



**WEST VIRGINIA  
SECRETARY OF STATE**

**NATALIE E. TENNANT**

**ADMINISTRATIVE LAW DIVISION**

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OFFICE OF  
WEST VIRGINIA SECRETARY OF STATE

**FORM 6 -- NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED  
BY THE WEST VIRGINIA LEGISLATURE**

AGENCY	Treasurer				
RULE TYPE	Legislative	AMENDMENT TO EXISTING RULE	Yes	TITLE-SERIES	112-13
RULE NAME	Providing Services to Political Subdivisions				

CITE AUTHORITY §12-3A-6

HOUSE OR SENATE BILL NUMBER	SECTION	PASSED ON
4039	§64-9-6(h)	03/08/2014

THIS RULE IS FILED WITH THE SECRETARY OF STATE. THIS RULE BECOMES EFFECTIVE ON THE FOLLOWING DATE

**Tuesday, July 01, 2014**

BY CHOOSING 'YES', I ATTEST THAT THE PREVIOUS STATEMENTS ARE TRUE AND CORRECT.

**Yes**  
Diana Stout -- By my signature, I certify that I am the person authorized to file legislative rules, in accordance with West Virginia Code §29A-3-11 and §39A-3-2.



Title-Series: 112-13



Rule Id: 9171



Document: 25755

**TITLE 112  
LEGISLATIVE RULE  
STATE TREASURER'S OFFICE**

**SERIES 13  
PROCEDURES FOR PROVIDING SERVICES TO POLITICAL SUBDIVISIONS**

**§112-13-1. General.**

1.1. Scope. -- This rule establishes the procedures for the State Treasurer's Office to provide services to political subdivisions.

1.2. Authority. -- W. Va. Code § 12-3A-6.

1.3. Filing Date. -- May 6, 2014.

1.4. Effective Date. -- July 1, 2014.

**§112-13-2. Definitions.**

2.1. "ACH" means automated clearinghouse, a national EFT network which enables participating Financial Institutions to distribute electronic credit and debit entries to financial institution accounts and to settle the entries.

2.2. "Card Issuer" means a financial institution or other business issuing a charge, credit or debit card.

2.3. "Charge card" means a card (usually plastic) issued for the purpose of obtaining money, property or services on credit, with the full balance due at the end of each statement period.

2.4. "Convenience fee" means a fixed or variable rate charge assessed to a charge, credit or debit card or electronic payment to help defray the cost of processing a transaction.

2.5. "Credit card" means a card issued for the purpose of obtaining money, property or services on credit with the full balance or minimum payments due at the end of each statement period. Interest is assessed on the unpaid balance.

2.6. "Customer" means any person or entity purchasing from a political subdivision.

2.7. "Debit card" means a card issued for the purpose of obtaining money, property or services with the amount charged directly to the holder's financial institution account.

2.8. "Discount fee" means the charges assessed to the merchant on the total sale by charge, credit or debit card by a card issuer for accepting its card.

2.9. "Electronic Commerce" means the processing of transactions by electronic means, including, but not limited to, the telephone, IVR, POS Terminal, Internet and electronic payment.

2.10. "EFT" means electronic funds transfer.

2.11. "Electronic payment" means an EFT, including, but not limited to, payment by ACH, ACH based electronic check and wire transfer.

2.12. "Financial institution" means a state or national bank or a state or federal savings and loan association.

2.13. "Internet" means the computer-based global information system linking computer networks all over the world by satellite.

2.14. "IVR" means a telephone interactive voice response system.

2.15. "Lockbox services" means the process in which payments and remittance forms are mailed to a post office box, retrieved and processed, and the moneys then deposited into a financial institution account .

2.16. "Merchant" means any political subdivision accepting payments by charge, credit or debit cards.

2.17. "Political subdivision" means a county, municipality, board of education, RESA, corporation or instrumentality of one or more counties or municipalities, and any other government organization.

2.18. "Point of sale terminal" or "POS terminal" means a device used for the primary purposes of transferring moneys to or from a financial institution account or segregating moneys in accounts within a financial institution, or both, for transactions, including, without limitation, devices used to implement and facilitate check guarantee and check authorization.

2.19. "RESA" means a West Virginia regional education service agency authorized in W. Va. Code §18-2-5b.

2.20. "Services" include, without limitation, charge, credit and debit card approval and clearing; EFT; internet ACH debit; lockbox services; POS activity; ACH batch processing; website development; website hosting; database management; remote data capture and consulting.

2.21. "Transaction" means one purchase or payment.

2.22. "Treasurer" means the West Virginia State Treasurer.

2.23. "Wire transfer" means a type of EFT in which a bank to bank transaction occurs in real time.

### **§112-13-3. Political Subdivisions Using Treasurer's Services.**

3.1. Political subdivisions may request to use the Services offered by or agreements made available by the Treasurer.

3.2. A political subdivision shall complete the application and any documents provided by the Treasurer.

3.3. An authorized signatory of the political subdivision shall sign the agreement, application and any other documents required by the Treasurer.

3.4. The Treasurer shall review each submitted application.

3.5. If an application is not complete or timely, or if the Treasurer is not able to provide the requested services, the Treasurer may reject the application.

3.6. The Treasurer shall return rejected applications with an explanation of the reasons for rejection.

3.7. If the Treasurer determines alternative services to the services requested by the political subdivision may be better suited to the activity, the Treasurer shall inform the political subdivision of the alternative services. The Treasurer shall provide only the services selected by the political subdivision.

### **§112-13-4. Duties of Political Subdivisions.**

4.1. Political subdivisions shall acquire any goods or services necessary for the Treasurer to provide services.

4.2. For Internet transactions, the political subdivision website shall contain information required by the Treasurer.

4.3. Political subdivisions using the services of the Treasurer shall agree to maintain security and confidentiality standards that at a minimum comply with standards established by the Treasurer.

4.4. Political subdivisions are responsible for all discount and other fees and amounts assessed or charged in connection with the services.

4.5. Each political subdivision shall establish procedures to reconcile transactions processed with the amounts the Treasurer deposits into the account designated by the political subdivision.

#### **§112-13-5. Treasurer's Duties.**

5.1. The Treasurer shall:

- (a) determine which, if any, of the services it may provide;
- (b) determine the documents and the terms and conditions of any agreement a political subdivision shall sign;
- (c) provide the training and assistance needed for a political subdivision to use the services;
- (d) obtain merchant account numbers for political subdivisions authorized to use the services;
- (e) test the acceptance process prior to implementing the services; and
- (f) transfer by ACH all the moneys approved for a political subdivision into a financial institution account or an investment account designated by the political subdivision.

5.2. The Treasurer may, at any time, assess or require the assessment of the system security of the political subdivision and how confidential information is managed.

**§112-13-6. Convenience Fees.**

6.1. A political subdivision using the services of the Treasurer may require customers using its website to pay a convenience fee, unless the fee is prohibited by law.

6.2. The process used for the convenience fee shall follow and abide by any Treasurer, industry and other applicable requirements.