

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

2

HOUSE BILL 666*
Senate Judiciary I Committee Substitute Adopted 6/29/10

Short Title: Electronic Payments by Local Governments.

(Public)

Sponsors:

Referred to:

March 19, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO PERMIT LOCAL GOVERNMENTS AND PUBLIC AUTHORITIES TO PAY
3 BILLS, INVOICES, SALARIES, OR OTHER CLAIMS BY ELECTRONIC PAYMENT
4 OR ELECTRONIC FUNDS TRANSFER.

5 The General Assembly of North Carolina enacts:

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

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

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

18 _____
19 (Signature of finance officer)."

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

24 Certificates in the form prescribed by G.S. 153-131 or 160-411.1 as those sections read on June
25 30, 1973, or by G.S. 159-28(a) as that section read on June 30, 1975, are sufficient until
26 supplies in existence on June 30, 1975, are exhausted.

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

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

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

