

BILL ANALYSIS

Senate Research Center
79R11160 HLT-F

H.B. 1935
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Natural Resources
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Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Under current law, municipalities and counties have the authority to charge a processing fee in an amount reasonably related to the expense incurred to process the payment by credit card, not to exceed five percent of the amount of the fee or charge being paid.

Water districts receive many requests from customers to pay fees and charges by credit or debit card. However, there is an extra expense involved in processing payments by credit card. Like municipalities and counties, water districts should be able to pass these costs to the customers who utilize this service instead of distributing the cost amongst all customers, most of whom mail in checks for payment.

H.B. 1935 provides for the acceptance of credit cards by a water district for the payment of fees and charges imposed by water districts.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter H, Chapter 49, Water Code, by adding Section 49.2121, as follows:

Sec. 49.2121. ACCEPTANCE OF CREDIT CARDS. (a) Defines "credit card."

(b) Authorizes a water district to take certain actions relating to credit card charges.

(c) Prohibits the service charge under Subsection (b)(3) from exceeding the amount charged for the collection of a check drawn on an account with insufficient funds.

(d) Prohibits a water district from collecting the service charge under Subsection (b)(3) if certain conditions are present.

SECTION 2. Effective date: September 1, 2005.