



Rep. Barbara Hernandez

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10400HB4537ham002

LRB104 18570 RTM 35768 a

1 AMENDMENT TO HOUSE BILL 4537

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 4537 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Local Governmental Acceptance of Credit  
5 Cards Act is amended by changing Section 20 as follows:

6 (50 ILCS 345/20)

7 Sec. 20. Election by local governmental entities to accept  
8 credit cards.

9 (a) The decision whether to accept credit card payments  
10 for any particular type of obligation shall be made by the  
11 governing body of the local governmental entity that has  
12 general discretionary authority over the manner of acceptance  
13 of payments. The governing body may adopt reasonable rules  
14 governing the manner of acceptance of payments by credit card.  
15 Except as provided in subsection (b) of Section 20-25 of the  
16 Property Tax Code, no decision to accept credit card payments

1 under this Act shall be made until the governing body has  
2 determined, following a public hearing held not sooner than 10  
3 nor later than 30 days following public notice of the hearing,  
4 that the acceptance of credit card payments for the types of  
5 authorized obligations specified in the public notice is in  
6 the best interests of the citizens and governmental  
7 administration of the local governmental entity or community  
8 college and of the students and taxpayers thereof.

9 (b) The governing body of the entity accepting payment by  
10 credit card may enter into agreements with one or more  
11 financial institutions or other service providers to  
12 facilitate the acceptance and processing of credit card  
13 payments. Such agreements shall identify the specific services  
14 to be provided, an itemized list of the fees charged, and the  
15 means by which each such fee shall be paid. Such agreements may  
16 include a discount fee to cover the costs of interchange,  
17 assessments and authorizations, a per item processing fee for  
18 the service provider, and any other fee, including a payment  
19 of a surcharge or convenience fee, that may be applicable to  
20 specific circumstances. Any agreement for acceptance of  
21 payments by credit cards may be canceled by the governmental  
22 entity upon giving reasonable notice of intent to cancel. No  
23 agreement or contract with a local governmental entity may  
24 prohibit or discriminate against the use of the State  
25 Treasurer's E-Pay program under the State Treasurer Act or any  
26 other payment processing system that the local governmental

1 entity has procured.

2 (c) An entity accepting payments by credit card may pay  
3 amounts due a financial institution or other service provider  
4 by (i) paying the financial institution or other service  
5 provider upon presentation of an invoice or (ii) allowing the  
6 financial institution or other service provider to withhold  
7 the amount of the fees from the credit card payment. A discount  
8 or processing fee may be authorized whenever the governing  
9 body of the entity determines that any reduction of revenue  
10 resulting from the discount or processing fee will be in the  
11 best interest of the entity. Items that may be considered in  
12 making a determination to authorize the payment of fees or the  
13 acceptance of a discount include, but are not limited to,  
14 improved governmental cash flows, reduction of governmental  
15 overhead, improved governmental financial security, a  
16 combination of these items, and the benefit of increased  
17 public convenience. No payment to or withheld by a financial  
18 institution or other service provider may exceed the amounts  
19 authorized under subsection (b) of Section 25.

20 (d) Unless specifically prohibited by an ordinance or rule  
21 adopted by the governing body of the local governmental  
22 entity, a person may pay multiple tax bills in a single  
23 transaction.

24 (Source: P.A. 96-1248, eff. 7-23-10.)

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.".