

ORDINANCE NO. 2023 - 50 _____
OF THE TOWN COUNCIL OF THE TOWN OF ZIONSVILLE, INDIANA
AUTHORIZING ACCEPTANCE OF PAYMENTS BY DEBIT AND CREDIT CARDS
AND COLLECTION OF CONVENIENCE FEE AND ADDING A NEW SECTION TO
CHAPTER 34: FINANCE AND REVENUE TO
THE ZIONSVILLE CODE OF ORDINANCES

WHEREAS, Ind. Code § 36-1-8-11 *et seq.* authorizes the use of credit cards for payments to Town; and

WHEREAS, Ind. Code § 36-1-8-11(c) provides that a payment to a political subdivision or municipally owned utility for any purpose may be made by specified financial instruments; and

WHEREAS, Ind. Code § 36-1-8-11(f) further provides that a political subdivision or municipally owned utility may contract with a bank card or credit card vendor for acceptance of bank cards or credit cards, and, if there's a vendor transaction charge or discount fee billed or charged to the political subdivision or municipally owned utility, the political subdivision or municipally owned utility may collect from the person using the card a reasonable convenience fee, not to exceed three dollars (\$3.00), which must be uniform regardless of the bank card or credit card used; and

WHEREAS, the Town of Zionsville ("Town") desires to authorize the acceptance of payments for Town goods and services, fines, fees or taxes by debit and credit card and the collection of a reasonable convenience fee pursuant to Indiana law.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED by the Town Council of the Town of Zionsville, Indiana that the following is hereby adopted as the Town of Zionsville Policy Authorizing Acceptance of Payments by Credit Cards and Collection of Convenience Fee:

Section 1. Definitions.

- a. **CONVENIENCE FEE.** A convenience fee that is charged to a customer for the convenience of making a credit card payment. A convenience fee charged to a customer typically covers all or a portion of a payment vendor's transaction costs (see "transaction fees" below), as well as any other additional fees that are charged by the Town to recover direct costs associated with receiving a debit card or credit card payment. Such convenience fee shall not exceed three dollars (\$3) per transaction and shall be uniform regardless of the bank card or credit card used.
- b. **CREDIT CARD.** A credit card means a (1) credit card; (2) debit card; (3) charge card; or (4) stored value card as defined in Ind. Code § 36-1-8-11(b).

- c. CUSTOMER. A person who is purchasing Town goods/services/paying fees/fines or taxes with a credit card.
- d. ELECTRONIC PAYMENT PROCESSING PROTOCOL. The standard, Town-wide processes used by the Town when accepting credit or debit card payments from customers, including, but not limited to, contracts with financial services providers and business procedures.
- e. PERSONAL FINANCIAL INFORMATION. The information provided by the customer in the course of completing a payment transaction with the Town through an electronic transfer of funds, including, but not limited to credit card number.
- f. TRANSACTION FEE. The same as "transaction charge" and refers to the cost incurred by the Town for executing an electronic payment. If the Town passes all or a portion of this transaction charge on to the customer, then the resulting fee to the customer is typically called a "convenience fee" (see definition above).

Section 2. Responsible Department. The Department of Finance and Records shall be the Department in Charge. The Director of the Department of Finance and Records ("Director") shall be responsible for all Credit Card payments and for ensuring appropriate internal controls are in place prior to the acceptance of Credit Card payments by the Town. The Director shall be responsible for regularly monitoring such internal controls, including but not limited to testing internal controls for all Departments no less than quarterly.

Section 3. Credit Card Payments. The Town of Zionsville, its departments and municipally owned utility may accept payment by credit card for any business service, purchase of Town goods or payment of fines, fees or taxes pursuant to this section and Ind. Code § 36-1-8-11 *et seq.*

Section 4. Accounts. The Director shall authorize and open all credit card accounts. The applicable Town Department will provide required information to the Director to establish such accounts, monitor compliance of internal controls, and report to the Director on the usage rates of such accounts.

