



## Legislation Details (With Text)

**File #:** O-23-20      **Version:** 1      **Name:**

**Type:** Ordinance      **Status:** Adopted

**File created:** 5/21/2020      **In control:** Finance Committee

**On agenda:** 6/22/2020      **Final action:** 7/27/2020

**Title:** Payment for City Services -- For the purpose of establishing a fine for dishonored checks and other written instruments; establishing a convenience fee related to accepting payment over the phone or online; and establishing a penalty for late payment of sewer service bills.

**Sponsors:** Gavin Buckley

**Indexes:** Environmental Matters Committee, Finance Committee

**Code sections:**

**Attachments:** 1. O-23-20 Payment for City Services First Reader.pdf, 2. O-23-20 Staff Report.pdf, 3. O-23-20 Fiscal Impact Note.pdf, 4. O-23-20 Amendments 1-2 Buckley.pdf, 5. O-23-20 SIGNED.pdf

Date	Ver.	Action By	Action	Result
7/27/2020	1	City Council	adopt on second reader	Pass
7/15/2020	1	Environmental Matters Committee	recommend favorably	Pass
7/1/2020	1	Finance Committee	recommend favorably	Pass
6/22/2020	1	City Council	declare the public hearing closed	
5/26/2020	1	City Council	adopt on first reader	Pass
5/26/2020	1	City Council	refer	
5/26/2020	1	City Council	refer	

**Payment for City Services** -- For the purpose of establishing a fine for dishonored checks and other written instruments; establishing a convenience fee related to accepting payment over the phone or online; and establishing a penalty for late payment of sewer service bills.

### CITY COUNCIL OF THE City of Annapolis

#### Ordinance 23-20

**Introduced by:** Mayor Buckley  
**Co-sponsored by:**

**Referred to**  
**Environmental Matters Committee**  
**Finance Committee**  
**90 day Rule: 8/24/20**

**AN ORDINANCE** concerning

#### Payment for City Services

**FOR** the purpose of establishing a fine for dishonored checks and other written instruments; establishing a convenience fee related to accepting payment over the phone or online; and establishing a penalty for late payment of sewer service bills.

**BY** repealing and re-enacting with amendments the following portions of the Code of the City of Annapolis, 2020 Edition  
16.16.020

**BY** adding the following portions to the Code of the City of Annapolis, 2020 Edition  
6.04.270  
6.04.280

**SECTION 1: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that the Code of the City of Annapolis shall be amended to read as follows:

**TITLE 6 - REVENUE AND FINANCE**

**Chapter 6.04 - FINANCE AND TAXATION GENERALLY**

**SECTION 6.04.270 - PAYMENT BY CHECK.**

- A. **APPLICABILITY.** THIS SECTION APPLIES TO A CHECK OR WRITTEN INSTRUMENT USED IN THE PAYMENT OF ANY TAX, CHARGE, FEE, ASSESSMENT, OR IMPOST OF ANY KIND LEVIED OR IMPOSED UNDER ANY LAW, ORDINANCE, RULE, OR REGULATION.
- B. **EXCEPTION.** THIS SECTION DOES NOT APPLY TO A CHECK THAT IS NOT HONORED DUE TO THE FAULT OR NEGLIGENCE OF THE CITY.
- C. **AUTHORITY.** SUBJECT TO THE PROVISIONS OF § 15-801 ET SEQ. OF THE COMMERCIAL LAW ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS MAY BE AMENDED, THE CITY SHALL IMPOSE A FINE AGAINST ANY PERSON PRESENTING A CHECK OR SIMILAR WRITTEN INSTRUMENT TO THE CITY, THE DIRECTOR OF FINANCE, OR ANY AGENT OR EMPLOYEE OF THE CITY, IF THE FINANCIAL INSTITUTION UPON WHICH IT IS DRAWN:
1. DOES NOT PAY THE CHECK OR WRITTEN INSTRUMENT IN FULL AND INDICATES "NO FUNDS" OR "ACCOUNT CLOSED"; OR
  2. DISHONORS THE CHECK OR WRITTEN INSTRUMENT REGARDLESS OF REASON, WHEN IT IS PRESENTED A SECOND TIME FOR PAYMENT.
- D. **PENALTY - COLLECTION.**
1. THE DIRECTOR OF FINANCE SHALL COLLECT THE FINE AS ESTABLISHED BY RESOLUTION OF THE CITY COUNCIL.
  2. IN THE SAME MANNER AND TO THE SAME EXTENT AS THE TAX, CHARGE, FEE, ASSESSMENT, OR IMPOST IN CONNECTION WITH WHICH THE WORTHLESS INSTRUMENT WAS PRESENTED IN PAYMENT IS COLLECTED, THE FINE SHALL BE:
    - (A) A LIEN ON THE PROPERTY INVOLVED IN ANY APPROPRIATE CASE;
    - (B) ENTERED IN THE RECORDS OF THE DEPARTMENT OF FINANCE; AND

