

**COUNTY BOARD OF LEGISLATORS  
COUNTY OF WESTCHESTER**

Your Committee recommends adoption of “AN ACT amending Act No. 8 of 2002, which authorized the County of Westchester to enter into agreements with one or more financing agencies or card issuers to provide for payments owed to the County by credit cards, by adding a requirement that any person offering payment by credit card shall be required to pay the County any service fee or surcharge that may be incurred.”

Your Committee notes that Act No. 8 of 2002, adopted by the Board of Legislators on February 4, 2002, authorized the County of Westchester to accept credit card payments as a means of payment of fines, rent, rates, taxes, fees, charges, revenue, financial obligations or other amounts including penalties, special assessments and interest, owed to the County. Act No. 8 of 2002 also specially authorized the County Clerk, the Commissioner of Finance and their designees to accept credit card payments. The attached Act, if adopted, would continue the authorization for the Commissioner of Finance, the County Clerk, with the addition of the County Executive and their designees to accept credit card payments, for the previously enumerated purposes. The availability of credit card payments has proven to be a great convenience to the users of County services.

Your Committee is informed that as a condition for accepting payment by credit card, this proposed Act will require any person offering payment by credit or charge card to pay a service fee or surcharge to the County pursuant to certain requirements as contained in a 2024 amendment to New York State law General Business Law § 518. That law, enacted to promote transparency, fairness and prevent consumers from being misled when making purchases using credits cards, now provides specific guidance for New York State businesses or municipalities when charging an additional fee to

persons paying with a credit card. Pursuant to the requirements of New York State General Business Law § 518, this proposed Act will mandate that the service fee or surcharge for use of a credit card not exceed the costs incurred by the County in connection with the credit or charge card payment transaction, including any service fee or surcharge owed by the County to the financing agency or card issuer arising from that transaction. Moreover, this proposed Act will also require that the total price for using a credit card in such transaction, inclusive of service fee or surcharge, be clearly and conspicuously posted. and that any service fee or surcharge shall not exceed the amount charged to the County by the credit card company for such credit card use. The Act provides that the final sales price of any such sales transaction, inclusive of such service fee or surcharge, shall not amount to a price greater than the posted price for such sales transaction.

Your Committee is advised that according to the Budget Department, the County currently spends approximately \$140,000 per year on credit card processing fees. The counties of Rockland, **Cayuga, Chemung, Erie, Greene, Monroe, Putnam and Suffolk**, as well as New York City, the New York State Departments of Taxation and Finance and Motor Vehicles, and the Internal Revenue Service all charge service fees or surcharges for certain payments by credit card. This proposed Act will allow the County to recoup the considerable amount of service fees the County currently pays to the credit card agencies.

As you know, this Honorable Board must comply with the requirements of the State Environmental Quality Review Act (“SEQRA”). The proposed act does not meet the definition of an action under New York State Environmental Quality Review Act and its implementing regulations 6 NYCRR Part 617. Please refer to the memorandum from the Department of Planning dated January 9, 2026, which is on file with the Clerk of the Board of Legislators.

Your Committee, after careful consideration, recommends adoption of the attached Act.

Dated:

**White Plains, New York**

COMMITTEE ON

**ACT NO. -2026**

AN ACT amending Act No. 8 of 2002, which authorized the County of Westchester to enter into agreements with one or more financing agencies or card issuers to provide for payments owed to the County by credit cards, by adding a requirement that any person offering payment by credit card shall be required to pay the County any service fee or surcharge that may be incurred.

BE IT ENACTED by the County Board of Legislators as follows:

Section 1. Act No. 8 of 2002 is amended to read as follows:

§ 1. Pursuant to Section 5 of the New York State General Municipal Law, the Board of Legislators determines that, it being in the public interest, the County of Westchester is hereby authorized to enter into agreements with one or more financing agencies or card issuers to provide for acceptance, by the County Executive, County Clerk, the Commissioner of Finance and their designees, of credit cards as a means of payment of fines, civil penalties, rent, rates, taxes, fees, charges, revenue, financial obligations or other amounts including penalties, special assessments and interest, owed to the County of Westchester.

§ 2. For purposes of this Act, credit card means any credit card, credit plate, charge card, charge plate, courtesy card, debit card, other identification card, value transfer device as defined by the state comptroller or device issued by a person to another person which may be used to obtain a cash advance or a loan or credit, or to purchase or lease property or services on the credit of the person issuing the credit card or a person who has agreed with the issuer to pay obligations arising from the use of a credit card issued to another person.

§ 3. The Agreements referred to in Section 1 of this Act shall govern the terms and conditions upon which a credit card proffered as a means of payment of fines, civil penalties, rent, rates, taxes, fees, charges, revenue, financial obligations or other amounts including penalties, special assessments and interest, shall be accepted or declined and the manner in and conditions upon the which the financing agency or card issuer shall pay to the County of Westchester the amount of the fines, civil penalties, rent, rates, taxes, fees, charges, revenue, financial obligations or other amounts including penalties, special assessments and interest, paid by means of a credit card pursuant to such Agreement.

~~§ 34. The Agreements referred to in Section 1 of this Act may provide for the payment of fees by the County of Westchester to the financing agency or card issuer. The Agreements referred to in Section 1 of this Act may further provide that the fees owed by the County of Westchester to the financing agency or card issuer may be paid by deducting the fee from the amount payable to the County of Westchester on account of any credit card payment received by the County Clerk, the Commissioner of Finance or their designees for any of the purposes set forth in Section 1 of this Act. If fees are paid by such means, they shall be post-audited by the Commissioner of Finance.~~ The Agreements referred to in this Act may provide that as a condition for accepting payment by credit card, such person offering payment by credit or charge card pay the County of Westchester any service fee or surcharge imposed by the financing agencies or card issuers not to exceed the costs incurred by the County of Westchester in connection with the credit or charge card payment transaction, including any fee owed by the County of Westchester to the financing agency or card issuer arising from that transaction.

~~§ 45 The underlying debt, lien, obligation, bill, account or other amount owed to the County of Westchester for which payment by credit card is accepted by the County of Westchester shall not be expunged, cancelled, released, discharged or satisfied, and any receipt or other evidence of payment shall be deemed conditional, until the County of Westchester has received final and unconditional payment of the full amount due from the financing agency or card issuer for such credit card transaction. The total price for using a credit card in such transaction, inclusive of service fee or surcharge, shall be clearly and conspicuously posted, provided however, any such service fee or surcharge may not exceed the amount charged to the County by the credit card company for such credit card use. The final sales price of any such sales transaction, inclusive of such service fee or surcharge, shall not amount to a price greater than the posted price for such sales transaction.~~

~~§ 6. The underlying debt, lien, obligation, bill, account or other amount owed to the County of Westchester for which payment by credit card is accepted by the County of Westchester shall not be expunged, cancelled, released, discharged or satisfied, and any receipt or other evidence of payment shall be deemed conditional, until the County of Westchester has received final and unconditional payment of the full amount due from the financing agency or card issuer for such credit card transaction.~~

Section 2. This Act shall take effect on \_\_\_\_\_, 2026.