FINANCIAL TRANSACTION DEVICE PAYMENTS
Act 280 of 1995

AN ACT to authorize local units of government to accept financial transaction device payments.

History: 1995, Act 280, Imd. Eff. Jan. 9, 1996.

The People of the State of Michigan enact:

129.221 Definitions.

Sec. 1. As used in this act:

(a) "Credit card" means a card or device issued by a person licensed under 1984 PA 379, MCL 493.101 to 493.114, or under the consumer financial services act, 1988 PA 161, MCL 487.2051 to 487.2072, or issued by a depository financial institution as defined in section 1a of the mortgage brokers, lenders, and servicers licensing act, 1987 PA 173, MCL 445.1651a, under a credit card arrangement.

(b) "Credit card arrangement" means an unsecured extension of credit for purchasing goods or services from the credit card issuer or any other person that is made to the holder of a credit card and that is accessed with a credit card.

(c) "Financial transaction device" means any of the following:

(*i*) An electronic funds transfer card.

(*ii*) A credit card.

(*iii*) A debit card.

(d) "Governing body" means any of the following:

(*i*) The council, commission, or other entity vested with the legislative power of a village.

(*ii*) The council or other entity vested with the legislative power of a city.

(*iii*) The township board of a township.

(*iv*) The county board of commissioners of a county.

(*v*) The board of county road commissioners of a county.

(*vi*) The board of education of a local school district.

(*vii*) The board of education of an intermediate school district.

(*viii*) The board of trustees of a community college district.

(*ix*) The official body to which is granted general governing powers over an authority or organization of government established by law which may issue obligations pursuant to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and which may expend funds of the authority or organization.

(e) "Local school district" means a school district organized under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, or a district governed by a special or local act.

(f) "Local unit" means any of the following:

(*i*) A village.

(*ii*) A city.

(*iii*) A township.

(*iv*) A county.

(*v*) A county road commission.

(*vi*) A local school district.

(*vii*) An intermediate school district.

(*viii*) A community college district.

(*ix*) An authority or organization of government established by law which may issue obligations under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to MCL 141.2821, and which may expend funds of the authority or organization.

History: 1995, Act 280, Imd. Eff. Jan. 9, 1996;—Am. 2002, Act 256, Imd. Eff. May 1, 2002.

129.222 Acceptance of payment by financial transaction; prohibition.

Sec. 2. A local unit shall not accept a payment by financial transaction device if prohibited by law or charter. A local unit shall not accept a payment by financial transaction device more than 6 months after the effective date of this act unless it complies with section 3.

History: 1995, Act 280, Imd. Eff. Jan. 9, 1996.

129.223 Adoption of resolution; determination of acceptable financial transaction devices.

Sec. 3. (1) Before a local unit accepts a payment by financial transaction device for a tax, assessment, or fee, the governing body of the local unit shall adopt a resolution authorizing the acceptance of payments by

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financial transaction devices. The resolution shall designate the treasurer of the local unit as responsible for determining the types of financial transaction devices that may be accepted. The resolution may designate an additional officer or employee as jointly responsible with the treasurer for determining the financial transaction devices that may be accepted. However, if the treasurer is not an elected treasurer, the resolution may provide that the determination of the types of financial transaction devices shall be subsequently approved by resolution of the governing body. The determination of the financial transaction devices that may be accepted shall comply with any resolution for the deposit of public money under section 2 of Act No. 40 of the Public Acts of the First Extra Session of 1932, being section 129.12 of the Michigan Compiled Laws, applicable to that local unit. The resolution under this subsection shall specify any taxes, assessments, or fees for which payments by financial transaction devices will not be accepted.

(2) Notwithstanding the resolution adopted under subsection (1), if an elected official's office has direct responsibility to collect a tax, assessment, or fee and the elected official is not a voting member of the governing body of the local unit, the elected official may determine not to accept payments by financial transaction devices for that particular tax, assessment, or fee. Before implementing such a determination, the elected official shall notify the governing body of the local unit in writing of the particular tax, assessment, or fee for which payments by financial transaction devices will not be accepted.

History: 1995, Act 280, Imd. Eff. Jan. 9, 1996.

129.224 Authority of courts not affected.

Sec. 4. This act does not affect the authority of the courts to make determinations concerning the acceptance of financial transaction devices for court costs and fees.

History: 1995, Act 280, Imd. Eff. Jan. 9, 1996.

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