



Legislation Details (With Text)

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On agenda:		Final action:	1/19/1999
Effective date:			
Title:	A substitute ordinance relating to acceptance of credit cards by city departments and agencies and rescinding common council resolution file number 76-1416.		
Sponsors:	THE CHAIR		
Indexes:	BUDGET, DEPARTMENT OF ADMINISTRATION, PURCHASING DIVISION, PURCHASING PROCEDURES		
Attachments:			

Date	Ver.	Action By	Action	Result	Tally
12/18/1998	0	COMMON COUNCIL	ASSIGNED TO		
12/21/1998	0	FINANCE & PERSONNEL COMMITTEE	REFERRED TO		
12/21/1998		FINANCE & PERSONNEL COMMITTEE	REFERRED TO		
1/6/1999	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
1/12/1999	1	CITY CLERK	DRAFT SUBMITTED		
1/13/1999	1	FINANCE & PERSONNEL COMMITTEE	RECOMMENDED FOR PASSAGE	Pass	4:0
1/19/1999	2	COMMON COUNCIL	SUBSTITUTED	Pass	16:0
1/19/1999	2	COMMON COUNCIL	PASSED	Pass	16:0
1/22/1999	2	MAYOR	SIGNED		
2/4/1999	2	CITY CLERK	PUBLISHED		

981375
SUBSTITUTE 2
76-1416
ALD. PRATT

A substitute ordinance relating to acceptance of credit cards by city departments and agencies and rescinding common council resolution file number 76-1416.

50-41 cr

- Analysis -

This ordinance authorizes city departments and agencies to accept credit cards as payment for a product or service or to pay a fee, forfeiture or other charge. Each proposal must contain an estimate of costs and fees. All proposals to accept credit cards will be subject to a prior review process. Any proposal by the treasurer's office or DPW -- water works will be reviewed by the common council finance and personnel committee. Other proposals will be reviewed by the budget director. The budget director shall approve a proposal if the benefits to the city justify the cost to the city and the proposal is consistent with the city's existing credit card contract.

The ordinance provides that certain credit card payments to specified departments and agencies are exempted from the approval procedure. Exempted from the approval procedure are specific payments to the police department, municipal court, DPW tow lot, library and the departments of city development (DCD) and neighborhood services.

The ordinance rescinds common council resolution file number 76-1416, which authorized the city to execute an agreement for the use of credit cards for payment of some city charges. This file is obsolete. The ordinance "grandfathers" existing credit card acceptance by providing that any existing contractual provisions for credit card acceptance may continue until the city cancels or terminates its existing credit card contract.

Until cancellation or termination of the existing contract, credit cards may also be accepted for payment of DCD fees and items at the DCD development center, as well as for billings and other services of the department of neighborhood services.

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 50-41 of the code is created to read:

50-41. Credit Card Acceptance by City Departments and Agencies. 1. CREDIT CARD ACCEPTANCE AUTHORIZED. A city department or agency may accept a credit card as payment for a product or service or to pay a fee, forfeiture or other charge as provided in this section.

2. APPROVAL PROCESS. a. Written Proposal. A department or agency that is not named in par. d or included in the exemptions specified in sub. 3 and that seeks to accept credit cards for payment shall provide the budget director with written notice of the department's or agency's proposal to accept credit cards. Each proposal shall do all of the following:

a-1. Specify the payments for which credit cards will be accepted.

a-2. Be consistent with the city's contractual arrangements for credit cards.

a-3. Name each credit card proposed to be accepted.

a-4. Contain an estimate of necessary equipment costs and related credit card fees for which the department or agency will be responsible.

b. Budget Director Review. The budget director shall review each proposal for the acceptance of credit cards except those specified in par. d. If the budget director finds that the proposal meets the criteria in par. c, the director shall prepare a written report of his or her findings and shall approve the proposal. The director shall notify the proposing entity in writing of the director's approval or disapproval.

c. Criteria for Review. The budget director shall approve a proposal if the director finds that:

c-1. The proposed use is consistent with the city's contractual arrangements for credit cards as determined in consultation with the city treasurer.

c-2. The benefits to the city of the proposed use justifies the cost to the city of the proposed use.

d. Treasurer's Office and Water Works Department.