Section 5. Convenience Fee. Credit card transactions for the purchase of Town goods and services, payment of fines, fees or taxes may be subject to a Convenience Fee.

Section 6. Policies. The Director, with technical assistance and equipment if necessary from the Town's Information Technology ("IT") Department, shall establish and maintain the Electronic Payment Processing Protocol for electronic payment processing, including, but not limited to, contracts for electronic payments, convenience fees, and standard business processes and procedures.

Section 7. Privacy. No Town department shall store a customer's financial information in a database accessible to the public. If the Town department has a

legal and justifiable business need to store personal financial information obtained from customers during an electronic payment transaction, the agency is required to provide written procedures and policies for the safekeeping of such personal financial information. Such written procedures and policies shall include the names of Town employees who will have access to such personal financial information. Such procedures and policies shall be forwarded to the Director for written approval before storing personal financial information in a database accessible to Town employees.

Section 8. Construction of Clause Headings. The clause headings appearing herein have been provided for convenience and reference and do not purport and shall not be deemed to define, limit, or extend the scope or intent of the clause to which they appertain.

Section 9. Severability. If any part of this Ordinance shall be held invalid, such part shall be deemed severable and the invalidity thereof shall not affect the remainder of the Ordinance.

Section 10. Duration and Effective Date. The provisions of this Ordinance shall take effect following the date of its passage and action by the Mayor and the Town Council in the manner prescribed by Reorganization section ZR2A18 and shall remain in full force and effect until amended or repealed by ordinance of the Town Council.

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Ordinance 2023-50

Introduced and filed on the 18th day of December, 2023. A motion to consider on First Reading was properly made and seconded and approved by a vote of 7 in favor and 0 opposed, pursuant to Ind. Code § 36-5-2-9.4 and § 36-5-2-9.6.

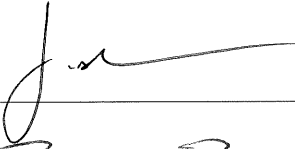
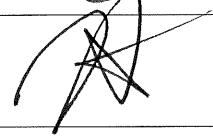
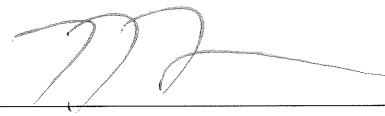
A motion to consider on Second reading was properly made and seconded and approved by a vote of 7 in favor and 0 opposed, pursuant to Ind. Code § 36-5-2-9.4, § 36-5-2-9.6 or § 36-5-2-9.8 (*as applicable*).

DULY PASSED AND ADOPTED this 18th day of December, 2023, by the Town Council of the Town of Zionsville, Boone County, Indiana, having been passed by a vote of 7 in favor and 0 opposed.

**TOWN COUNCIL OF THE TOWN OF ZIONSVILLE,
BOONE COUNTY, INDIANA**

**YEA
Signature**

**NAY
Signature**

Jason Plunkett President		
Brad Burk, Vice-President		
Alex Choi, Member		
Joe Culp, Member		
Josh Garrett, Member		
Craig Melton, Member		
Bryan Traylor, Member		

Ordinance 2023-50

I hereby certify that the foregoing Ordinance was delivered to Town of Zionsville Mayor Emily Styron on the 18th day of December 2023 at 7:30 (a.m.)/p.m.

ATTEST: _____

Amelia Anne Lacy,

Municipal Relations Coordinator

MAYOR'S APPROVAL


Emily Styron, Mayor

DATE

12/21/2023

MAYOR'S VETO

Emily Styron, Mayor

DATE

This Ordinance was prepared by Amy E. Nooning, Town Attorney, Whitsitt & Nooning, PC, 121 N. Meridian Street, Lebanon, IN 46052. This Ordinance was revised by Heather D. Harris, Partner, Barnes & Thornburg LLP, 11 S. Meridian Street, Indianapolis, IN 46202.