

AN ORDINANCE AMENDING THE AUTHORIZATION FOR THE
ACCEPTANCE OF PAYMENT BY CREDIT CARD

WHEREAS, the City of Urbana, a home rule city, has determined that the matter of acceptance of payment of fines, fees, charges, taxes or costs owing to or collected by the City of Urbana by credit card, is a matter pertaining to the government and affairs of the City of Urbana;

WHEREAS, the Local Government Acceptance of Credit Cards Act, 50 ILCS 345/1 et seq., provides state statutory authority for the payment of fines, fees, charges, taxes or costs owing to or collected by a unit of local government;

WHEREAS, this authorization is intended as a blend of the authority under the home rule powers of the City of Urbana and the powers granted to municipalities under the Local Government Acceptance of Credit Cards Act.

WHEREAS, on the 18th day of May, 1998, a public hearing was held by the Urbana City Council, which date was not sooner than ten (10) days nor later than thirty (30) days from the date of the publication of notice.

WHEREAS, the Notice of Public Hearing stated that the Urbana City Council was considering the amendment of the City's authorization for the acceptance of payment by credit card to increase the maximum amounts permitted to be paid by that method and to grant the City Comptroller the power to negotiate and enter into agreements with banks providing credit card processing services to the City.

NOW THEREFORE, BE IT ORDAINED BY THE URBANA CITY COUNCIL THAT:

Section 1 That the Urbana City Council finds that acceptance of credit card payments for any fine, fee, charge, tax or cost imposed by, owing to, or collected by or on behalf of the City of Urbana, as provided in the

Local Government Acceptance of Credit Card Act and specified in the Notice of Public Hearing as set forth above, is in the best interests of the City of Urbana and its citizens.

Section 2 And therefore, the Urbana City Council elects to accept credit card payments for any fine, fee, charge, tax or cost imposed by, owing to, or collected by or on behalf of the City of Urbana. The term "credit card" shall include an instrument or device, used to obtain credit, money, goods or services, issued to the holder of the card, including major credit cards, bank cards, charge cards, debit cards, automated teller machine cards, secured credit cards, or smart cards.

Section 3 That the Urbana City Council authorizes the City Comptroller to enter into agreements with one or more financial institutions or other service providers to facilitate the acceptance and processing of credit card payments. Said agreements shall identify the specific services to be provided, the itemized fees, if any, to be charged, and the means to pay such fees.

Section 4 The Urbana City Council determines that any reduction in revenue resulting from any processing or discount fee charged is nevertheless in the best interest of the City considering the improved governmental cash flow, the reduction in government overhead, improved governmental financial security and the benefit of public convenience.

Section 5 The Comptroller is authorized to collect, in addition to the amount owed to the City, a fee to wholly or partly offset the amount of any processing fee incurred by the City from the credit card financial institution or service provider, provided that no such fee shall be imposed unless allowed under the operating rules and regulations of the credit card involved. Said fees will also be subject to the following limitations set forth in the Local Government Acceptance of Credit Cards Act:

The fee may not exceed the lesser of Twenty Dollars (\$20.00) or Five Percent (5%) of the principal amount charged for any license, sticker, or permit.

The fee may not exceed the lesser of Five Dollars (\$5.00) or Five Percent (5%) for the payment of any fine.

The fee may not exceed the lesser of Forty Dollars (\$40.00) or Three Percent (3%) for the payment of any real estate or other tax.

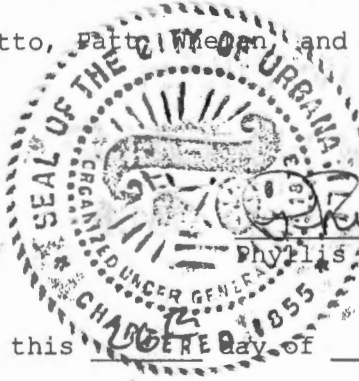
This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a regular meeting of said Council.

PASSED by the City Council this 15th day of April, 2002.

AYES: Hayes, Huth, Otto, ~~Fair~~ ~~Wheeler~~ and Wyman

NAYS: None

PRESENT:



Phyllis D. Clark
Phyllis D. Clark, City Clerk

2002.

APPROVED by the Mayor this 15th day of April,

Tod Satterthwaite
Tod Satterthwaite, Mayor