

SESSION OF 2010

SUPPLEMENTAL NOTE ON SENATE BILL NO. 424

As Amended by Senate Committee of the Whole

Brief*

SB 424, as amended, would apply the process currently used for payment by a check with insufficient funds or no-fund payment to a county treasurer for a license fee (vehicle license plate) to include a credit or debit card payment that is subsequently rejected or reversed by the credit or debit card issuer or a payment instrument drawn on or issued by a bank or other financial institution. Under current law, the county treasurer gives the sheriff the name and address of the person along with the license plate number and description of the registered vehicle.

The bill would provide that the term “payment instrument” be ascribed the definition established in KSA 9-508: “any electronic or written check, draft, money order, travelers check or other electronic or written instrument or order for the transmission or payment of money, sold or issued to one or more persons, whether or not such instrument is negotiable.”

Background

The bill was introduced at the request of Johnson County Government. The Johnson County Treasurer testified that the revisions to the law will provide the sheriff with the legal authority to pursue collection of insufficient or no-fund payments regardless of whether the transaction was done as a electronic or written instrument. There were no opponents present at the Committee hearing.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The Senate Committee of the Whole recommended an amendment to include debit card payments.

The fiscal note prepared by the Division of the Budget on the original bill states that according to the Kansas Association of Counties and the Department of Revenue, the bill would have no fiscal effect.