

## **ORDINANCE:**

### **ACCEPTING PAYMENTS BY CREDIT CARD:**

#### **SECTION I : PURPOSE:**

The purpose of this Ordinance is to authorize the Town of Windham's Treasurer or other appropriate municipal official to accept payment by credit cards of taxes, charges generated by the sale of utility service, or other fees.

#### **SECTION II : AUTHORITY:**

This Ordinance has been enacted pursuant to the statutory authority granted to the Town of Windham by RSA 80:52-c, as amended, and in accordance with procedures as outlined in RSA 39, as amended.

#### **SECTION III : DEFINITIONS:**

- A) *"Town" – Town of Windham, New Hampshire*
- B) *"Board" – Means the Board of Selectmen for the Town of Windham*
- C) *"Credit Card" – Means any instrument, whether known as a credit card, credit plate, charge plate or by any other name, which purports to evidence an undertaking to pay for goods/ services rendered or furnished to or upon the order of a designated person or bearer.*
- D) *"Issuer" – The Bank or other financial institution which has issued the credit card and, under applicable law, is obligated to pay to the Town upon the order of a person using a credit card.*
- E) *"Credit Card Processor" – The company or companies engaged by the Board of Selectmen to provide credit card processing services, including but not limited to, authorization and settlement of various types of credit card payments, as well as daily processing and settlement of transactions with the Town.*
- F) *"Processing Agreement" – Agreement between the Town and Credit Card Processor governing collection of credit card payments, including but not limited to, any terms relating to the applicability of transaction processing fees, their amount, and the terms and method of remittance of funds to the Town.*

#### **SECTION IV: PAYMENT AUTHORIZED:**

Pursuant to statutory authority, the Town does hereby authorize its Treasurer or other appropriate municipal officials to accept payment by credit cards for taxes, charges generated by the sale of utility service or other fees, subject to and governed by the terms of this ordinance.

#### **SECTION V : TYPES OF FEES ELIGIBLE FOR PAYMENT BY CREDIT CARD:**

The Board of Selectmen shall be authorized to determine:

- i) The types of payments that may be accepted by credit card.
- ii) The maximum amount of any individual credit card transaction which shall be allowable for any particular transaction.
- iii) Whether (to the extent allowable by the Processing Agreement) service charges shall be charged and the amount thereof. See, Section VII below.

The Board shall hold a public hearing prior to making the final determination of the types of fees for which credit cards will be accepted and any maximum transaction limits imposed, as well as prior to terminating the ability to pay a fee by credit card. Notice of the time, place and subject of such hearing will be published in a newspaper of general circulation in the Town at least seven (7) days before the hearing is held. In the case of termination, at least sixty (60) days' notice will be provided to the residents if payments will no longer be accepted by credit card.

**SECTION VI: PROCESSING AGREEMENT:**

The Board is authorized to negotiate and execute a Processing Agreement with a Credit Card Processor or Processors. Said agreement(s) shall specify the scope of services to be provided and the terms of the agreement. The Board shall periodically review, and as needed, revise said agreement, and where deemed in the best interest of the Town, terminate any such agreement.

**SECTION VII : SERVICE CHARGES:**

The Town shall not impose service charges (processing fees) on any transaction where the Processing Agreement prohibits the separate imposition of such fees over and above the amount otherwise due to the Town. In the case of property or utility tax payments, there may be added to each amount due, a service charge to cover processing fees required under the Processing Agreement and any other actual costs for the use of the credit card services. In those cases, the Board shall be authorized to act as agents of the Town to establish/amend service charges. Any required disclosure under RSA 80:52-c, as amended, shall be provided.

**SECTION VI : HANDLING OF PAYMENTS:**

In accordance with RSA 41:9, as amended, the Board of Selectmen shall include in its internal control policies, procedures governing the collection, handling, and retention of receipts, statements and any other documentation generated from each credit card payment, whether the transaction is conducted over the counter or via the internet, to ensure all information collected from customers is safeguarded.

**SECTION VII : EFFECTIVE DATE/ENACTMENT:**

The provisions of this ordinance shall take effect upon adoption by Town Meeting.