d-1. Whenever the treasurer's office or the department of public works - water works seeks to accept credit cards for payment, it shall provide the chair of the common council finance and personnel committee, the comptroller and the budget director with written notice of its proposal to accept credit cards. Each proposal shall conform to the requirements of par. a-1 to 4.

d-2. The common council finance and personnel committee shall hold a hearing on any proposal submitted pursuant to this paragraph. The committee may approve the proposal, reject the proposal, recommend changes to the proposal or hold the proposal in committee. When the committee approves a proposal, the treasurer's office or water works may implement it, subject to the requirements of par. e.

e. Final Clearance. Prior to implementing credit card usage, all the following actions shall be taken:

e-1. The department or agency shall notify in writing the treasurer, the budget director, the director of purchasing, the comptroller and the chair of the common council finance and personnel committee.

e-2. The director of purchasing shall provide written notice to the entity with which the city has contractual arrangements for credit cards.

e-3. The director of purchasing shall provide written notice to the department or agency of final clearance to implement the approved proposal.

3. DEPARTMENT AND AGENCY PAYMENTS EXEMPTED FROM APPROVAL PROCESS. The following departments and agencies may accept credit cards for the specified purposes without complying with the approval process specified in sub. 2, but shall be subject to the provisions of subs. 4 and 5 and to contractual arrangements for credit cards that the city has in place:

a. The police department for payment of fines and citations.

b. The municipal court for payment of court penalties, fees, fines and forfeitures.

c. The department of public works tow lot for payment of towing services and related charges.

d. The library for payment of late fees and penalties and charges for lost or damaged items.

e. The department of city development for payment of plan examination and permit fees, deposits, escrow account payments and all items available for sale at the development center.

f. The department of neighborhood services for payment of billings and other services.

4. FEES AND BUDGETS. a. The city treasurer shall charge any department or agency that has approval and final clearance to accept credit cards, or that is exempted under sub. 3 from the approval process, that department's or agency's respective share of the fees assessed by the credit card contractor against the city's bank account used for credit card collections. City departments and agencies shall comply with consistent policies governing the payment of credit card fees.

b. Beginning January 1, 2000 all departments and agencies accepting a credit card for payment pursuant to this section shall charge that department's or agency's respective credit card fees to its operating (expenditure) appropriation.

5. CHANGES. A department or agency accepting credit cards that seeks to amend or deviate from its operating procedure shall obtain new approval for the amendment or deviation by complying with the approval procedure set forth in sub. 2. Such approval is required for any amendment or deviation, regardless of whether the operating procedure of the department or agency was originally approved under sub. 2 or exempted under sub. 3.

Part 2. 1. Common council resolution file number 76-1416, as amended, is rescinded.

2. Notwithstanding item 1 of part 2, any department or agency currently operating under any course of dealing and performance, and under the existing contractual arrangement the city has for credit cards may continue to do so, to the same extent the department or agency is operating on the effective date of this ordinance [city clerk to insert date], until such time as that existing contractual arrangement is cancelled or otherwise terminated.

3. Notwithstanding items 1 and 2 of part 2, beginning January 1, 2000 all departments and agencies listed in part 4 of this item shall charge that department's or agency's respective credit card fees to its operating (expenditure) appropriation.

4. Notwithstanding items 1, 2 and 3 of part 2, until the existing contractual arrangement the city has for credit cards is cancelled or otherwise terminated, the following departments and agencies may accept credit cards for the specified purposes:

a. The police department for payment of fines and citations.

b. The municipal court for payment of court penalties, fees, fines and forfeitures.

c. The department of public works tow lot for payment of towing services and related charges.

d. The library for payment of late fees and penalties and charges for lost or damaged items.

e. The department of city development for payment of plan examination and permit fees, deposits, escrow account payments and all items available for sale at the development center.

f. The department of neighborhood services for payment of billings and other services.

APPROVED AS TO FORM

Legislative Reference Bureau

Date: _____

IT IS OUR OPINION THAT THE ORDINANCE
IS LEGAL AND ENFORCEABLE

Office of the City Attorney

Date: _____

DOA - Purchasing

City Atty.

GCH: 16851

Date: 1/4/99

LRB

98494-5

CW

1/15/99