CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 5767**

Chapter 5, Laws of 2016

64th Legislature

Veto Override 2016 1st Special Session

LOCAL GOVERNMENT TREASURIES--ELECTRONIC PAYMENTS AND DUPLICATE WARRANTS

EFFECTIVE DATE: 6/28/2016

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| Passed by the Senate February 11, 2016  Yeas 49 Nays 0  BRAD OWEN  **President of the Senate**  Passed by the House March 2, 2016  Yeas 97 Nays 0  FRANK CHOPP  **Speaker of the House of Representatives** | CERTIFICATE  I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5767** as passed by Senate and the House of Representatives on the dates hereon set forth.  HUNTER G. GOODMAN  **Chief Clerk** |
| Vetoed March 10, 2016 10:08 PM | March 30, 2016 |
| JAY INSLEE  **Governor of the State of Washington** | **Secretary of State**  **State of Washington** |

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**SUBSTITUTE SENATE BILL 5767**

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Passed Legislature - Veto Override 2016 1st Special Session

**State of Washington 64th Legislature 2015 Regular Session**

**By** Senate Government Operations & Security (originally sponsored by Senators Cleveland, Benton, Honeyford, and Fraser)

AN ACT Relating to local government treasury practices and procedures; and amending RCW 36.29.190 and 39.72.010.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

**Sec.**  RCW 36.29.190 and 2003 c 23 s 8 are each amended to read as follows:

((~~County treasurers are authorized to accept credit cards, charge cards, debit cards, smart cards, stored value cards, federal wire, and automatic clearinghouse system transactions, or other electronic communication, for any payment of any kind including, but not limited to, taxes, fines, interest, penalties, special assessments, fees, rates, charges, or moneys due counties. A payer desiring to pay by a credit card, charge card, debit card, smart card, stored value card, federal wire, automatic clearinghouse system, or other electronic communication shall bear the cost of processing the transaction in an amount determined by the treasurer, unless the county legislative authority or the legislative authority of a district where the county treasurer serves as ex officio treasurer finds that it is in the best interests of the county or district to not charge transaction processing costs for all payment transactions made for a specific category of nontax payments received by the county treasurer, including, but not limited to, fines, interest not associated with taxes, penalties not associated with taxes, special assessments, fees, rates, and charges. The treasurer's cost determination shall be based upon costs incurred by the treasurer and may not, in any event, exceed the additional direct costs incurred by the county to accept the specific form of payment utilized by the payer.~~))

(1) County treasurers are authorized to accept electronic payments for payment of any kind including, but not limited to, payment for taxes, fines, interest, penalties, special assessments, fees, rates, charges, or moneys due counties.

(a) The county treasurer must determine the amount of the transaction processing cost for electronic payments. The county treasurer's determination must be based upon costs incurred by the treasurer and may not, in any event, exceed the additional direct costs incurred by the county to accept the specific form of payment utilized by the payer.

(b) A payer using electronic payment must pay the transaction processing cost, except as otherwise provided in this section.

(2) For payments for taxes, interest associated with taxes, and penalties associated with taxes that are made by automatic clearinghouse system, federal wire, or other electronic communication, any fee associated with the transaction may be absorbed within the county treasurer's banking services budget.

(3) A county treasurer may elect to not charge transaction processing costs for all payments made for a specific category of nontax payments if the county legislative authority, or the legislative authority of a district where the county treasurer serves as ex officio treasurer, finds that not charging such transaction processing costs is in the best interests of the county or district. Interest and penalties associated with such transaction processing costs may be absorbed by the county department or taxing district assessing the payment transactions.

(4) For purposes of this section, the following definitions apply:

(a) "Electronic payment" means a payment made using the following: Credit cards, charge cards, debit cards, smart cards, stored value cards, federal wire, automatic clearinghouse system transactions, or other electronic communication;

(b) "Nontax payments" means payments received by the county treasurer that include payments for fines, interest not associated with taxes, penalties not associated with taxes, special assessments, fees, rates, charges, or moneys due counties; and

(c) "Transaction processing cost" means the cost of processing an electronic payment as determined by the county treasurer. This cost is based on costs incurred by the county treasurer and may not exceed the additional direct costs incurred by the county to accept a specific form of electronic payment utilized by the payer.

**Sec.**  RCW 39.72.010 and 1975-'76 2nd ex.s. c 77 s 1 are each amended to read as follows:

(1) In case of the loss or destruction of a warrant for the payment of money, or any bond or other instrument or evidence of indebtedness, issued by ((~~any county, city or town, district or other political subdivision or municipal corporation of the state of Washington, hereinafter referred to as a municipal corporation, or by any department or agency of such municipal corporation, such municipal corporation may cause a duplicate to be issued in lieu thereof, subject to the same requirements and conditions, and according to the same procedure, as prescribed for the issuance of duplicate state instruments in RCW 43.08.064 and 43.08.066 as now or hereafter amended: PROVIDED, That the requirements of RCW 43.08.066(2) shall not be applicable to instruments received by employees of the above issuers for the payment of salary or wages or as other compensation for work performed nor shall those requirements be applicable to instruments received by former employees or their beneficiaries for the payment of pension benefits~~)) a municipality, the municipality may issue or cause to be issued a duplicate in lieu thereof, bearing the same designation and for the same amount as the original. The duplicate instrument is subject in all other respects to the same provisions of law as the original instrument.

(a) Before a duplicate instrument is issued in accordance with this section, the issuing officer shall require the person making application for issuance of the duplicate to file a written affidavit specifically alleging on oath:

(i) That the applicant is the proper owner, payee, or legal representative of the owner or payee of the original instrument;

(ii) The date of issue, number, amount, and for what services, claim, or purpose the original instrument or series of instruments of which it is a part was issued;

(iii) That the original instrument has been lost or destroyed; and

(iv) That the original instrument has not been paid or has not been received by the applicant.

(b) In the event that an original instrument and its duplicate instrument are both presented for payment as a result of forgery or fraud, the agency, department, or officer that issues a duplicate under this section is responsible for endeavoring to recover any losses suffered by the municipality.

(2) For purposes of this section, "municipality" means any county, city, town, district, or other political subdivision or municipal corporation of the state of Washington, or an agency, department, or officer of the municipality.

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Passed by the Senate February 11, 2016.

Passed by the House March 2, 2016.

Vetoed by the Governor March 10, 2016.

Filed in Office of Secretary of State March 30, 2016.