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Bill Analysis

Legislative Service Commission

S.B. 241

127th General Assembly
(As Introduced)

Sens. Cates, Carey, Mumper, Schuring, Faber, Padgett

BILL SUMMARY

- In regards to making payments owed to county offices, expands the definition of "financial transaction device" and adds county commissioners to the definition of "county elected official."

CONTENT AND OPERATION

Use of financial transaction devices to make payments owed to county offices

Current law

(R.C. 301.28)

Current law permits a board of county commissioners to adopt a resolution authorizing the acceptance of payments by financial transaction devices (FTDs), which includes credit cards, debit cards, charge cards, and prepaid or stored value cards, to pay expenses owed to a county office that is under a county elected official's authority. The resolution must specify: the county elected officials¹ authorized to accept FTD payments, county expenses that may be paid by FTDs, FTDs that are acceptable means of payment, any amount authorized as an FTD surcharge or convenience fee,² and a penalty if a payment made by FTD is returned or dishonored.

¹ Current law defines "county elected official" to include the county auditor, county treasurer, county engineer, county recorder, county prosecuting attorney, county sheriff, and county coroner, and the clerk of the court of common pleas, the clerk of a county-operated municipal court, and the clerk of a county court (R.C. 301.28(A)).

² Every county office accepting payment by FTD must clearly post a notice and notify each person making the payment about the surcharge or fee. The notice must be provided regardless of the medium used to make the payment and in a manner appropriate to that medium. (R.C. 301.28(E).)

A board must send a copy of the resolution to each county elected official the resolution authorizes to accept FTD payments. The county elected official must notify the board of the official's intent to implement the resolution. A county elected official or employee who lawfully accepts an FTD payment is immune from personal liability for the final collection of such payments. The adoption of an FTD resolution does not require a county office to accept payments by FTDs if the county elected official determines not to do so for certain county expenses.

Unless the county treasurer opts out or is removed from the duty by the board, the treasurer acts as an administrative agent to solicit proposals from financial institutions, issuers of FTDs, and processors of FTDs, to make recommendations about those proposals to the board, and to assist county offices in implementing the FTD program.

The bill

(R.C. 301.28(A))

The bill changes current law in two ways. First, the bill expands the definition of "financial transaction device" to include automated clearinghouse network credit, debit, or e-check entry that includes, but is not limited to, accounts receivable and internet-initiated, point of purchase, and telephone-initiated applications. Second, the bill adds county commissioners to the definition of "county elected official."³

HISTORY

| ACTION | DATE |
|------------|----------|
| Introduced | 10-10-07 |

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³ Although the current definition of "county elected official" does not explicitly mention county commissioner, the definition is not exhaustive and may be read to include these officials.