DOUGLAS COUNTY ADMINISTRATIVE POLICIES AND PROCEDURES

NUMBER:

EFFECTIVE DATE:

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REVISED:

AUTHORITY:

COUNTY MANAGER: CLERK/TREASURER:

OV/Gr-SM

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SUBJECT: CREDIT CARD ACCEPTANCE POLICY

I. PURPOSE: To develop a policy on the acceptance of credit cards so that citizens can use them to make payments to certain county departments. This policy shall apply to all County departments as well as those political subdivisions of the County (hereinafter "other public entity") that allow payments by credit cards for paying taxes, interest, penalties, goods, services or any other obligation.

II. POLICY ITEMS:

- A. Acceptable means of payment for county expenses can include credit cards or debit cards. Acceptable credit and debit cards can include: Visa, Master card, Discover and American Express.
- B. NRS 354.770 (1) (a) states that a local government can accept credit cards or debit cards for payment of money owed to the local government for taxes, interest, penalties or any other obligation; or (b) in payment for goods or services.
- C. NRS 1.113 (1) states that a court in Nevada can accept credit cards or debit cards for payment of money owed to the court for a fee, fine, administrative assessment, restitution or any other charge owed to the court.
- D. Both NRS 354.770 and 1.113 state that if the issuer charges the local government or court a fee for each use of a credit card or debit card, the local government or court may require the cardholder to pay a convenience fee. The convenience fees charged by the local government or court in a fiscal year must not exceed the total amount of fees charged to the local government or court by the issuer or operator in that fiscal year.
- E. A convenience/user/service/surcharge fee is a cost paid by the card user for "service" or the "convenience" of using his/her card in a transaction. It is used to cover the costs that merchant banking service providers charge the County to allow citizens to pay for certain services using a credit card.
- F. If a convenience/user/service/surcharge fee is imposed by a County department for accepting credit card payments, each department must notify each person making a payment by such device about the surcharge or fee. A notice must include the following:
 - 1) A statement that there is a convenience/user/service/surcharge for using a credit card.
 - 2) The total amount of the fee/surcharge expressed in dollars and cents for each transaction; or the rate of charge or fee expressed as a percentage of the total amount of the transaction, whichever is applicable.

- 3) The fee or surcharge is nonrefundable.
- G. When credit card transactions are dishonored for any reason, the card holder is liable to pay a minimum penalty of \$15 and the amount of any expense incurred by the county for the dishonored payment. The expenses may include banking charges, legal fees, or other expenses incurred by the county in collecting the returned or dishonored payment. This remedy is in addition to any other available civil or criminal remedies provided by law.
- H. The County Treasurer shall act as the administrative agent for the implementation of this policy.
- III. RESPONSIBILITY FOR REVIEW: The County Treasurer and County Manager will review this policy as needed or at least once every 5 years.

09/05/13