

State of Arizona  
Senate  
Forty-ninth Legislature  
First Regular Session  
2009

Senate Engrossed  
**FILED**  
**KEN BENNETT**  
**SECRETARY OF STATE**

CHAPTER 93

# **SENATE BILL 1151**

AN ACT

AMENDING SECTION 35-101, ARIZONA REVISED STATUTES; RELATING TO CONVENIENCE FEES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 35-101, Arizona Revised Statutes, is amended to  
3 read:

4 35-101. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Allotment" means the allocation of an appropriation or other fund  
7 source over a full fiscal year within a budget program or expenditure class.

8 2. "Annual budget unit" means the following agencies:

9 (a) The department of education.

10 (b) The Arizona board of regents.

11 (c) Arizona state university.

12 (d) Arizona state university west campus.

13 (e) Arizona state university east campus.

14 (f) The university of Arizona.

15 (g) Northern Arizona university.

16 (h) The school facilities board.

17 (i) The department of economic security.

18 (j) The state department of corrections.

19 (k) The department of juvenile corrections.

20 (l) The Arizona health care cost containment system.

21 (m) The department of health services.

22 (n) The department of administration.

23 (o) The department of transportation.

24 (p) The judiciary, including the supreme court, the court of appeals  
25 and the superior court.

26 3. "Authorized agent" means a commercial enterprise contracted to  
27 process transactions on behalf of a state agency.

28 4. "Biennial budget unit" means any department, commission, board,  
29 institution or other agency of the state organization receiving, expending or  
30 disbursing state funds or incurring obligations against the state that is not  
31 an annual budget unit.

32 5. "Budget estimates" means statements with accompanying explanations,  
33 as provided by this chapter, in which a budget unit states its financial  
34 requirements and requests appropriations.

35 6. "Budget program" means functions and activities of a budget unit or  
36 within a budget unit that are preplanned to fulfill a distinct mission.

37 7. "Budget unit" means any department, commission, board, institution  
38 or other agency of the state organization receiving, expending or disbursing  
39 state funds or incurring obligations against the state. Budget unit includes  
40 the annual budget units and biennial budget units.

41 8. "Cardholder" means any person:

42 (a) Named on the face of a credit card to whom or for whose benefit  
43 the credit card is issued by an issuer.

44 (b) In possession of a credit card with the consent of the person to  
45 whom the credit card was issued.

1           9. "Claim" means a demand against the state for payment for either:

2           (a) Goods delivered or, in the case of highway construction, goods or  
3 facilities to be delivered,-- by the federal government.

4           (b) Services performed.

5           10. "Convenience fee" means an additional fee that is imposed by an  
6 authorized agent on a web-based OR VOICE RESPONSE portal transaction for the  
7 acceptance of a credit card that would not be charged if the same transaction  
8 were completed by an alternate method of payment.

9           11. "Credit card" means:

10           (a) Any instrument or device, whether known as a credit card, charge  
11 card, credit plate, courtesy card or identification card or by any other  
12 name, issued with or without a fee by an issuer for the use of the cardholder  
13 in obtaining money, goods, services or anything else of value, either on  
14 credit or in possession or in consideration of an undertaking or guaranty by  
15 the issuer of the payment of a check drawn by the cardholder, on a promise to  
16 pay in part or in full at a future time, whether or not all or any part of  
17 the indebtedness represented by this promise to make deferred payment is  
18 secured or unsecured.

19           (b) Any debit card, electronic benefit transfer card or other access  
20 instrument or device, other than a check that is signed by the holder or  
21 other authorized signatory on the deposit account, that draws monies from a  
22 deposit account in order to obtain money, goods, services or anything else of  
23 value.

24           (c) Any stored value card, smart card or other instrument or device  
25 that enables a person to obtain goods, services or anything else of value  
26 through the use of value stored on the instrument or device.

27           (d) The number assigned to an instrument or device described in  
28 subdivision (a), (b) or (c) of this paragraph even if the physical instrument  
29 or device is not used or presented.

30           12. "Discount fee" means the fee calculated and charged by the credit  
31 card issuer or a financial institution pursuant to an agreement for the  
32 processing of any credit card transaction.

33           13. "Encumbrance" means an obligation in the form of any purchase  
34 order, contract or other commitment which is chargeable to an appropriation  
35 or any other authorized fund source and for which a part of the fund source  
36 is reserved. It ceases to be an encumbrance when paid or canceled.

37           14. "Expenditure class" means one of the kinds of expenditure denoting  
38 a class of services or commodities purchased or properties acquired as  
39 specified in the classification of expenditures prescribed by the director of  
40 the department of administration for use in expenditure accounting, in making  
41 budget estimates and in the budget reports and budgets.

42           15. "Issuer" means any business organization, state agency or financial  
43 institution, or its duly authorized agent, that issues a credit card.

44           16. "Prepayment" means the payment of a claim before receiving the  
45 goods or services.

1           17. "Processing fee" means a fee charged by an entity other than a  
2 credit card issuer or the processing financial institution to process a  
3 credit card transaction.

4           18. "Purchase order" means a document that is signed by the appropriate  
5 agency authorized signatory, that requests a vendor to deliver described  
6 goods or services at a specific price and that on delivery and acceptance of  
7 the goods or services by this state becomes an obligation of this state.

8           19. "Transaction amount" means the total amount due to the state for  
9 any goods, service or license or anything else of value.

APPROVED BY THE GOVERNOR JULY 10, 2009.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 10, 2009.

Passed the House June 26, 20 09

by the following vote: 45 Ayes,

4 Nays, 11 Not Voting

Alan B. Gold  
Speaker of the House

Thomas L. Moore  
Chief Clerk of the House

Passed the Senate June 17, 20 09

by the following vote: 27 Ayes,

2 Nays, 1 Not Voting

Robert L. Quinn  
President of the Senate

Charmaine Bellington  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this  
15<sup>th</sup> day of July, 2009,

at 8:53 o'clock A. M.

Susan K. Myers  
Secretary to the Governor

Approved this 10<sup>th</sup> day of

July, 2009,

at 1:02 o'clock P. M.

Janice K. Brewer  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State  
this 10 day of July, 2009,

at 4:20 o'clock P. M.

Karen Blumenthal  
Secretary of State

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