

**AN ORDINANCE TO AMEND CHAPTER 40 OF THE CITY CODE REGARDING
DIRECT DEPOSIT**

#4555

Sponsors:

**Council
President
Shabazz**

**Council
Member
Chukwuocha**

WHEREAS, in July 2017, City Council passed Ordinance 17-019, which instituted a requirement that pay for all summer youth employees of the City be deposited directly into an account, rather than through the issuance of a paper check; and

WHEREAS, this Ordinance was proposed by the City Treasurer in accordance with similar provisions for others who receive payment in connection with employment with the City of Wilmington, with the purpose of enhancing security and reducing the cost of issuing and mailing paper checks; and

WHEREAS, while an admirable goal, and successful by most accounts, this new requirement has imposed a hardship for some youth employees selected for this summer's program, who for any number of reasons have not been able to secure a checking account; and

WHEREAS, the intent of the abovementioned legislation was to enhance efficiencies and cut costs, but not to potentially preclude or bar any youth from seeking and holding summer employment and development opportunities with the City of Wilmington; and

WHEREAS, in an effort to ensure these youths are able to remain in this program and to receive the professional and personal development and support that such a program has been shown to deliver, Council seeks to codify a limited exception to this regulation in the event of a hardship or other extenuating circumstance.

**NOW, THEREFORE, THE COUNCIL OF THE CITY OF WILMINGTON
HEREBY ORDAINS:**

SECTION 1. Chapter 40 of the City Code is hereby amended by as follows:

Section 40-12. Direct deposit required.

- (a) Commencing August 1, 2006, all pay for all new regular city employees (first employed by the city on or after August 1, 2006) (not limited service) shall be deposited directly into an account designated by the respective employee at a financial institution and not by check payable to the employee.
- (b) By no later than September 30, 2017, all pay for all limited service city employees (except for youth employed by the city in the city summer youth program) shall be deposited directly into an account designated by the respective employee at a financial institution and not by check payable to the employee.
- (c) By no later than December 31, 2017, all pay for all regular city employees first employed by the city prior to August 1, 2006 shall be deposited directly into an account designated by the respective employee at a financial institution and not by check payable to the employee.
- (d) By no later than June 1, 2018, all pay for all youth employed by the city in the city summer youth program shall be deposited directly into an account designated by the respective employee at a financial institution and not by check payable to the employee, except in circumstances in which a youth has not been able to secure an account by the requisite date due to extenuating circumstances or a hardship. Approval for a waiver of this requirement shall be made by the department head of the department with supervisory responsibility over a youth employee, and shall be provided to the City Treasurer's Office in writing.

SECTION 2. This Ordinance shall become effective immediately upon its date of passage by the City Council and approval by the Mayor.

First Reading..... June 21, 2018
 Second Reading.... June 21, 2018
 Third Reading.....

Passed by City Council,

 President of City Council

ATTEST: _____
 City Clerk

Approved this ____ day of _____, 2018

Mayor

SYNOPSIS: This Ordinance codifies a limited exception to the requirement that all youth employed with the City through the Summer Youth Employment Program receive pay through direct deposit. This Ordinance seeks to prevent an unintended consequence of this legislation that has left some youth ineligible to participate in this program resulting from a hardship or extenuating circumstance that has prevented them from securing a checking account.

FISCAL IMPACT STATEMENT: As the number of youth employed by the City annually is small, and presumably not all would qualify for this waiver, the anticipated potential fiscal impact of this Ordinance would be limited to the production of paper checks for a portion of this population, and would be negligible.

POLICY STATEMENT: This Ordinance has been introduced to remedy an unintended consequence of prior legislative action, and to ensure that the policy objectives of the Summer Youth Employment Program and similar youth development initiatives are not compromised by a technical requirement.