

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 666*
PROPOSED SENATE COMMITTEE SUBSTITUTE H666-PCS50953-ST-90

Short Title: Electronic Payments by Local Governments.

(Public)

Sponsors:

Referred to:

March 19, 2009

A BILL TO BE ENTITLED

AN ACT TO PERMIT LOCAL GOVERNMENTS AND PUBLIC AUTHORITIES TO PAY
BILLS, INVOICES, SALARIES, OR OTHER CLAIMS BY ELECTRONIC PAYMENT
OR ELECTRONIC FUNDS TRANSFER.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 159-28(d) reads as rewritten:

"(d) Payment. – A local government or public authority may not pay a bill, invoice, salary, or other claim except by a check or draft on an official ~~depository or by depository~~, a bank wire transfer from an official ~~depository~~, depository, or an electronic payment or an electronic funds transfer originated by the local government or public authority through an official depository. Except as provided in this subsection each check or draft on an official depository shall bear on its face a certificate signed by the finance officer or a deputy finance officer approved for this purpose by the governing board (or signed by the chairman or some other member of the board pursuant to subsection (c) of this section). The certificate shall take substantially the following form:

"This disbursement has been approved as required by the Local Government Budget and Fiscal Control Act.

(Signature of finance officer)."

An electronic payment or electronic funds transfer must be subjected to the pre-audit process. Execution of the electronic payment or electronic funds transfer shall indicate that the finance officer or duly appointed deputy finance officer has performed the pre-audit process as required by G.S. 159-28(a).

Certificates in the form prescribed by G.S. 153-131 or 160-411.1 as those sections read on June 30, 1973, or by G.S. 159-28(a) as that section read on June 30, 1975, are sufficient until supplies in existence on June 30, 1975, are exhausted.

No certificate is required on payroll checks or drafts on an imprest account in an official depository, if the check or draft depositing the funds in the imprest account carried a signed certificate.

As used in this subsection, the term "electronic payment" means payment by charge card, credit card, debit card, or by electronic funds transfer, and the term "electronic funds transfer" means a transfer of funds initiated by using an electronic terminal, a telephone, a computer, or magnetic tape to instruct or authorize a financial institution or its agent to credit or debit an account.



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SECTION 2. This act becomes effective July 1, 2010.