(C) WHERE APPROPRIATE, RECORDED AS A LIEN ON THE CITY TAX RECORDS.

**SECTION 6.04.280 - PAYMENT BY PHONE OR ONLINE - CONVENIENCE FEE.**

- A. **APPLICABILITY.** THIS SECTION APPLIES TO PAYMENT OVER THE PHONE OR ONLINE OF ANY TAX, CHARGE, FEE, ASSESSMENT, OR IMPOST OF ANY KIND LEVIED OR IMPOSED UNDER ANY LAW, ORDINANCE, RULE, OR REGULATION.
- B. **AUTHORITY.** THE DIRECTOR OF FINANCE IS HEREBY AUTHORIZED TO ACCEPT PAYMENT OVER THE PHONE OR ONLINE OF LOCAL TAXES AND OTHER FEES, FINES, PENALTIES, AND INTEREST BY THE USE OF A DEBIT OR CREDIT CARD. THE DIRECTOR OF FINANCE SHALL ADD TO SUCH PHONE OR ONLINE PAYMENT A CONVENIENCE FEE AS ESTABLISHED BY THIS SECTION.
- C. **COLLECTION.** IF ANY PHONE OR ONLINE TRANSACTION TENDERED FOR PAYMENT OF ANY TAX OR OTHER FEE, FINE, PENALTY, AND INTEREST DUE IS NOT PAID BY THE BANK, DEBIT CARD COMPANY, OR CREDIT CARD COMPANY, THE INDIVIDUAL FOR WHOM SUCH PHONE OR ONLINE TRANSACTION WAS TENDERED SHALL REMAIN LIABLE FOR THE PAYMENT OF THE TAX OR OTHER FEE, FINE, PENALTY, AND INTEREST, THE SAME AS IF SUCH PHONE OR ONLINE TRANSACTION HAD NOT BEEN TENDERED.
- D. **AMOUNT OF FEE.** THE CONVENIENCE FEE SHALL BE A FLAT AND FIXED AMOUNT ESTABLISHED BY RESOLUTION OF THE CITY COUNCIL FOR THE ACCEPTANCE OF A PHONE OR ONLINE PAYMENT. THE CONVENIENCE FEE SHALL BE THE SAME AMOUNT REGARDLESS OF THE VALUE OF THE PAYMENT DUE.
- E. **NOTIFICATION.** THE DIRECTOR OF FINANCE MUST PROVIDE ADVANCE NOTICE OF THE CONVENIENCE FEE THAT WILL BE APPLIED TO ANY PHONE OR ONLINE PAYMENT WITH AN OPPORTUNITY TO CANCEL THE PHONE OR ONLINE PAYMENT. THE CONVENIENCE FEE MUST BE INCLUDED IN THE TOTAL TRANSACTION AMOUNT.

**TITLE 16 - PUBLIC SERVICES**

**Chapter 16.16 - SEWER SERVICE**

**Section 16.16.020 - BILLING - PENALTY - Lien-Collection.**

- A. A PENALTY OF TEN PERCENT SHALL BE ADDED TO EACH SEWER SERVICE BILL UNPAID AFTER THIRTY DAYS.
- B. All charges for sewer service shall be a lien upon the property to be collected in the same manner as municipal taxes are collected.

**SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that this ordinance shall take effect from the date of its passage.

**Explanation:**

UPPERCASE indicates matter added to existing law.  
~~Strikethrough~~ indicates matter stricken from existing law.  
Underlining indicates amendments.