees, credit card
3 20 fees, and electronic funds transfer charges payable to a third
3 21 party, not to the county, that are imposed for completing an
3 22 electronic financial transaction with the county are not
3 23 considered county revenues.

3 24 LSB 1600SC 80

3 25 av/cl/14