

ORDINANCE NO. 1097

AN ORDINANCE OF THE CITY OF ROBSTOWN, TEXAS ESTABLISHING A PROCESSING OR HANDLING FEE TO BE COLLECTED AT THE POINT OF SALE FOR THE USE OF A CREDIT CARD TO PAY A MUNICIPAL FEE, FINE, COURT COST OR OTHER CHARGE, IF NECESSARY; PROVIDING FOR THE COLLECTION OF A SERVICE CHARGE; AMENDING CHAPTER 1 OF THE CODE OF ORDINANCES OF THE CITY; PROVIDING FOR REPEALING, SAVINGS AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE.

WHEREAS, Chapter 132 of the Local Government Code authorizes the City of Robstown to collect a fee for processing or handling at the point of sale for the use of a credit card to pay a municipal fee, fine, court cost or other charge, said amount being reasonably related to the expense incurred in processing or handling the credit card payment, not to exceed five percent (5%) of the amount of the fee, fine, court cost or other charge ("Fee"); and

WHEREAS, Chapter 132 of the Local Government Code further authorizes the City of Robstown to collect a service charge if, for any reason, a payment by credit card is not honored by the credit card company on which the funds are drawn, said amount being equivalent to that charged for the collection of a check drawn on an account with insufficient funds ("Service Charge"); and

WHEREAS, Chapter 132 of the Local Government Code also allows the City of Robstown to contract with a vendor to provide access, collect payments or provide authorized services; and

WHEREAS, the City Council of Robstown ("City Council") has investigated and determined that the City of Robstown, Texas ("City") receives many requests to pay for municipal fees, fines, court costs and other city charges through the use of a credit card; and

WHEREAS, the City Council has further investigated and determined that it is in the best interest of the City and its citizens to allow individuals to pay for municipal fees, fines, court costs and other charges through the use of a credit card; and

WHEREAS, the City Council has further investigated and determined that allowing the payment of municipal fees, fines, court costs and other charges through the use of a credit card requires the City to incur additional expenses for offering this service; and

WHEREAS, the City Council has further investigated and determined that the additional expenses incurred by the City for offering this service will be significantly less for payment of charges commonly found on utility bills by credit card, as opposed to the payment of all other municipal fees, fines, court costs or other charges by credit card; and

WHEREAS, as a result of this discrepancy between utility bills and all other municipal fees, fines, court costs and other charges, the City Council has investigated and determined that it is in the best interest of the City to collect one processing and handling fee for the payment of utility bills, by credit card, and another processing and handling fee for payment of all other municipal fees, fines, court costs and other city charges, by credit card; and

WHEREAS, the City Council has further investigated and determined that it is in the best interest of the City and its citizens to charge the Fee and Service Charge, if necessary, to offset the cost of providing this service of convenience as set forth below and the City Council finds that said amounts are reasonably related to the expense incurred by the City in processing or handling the credit card payments.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ROBSTOWN, TEXAS:

SECTION 1: Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2: That Chapter 1, Article 1.01 of the City Code of Ordinances be amended by adding Section 1.01.010 "Credit Card Payment and Fees", as amended to read as follows:

Sec. 1.01.010 CREDIT CARD PAMENT AND FEES

- (a) **Establishment of Processing or Handling Fee.** Whenever in this code or in any ordinance of the city a fee, fine or penalty is established, the City may accept credit card payments for any and all fees, fines or penalties owed to the City. A processing or handling fee of **three percent (3%)** is hereby established to be charged by the City at the point of sale for processing or handling each time a credit card is used to pay a utility bill. For the purposes of this Ordinance, a utility bill includes those charges commonly found on a City utility bill, including but not limited to charges associated with water, sewer, trash and optional donations. A processing or handling fee up to **five percent (5%)** is hereby established to be charged by the City at the point of sale for processing or handling each time a credit card is used to pay all other municipal fees, fines, court costs or other charges.
- (b) **Establishment of Service Charge.** A service charge in an amount equivalent to that charged for the collection of a check drawn on an account with insufficient funds is hereby established to be charged by the City if, for any reason, a payment by credit card is not honored by the credit card company on which the funds are drawn.

SECTION 3: Amendment. The amendment to Chapter 1, Article 1.01 of the City Code of Ordinances of the City of Robstown, Texas are outlined above and all other provisions of Chapter 1, Article 1.01 shall remain unchanged.

SECTION 4: Savings/Repealing Clause. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict; but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 5: Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 6: Effective Date. This Ordinance shall become effective immediately upon its passage.

That the foregoing ordinance was read for the First time and passed to its Second reading on this the 16th day of November 2020 with the following votes:

Mayor	Gilbert Gomez	Mayor	_____
Mayor Pro Tem	Mary Ann Y. Saenz	Place No. 1	_____
Council Members:	Nelda Sanchez	Place No. 2	_____
	_____	Place No. 3	_____
	_____	Place No. 4	_____
	_____	Place No. 5	_____
	Victor Orona, Jr.	Place No. 6	_____

That the foregoing ordinance was read for the Second time and passed FINALLY on this the 21st day December 2020 with the following votes:

Mayor	Gilbert Gomez	Mayor	_____
Mayor Pro Tem	Mary Ann Y. Saenz	Place No. 1	_____
Council Members:	Nelda Sanchez	Place No. 2	_____
	_____	Place No. 3	_____
	_____	Place No. 4	_____
	_____	Place No. 5	_____
	Victor Orona, Jr.	Place No. 6	_____

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
ROBSTOWN, TEXAS ON THIS 21ST DAY OF DECEMBER 2020.**

CITY OF ROBSTOWN, TEXAS

Gilbert Gomez, Mayor

ATTEST:

**Salvador Ochoa, Jr.,
City Secretary**