

CITY OF BLOOMFIELD

Ordinance 533

AN ORDINANCE AMENDING CHAPTER SIXTEEN (16) RELATING TO TAXATION

WHEREAS, the City of Bloomfield desires to amend Chapter Sixteen (16) adding Article V Sections 16-98 – 16-104 Payment Card and Electronic Transfer Acceptance and Processing Policy

THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF BLOOMFIELD THAT THE FOLLOWING ADDITIONS TO CHAPTER SIXTEEN (16) OF THE BLOOMFIELD MUNICIPAL CODE BE IN FULL FORCE AND EFFECT UPON ADOPTION OF THIS ORDINANCE:

Sec. 16-98 Introduction

Pursuant to Section 6-10-1.2, NMSA 1978, a local governing body may accept payment by credit card or electronic means of any amount due under any law or program administered by the agency or local governing body. The same statute also states that the local governing body shall adopt procedures, subject to the approval of the Department of Finance and Administration (DFA), on the terms and conditions of accepting payments by credit card or electronic transfer.

Section B of this same statute states that a local governing body may charge a convenience fee to cover the exact fees imposed by the financial institution for the cost of processing a credit card or electronic transfer transaction.

The purpose of these procedures is to provide the terms and conditions of accepting payments by credit card, debit card (card) or electronic transfer for services throughout the City of Bloomfield (City) using accounting controls to mitigate the risk of fraud and to ensure compliance with the Payment Card Industry (PCI) regulations.

All City employees and/or departments that accept or may accept card transactions or electronic transfers and are in the support of the cardholder data environment (process, review, reconcile, approve, system support, etc.) are subject to the terms of this procedure.

Card or electronic transfer customer information is not subject to Public Records Disclosure nor will be subject to use for commercial purposes.

Sec. 16-99 Acceptance and Processing

1. Card or electronic transfer payments will be used for the sole purpose of processing payments due from the customer for services provided by the City. Cash advances or cash withdrawals are not authorized by the City.
2. New card or electronic transfer services will be requested through the Finance Department in accordance with these standards and approved by management and the City Council. Departments will use the card or electronic transfer payment processor under contract with the City. The Finance Department will be the contact with the contracted card or electronic transfer payment processor. Departments will not contact the payment processor directly for new equipment or services.
3. The cost of equipment will be paid from departmental funds within the City.
4. The City charges a \$1.25 convenience fee on all card transactions that are received over the phone payment system or paid online. The City does not charge a fee for card transactions that are made in person. The City will absorb all other fees associated with the acceptance of payment cards. Technology implementation will be in accordance with the Payment Card Industry Data Security Standards (PCI DSS).

Sec. 16-100 Handling Card or Electronic Transfer Information

In accordance with PCI DSS, Req. 12.6.1, all employees involved in processing card or electronic transfer transactions and the support of the cardholder data environment (process, review, reconcile, approve, system support, etc.) will be trained upon hire.

Protecting cardholder or electronic transfer data is essential; thus, every effort will be made NOT to store cardholder information. Any physical access should be appropriately restricted to data or systems that house, process, or transmit cardholder data to prevent the opportunity for persons to access and/or remove devices, data, systems, or hard copy information.

Electronic transfer requests will be made in person by verifying the customer's identity with a photo ID. Customers will complete an ACH form and supply a voided check. Documents will be scanned into the customers' electronic account in Tyler Incode 10, then destroyed.

For each card payment channel, the acceptable PCI DSS compliance method is explained as follows:

1. Via the City phone: Staff is prohibited from accepting card payments over the phone. Staff will give the customer the payment phone number or the website for online payments to make a payment using the secure payment system.
2. Via mail: Staff is prohibited from taking card payments via any mail service. If a payment is received with card information as a form of payment, staff will immediately shred the payment information and contact the customer to inform them the payment cannot be processed. Staff will give the customer the payment phone number or the website for

- online payments to make a payment using the secure payment system.
3. In-Person: Card transaction payments will be processed directly into the system or POS terminal in the presence of the customer according to security controls. Staff is prohibited from writing or storing card information and the POS terminal will be accessible to the card user.
 4. Via fax, email, other communication medium: Staff is prohibited from accepting payments via fax, email or any other unsecure communication medium. If a customer does send a fax, email or other communication medium with their card information, the information should be deleted immediately from all email folders and shredded from other communication mediums. The customer will be contacted and informed the payment cannot be processed. Staff will give the customer the payment phone number or the website for online payments to make a payment using the secure payment system.
 5. Internet Website: Transactions will be processed through the secure website managed by the IT department and no information should be saved or stored in any manner.

Sec. 16-102 Accounting Controls

1. There will be no refunds, voids, or credits issued on card payments to the City. Credits will be applied to the customers' account for future billing or refunded to the customers via check.
2. Each business day, batches will be closed and reconciled using the daily reports provided with the end of day packet in the Tyler Incode 10 cashiering module.
3. A detailed reconciliation process will be done monthly in conjunction with the bank reconciliation process completed by the Finance Department with all copies retained for Audit review.

Sec. 16-103 Terminals: Point of Sale (POS) Equipment

Terminals will be stored in a physically secure location when not in use. There will be a documented and periodic review process in place performed at least quarterly to detect any tampering of equipment (unauthorized payment card skimmers) and a log will be maintained of the periodic review.

The City does not use wireless terminals. If this equipment becomes necessary, the wireless terminals will connect directly to the City approved processor in accordance with Point-to-Point Encryption (P2PE) devices. Portable devices that attach to tablets, smartphones, etc. are not PCI compliant and will not be used.

Sec. 16-104 Payment Card Industry Data Security Standards

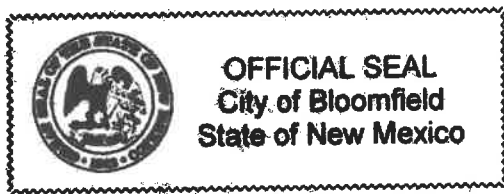
The PCI DSS is the global data security standard adopted by the payment card brands for all entities that process, store, or transmit cardholder data. It consists of common-sense steps that mirror security best practices. Noncompliance to these standards can result in significant fines assessed to the City and may result in the loss of ability to accept payment cards.

To ensure compliance with PCI DSS requirements, an annual validated PCI Self-Assessment Questionnaire will be completed and submitted to DFA with the Interim budget by June 1st of each year.

Standards for PCI DDS Requirements can be found at: <https://www.pcisecuritystandards.org/>

Except for the changes set forth above, the provisions of Chapter Sixteen (16) of the Bloomfield Municipal Code are hereby ratified and confirmed.

Approved, Adopted, and Signed this 11th day of July 2022.



Cynthia Atencio
Cynthia Atencio, MAYOR

ATTEST:

Crystal L. Martinez Hornberger

Crystal L Martinez Hornberger, CITY CLERK