

INTRODUCED: February 13, 2017

AN ORDINANCE No. 2017-023

To amend and reordain ch. 12, art. I of the City Code by adding therein a new § 12-17 for the purpose of authorizing the acceptance of payment by any commercially acceptable means and the imposition of a service charge to recover the actual cost to the City therefor.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: FEB 27 2017 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That Chapter 12, Article I of the Code of the City of Richmond (2015) be and is hereby amended and reordained by **adding therein a new** section numbered 12-17, as follows:

Sec. 12-17. Authority to accept payment by commercially acceptable means; service charge.

(a) Pursuant to Code of Virginia, § 2.2-614.1(A), the City may accept payment of any amount due for taxes, interest, penalties, fees, fines, or other charges by any commercially acceptable means, including, but not limited to, checks, credit cards, debit cards, and electronic funds transfers.

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: FEB 27 2017 REJECTED: _____ STRICKEN: _____

(b) Pursuant to Code of Virginia, § 2.2-614.1(B), the City shall add to any amount due a sum, not to exceed the amount charged to the City for acceptance of any payment by a means that incurs a charge to the City or the amount negotiated and agreed to in a contract with the City, whichever is less.

§ 2. This ordinance shall be in force and effect upon adoption.



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R

REQUEST

DATE: January 10, 2017

EDITION: O & R REQUEST
24-6435

TO: The Honorable Members of City Council

JAN 11 2017

THROUGH: The Honorable Levar M. Stoney, Mayor

Office of the
Chief Administrative Officer

THROUGH: Selena Cuffee-Glenn, Chief Administrative Officer

THROUGH: Lenora G. Reid, DCAO of Finance and Administration *lg, 1/12/17*

THROUGH: John Buturla, Interim DCAO of Operations

1/13/17

FROM: Dr. Emmanuel O. Adediran, Director DPW

SUBJECT: TO AUTHORIZE CITY OFFICIALS TO ADD TO ANY AMOUNT DUE TO THE CITY "CONVENIENCE FEES" FOR ACCEPTANCE OF PAYMENT BY A MEANS THAT INCURS A CHARGE TO THE CITY

ORD. OR RES. No. _____

PURPOSE: To authorize the City officials to add to any amount due to the City, "convenience fees" for acceptance of any payment by a means that incurs a charge to the City. The "convenience fee" shall not exceed the amount charged to the City.

REASON: For convenience to citizens, the City accepts payments of amounts due in a variety of ways and continues to explore ways to utilize technology to do so. Via this ordinance, City Council would formally adopt the authority granted by Va. Code Section 2.2-614.1(B) to recoup costs incurred by the City for accepting payment (often referred to as "convenience fees").

RECOMMENDATION: Approval is recommended by the City Administration.

BACKGROUND: Va. Code Section 2.2-614.1 authorizes the City to accept payment by any commercially acceptable means and add to amounts due to the City a sum not to exceed the amount charged to the City for the acceptance of payment by such means. This ordinance would allow City Council to formally adopt the authority granted by Va. Code Section 2.2-614.1.

RECEIVED

JAN 23 2017

OFFICE OF CITY ATTORNEY

§ 2.2-614.1. Authority to accept revenue by commercially acceptable means; service charge; bad check charge.

A. Subject to § 19.2-353.3, any public body that is responsible for revenue collection, including, but not limited to, taxes, interest, penalties, fees, fines or other charges, may accept payment of any amount due by any commercially acceptable means, including, but not limited to, checks, credit cards, debit cards, and electronic funds transfers.

B. The public body may add to any amount due a sum, not to exceed the amount charged to that public body for acceptance of any payment by a means that incurs a charge to that public body or the amount negotiated and agreed to in a contract with that public body, whichever is less. Any state agency imposing such additional charges shall waive them when the use of these means of payment reduces processing costs and losses due to bad checks or other receivable costs by an amount equal to or greater than the amount of such additional charges.

FISCAL IMPACT/COST: None

FISCAL IMPLICATIONS: None

BUDGET AMENDMENT NECESSARY: No

REVENUE TO THE CITY: None

DESIRED EFFECTIVE DATE: Upon Adoption.

REQUESTED INTRODUCTION DATE: February 13, 2017

CITY COUNCIL PUBLIC HEARING: February 27, 2017

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development
(February 16, 2017)

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: N/A

RELATIONSHIP TO EXISTING ORD. OR RES:

REQUIRED CHANGES TO WORK PROGRAM (S): None

ATTACHMENTS: Va. Code Section 2.2-614.1

STAFF:

Lynne Lancaster, DPW

Steven Bergin, DPW

Code of Virginia
Title 2.2. Administration of Government
Chapter 6. General Provisions

§ 2.2-614.1. Authority to accept revenue by commercially acceptable means; service charge; bad check charge.

A. Subject to § 19.2-353.3, any public body that is responsible for revenue collection, including, but not limited to, taxes, interest, penalties, fees, fines or other charges, may accept payment of any amount due by any commercially acceptable means, including, but not limited to, checks, credit cards, debit cards, and electronic funds transfers.

B. The public body may add to any amount due a sum, not to exceed the amount charged to that public body for acceptance of any payment by a means that incurs a charge to that public body or the amount negotiated and agreed to in a contract with that public body, whichever is less. Any state agency imposing such additional charges shall waive them when the use of these means of payment reduces processing costs and losses due to bad checks or other receivable costs by an amount equal to or greater than the amount of such additional charges.

C. If any check or other means of payment tendered to a public body in the course of its duties is not paid by the financial institution on which it is drawn, because of insufficient funds in the account of the drawer, no account is in the name of the drawer, or the account of the drawer is closed, and the check or other means of payment is returned to the public body unpaid, the amount thereof shall be charged to the person on whose account it was received, and his liability and that of his sureties, shall be as if he had never offered any such payment. A penalty of \$35 or the amount of any costs, whichever is greater, shall be added to such amount. This penalty shall be in addition to any other penalty provided by law, except the penalty imposed by § 58.1-12 shall not apply.

2002, c. 719; 2004, c. 565.