



DEPARTMENT OF FINANCE

NOTICE OF RULEMAKING

Pursuant to the power vested in me as Commissioner of Finance by sections 389(b) and 1043 of the New York City Charter, I hereby promulgate the within Amendment to the Rules Relating to Fees to Be Charged by the Commissioner of Finance, in Addition to Those Now Fixed by Statute. This amendment was published in proposed form on July 2, 2010. A hearing for public comment was held on August 2, 2010.

S/S
David M. Frankel
Commissioner of Finance

Note: New matter underscored; old matter in brackets [] to be deleted.

Amendment to the Rules Relating to Fees to Be Charged by the Commissioner of Finance, in Addition to Those Now Fixed by Statute

Section 1. A new subdivision (h) is added to section 9-01 of Chapter 9 of title 19 of the Rules of the City of New York (Rules Relating to Fees To Be Charged by the Commissioner of Finance, in Addition to Those Now Fixed by Statute), to read as follows:

(h) For the processing of paper checks, drafts or similar paper instruments, written for payments issued through the City's financial management system. \$3.50

Notwithstanding the foregoing, the commissioner of finance may determine that this subdivision shall not apply to certain paper checks, drafts or similar paper instruments, including, but not limited to:

- (1) Inter-governmental and intra-governmental transfers of funds;
- (2) Transfer of funds to City financial accounts;
- (3) Payments to City employees;
- (4) Refunds of collected revenue;
- (5) Payments made via the judgment and claims processes; and
- (6) Payments determined by agencies to be "miscellaneous vendors" and, therefore, outside of the standard vendor enrollment process.

Basis and Purpose of Amendment

This rule amendment is intended to impose a fee to cover the cost to the City relating to printing, handling and distribution of paper check payments through its financial management system, and to provide an incentive for payees to choose electronic funds transfer (EFT) as the method of payment. This amendment includes exceptions such that certain payees will not be subject to the fee if it would be impracticable or unjustified to impose such fee.