

11/18/2024 (Date of First Reading)
12/02/2024 (Date of Public Hearing)

ORDINANCE NO. M- 4480

AN ORDINANCE relating to electronic payment fees; amending VMC 3.08.065; providing for severability and an effective date.

WHEREAS, the volume of credit and debit card transactions has grown substantially over the past several years; and

WHEREAS, the trend towards increased use of credit and debit cards as a mode of payment is expected to continue; and

WHEREAS, the City of Vancouver incurs significant costs associated with processing credit and debit card transactions; and

WHEREAS, implementing a service or convenience fee was identified during the 2025-2026 Operating Budget development process as a means to reduce costs; and

WHEREAS, the City Council finds it is in the City's best interests to offset processing of electronic payments to the extent permitted by state and federal law;

NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. VMC 3.08.065, adopted by Section 2 of Ordinance M-3851 (2007), is amended as follows:

3.08.065 Additional fees assessed to the customer

A. *Incorrect account numbers.* For those customers who choose to utilize an electronic bill paying system, and who provide the city an incorrect routing transit number of the bank, incorrect bank account number or incorrect credit/debit card number, they may be a

fifteen (\$15) dollar fee assessed for each time the city utilizes such number until the customer provides the correct number.

B. *Declined credit/debit card.* For those customers who choose to utilize a credit/debit card to make any payment to the city and whose Financial Institution declines a payment by a credit/debit card, it will result in the customer's bill remaining unpaid. In the event of a "declined" credit/debit payment, there may be a fifteen (\$15) dollar fee assessed to the customer each time the city utilizes the credit/debit card, and it is declined until the customer provides a valid card number.

C. *Account updates.* It is the responsibility of the customer to maintain accurate billing information with the city. This may include updated credit card information, bank account information, email address, and mailing address.

D. *Electronic Payment Surcharges.* For those customers who choose to utilize an electronic payment method for payment of any kind, including but not limited to, payment for taxes, fines, interest, penalties, special assessments, rates, charges, fees, or money due the City, the customer must pay the transaction processing cost, except as otherwise prohibited by state and federal law, PROVIDED, that the City Manager is authorized to waive imposition of the transaction processing cost for payments to customers of any department for any specified period of time as he or she deems necessary and in the best interests of the City.

1. For purpose 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, or other electronic communication, PROVIDED that automatic clearinghouse system transactions are excluded from this definition.

b. "Transaction processing cost" means the cost of processing an electronic payment as determined by the Director of Financial and Management Services. This cost is based on costs incurred by the City and may not exceed the additional direct costs incurred by the City to accept a specific form of electronic payment utilized by the payer.

2. The City Chief Financial Officer is authorized to adopt policies and implement procedures to apply any transaction processing cost to the customer.

Section 2. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or

unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 3. This ordinance shall become effective January 1, 2025.

DATE OF FINAL PASSAGE at a Regular Meeting of the Vancouver City Council:

December 2, 2024.

SIGNED this 2nd day of December, 2024.

DocuSigned by:
Anne McEnerny-Ogle
6C89D9089EC5424...
Anne McEnerny-Ogle, Mayor

Attest:

DocuSigned by:
Natasha Ramras
493E940414AE4BD...
Natasha Ramras, City Clerk

Approved as to form:

DocuSigned by:
Jonathan Young
9A7DC2E31F694A2...
Jonathan Young, City Attorney

SUMMARY

ORDINANCE NO. M-4480

AN ORDINANCE relating to electronic payment fees; amending VMC 3.08.065; providing for severability and an effective date.

The full text of this ordinance will be mailed upon request. Contact Raelyn McJilton, Records Officer at 487-8711, or via www.cityofvancouver.us (Go to City Government and Public Records).