

1-1 By: Keffer of Eastland (Senate Sponsor - Averitt) H.B. No. 1935
1-2 (In the Senate - Received from the House April 25, 2005;
1-3 April 26, 2005, read first time and referred to Committee on
1-4 Natural Resources; May 4, 2005, reported favorably by the
1-5 following vote: Yeas 9, Nays 0; May 4, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the acceptance of credit cards by a water district for
1-9 the payment of fees and charges imposed by the district.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Subchapter H, Chapter 49, Water Code, is amended
1-12 by adding Section 49.2121 to read as follows:

1-13 Sec. 49.2121. ACCEPTANCE OF CREDIT CARDS. (a) In this
1-14 section, "credit card" means a card, plate, or similar device
1-15 authorizing a designated person or bearer to obtain goods,
1-16 services, money, or any other thing of value on credit.

1-17 (b) A district may:

1-18 (1) accept a credit card for the payment of any fees
1-19 and charges imposed by the district;

1-20 (2) collect a fee, not to exceed five percent of the
1-21 amount of the fee or charge being paid, that is reasonably related
1-22 to the expense incurred by the district in processing the payment by
1-23 credit card; and

1-24 (3) collect a service charge for the expense incurred
1-25 by the district in collecting the original fee or charge if the
1-26 payment by credit card is not honored by the credit card company on
1-27 which the funds are drawn.

1-28 (c) The service charge under Subsection (b)(3) may not
1-29 exceed the amount charged for the collection of a check drawn on an
1-30 account with insufficient funds.

1-31 (d) The district may not collect the service charge under
1-32 Subsection (b)(3) if:

1-33 (1) the district is notified at the time of payment
1-34 that the payment is not honored; and

1-35 (2) the customer immediately submits to the district
1-36 an alternative form of payment.

1-37 SECTION 2. This Act takes effect September 1, 2005.

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