

1 AN ACT concerning the payment of local government fees.

2 Be it enacted by the People of the State of Illinois,
3 represented in the General Assembly:

4 Section 5. The Local Government Acceptance of Credit
5 Cards Act is amended by changing Section 25 as follows:

6 (50 ILCS 345/25)

7 Sec. 25. Payment of fees by cardholders.

8 (a) The governing body of a local governmental entity
9 authorizing acceptance of payment by credit card may, but is
10 not required to, impose a convenience fee or surcharge upon a
11 cardholder making payment by credit card in an amount to
12 wholly or partially offset, but in no event exceed, the
13 amount of any discount or processing fee incurred by the
14 local governmental entity. This convenience fee or surcharge
15 may be applied only when allowed under the operating rules
16 and regulations of the credit card involved. When a
17 cardholder elects to make a payment by credit card to a local
18 governmental entity and a convenience fee or surcharge is
19 imposed, the payment of the convenience fee or surcharge
20 shall be deemed voluntary by the person and shall not be
21 refundable.

22 (b) No fee, or accumulation of fees, that exceeds the
23 lesser of \$20 or 5% of the principal amount charged may be
24 imposed in connection with the issuance of any license,
25 sticker, or permit, or with respect to any other similar
26 transaction. No fee, or accumulation of fees, that exceeds
27 the lesser of \$5 or 5% of the transaction involved may be
28 imposed in connection with the payment of any fine. No fee,
29 or accumulation of fees, in excess of the lesser of \$40 or 3%
30 of the principal amount charged may be imposed in connection
31 with the payment of any real estate or other tax.

1 (c) Notwithstanding the provisions of subsection (b), a
2 minimum fee of \$1 may be imposed with respect to any
3 transaction.

4 Notwithstanding the provisions of subsection (b), a fee
5 in excess of the limits in subsection (b) may be imposed by a
6 local governmental entity on a transaction if (i) the fee
7 imposed by the local governmental entity is no greater than a
8 fee charged by the financial institution or service provider
9 accepting and processing credit card payments on behalf of
10 the local governmental entity; (ii) the financial institution
11 or service provider accepting and processing the credit card
12 payments was selected by competitive bid and, when
13 applicable, in accordance with the provisions of the Illinois
14 Procurement Code; and (iii) the local governmental entity
15 fully discloses the amount of the fee to the cardholder.

16 (Source: P.A. 90-518, eff. 8-22-97.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.