

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. Notwithstanding the provisions of subsection  
4 (b), a fee in excess of the limits in subsection (b) may be  
5 imposed by a local governmental entity on a transaction if  
6 (i) the fee imposed by the local governmental entity is no  
7 greater than a fee charged by the financial institution or  
8 service provider accepting and processing credit card  
9 payments on behalf of the local governmental entity and (ii)  
10 the financial institution or service provider accepting and  
11 processing the credit card payments was selected using  
12 procedures that are in accordance with the provisions of the  
13 Illinois Procurement Code.

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

15 Section 99. Effective date. This Act takes effect upon  
16 becoming law.