Card Brand Rules Complexity and Interpretation

Government agencies functioning as merchants frequently get conflicting information regarding when a convenience fee or a surcharge can and cannot be levied, and in what form the fee can be if allowed. Accordingly, many agencies are confused, and rightly so, due to the following reasons:

- Each card brand (i.e., Visa, MasterCard, American Express, and Discover) has its own rules, which are not consistent with each other
- Rules may apply differently to a “card-present” transaction versus a “card-not-present” transaction
- The terms “surcharge” and “convenience fee” are not always interchangeable
- Rules may apply differently to a “merchant” versus a “third-party vendor”
- Rules may apply differently if there are multiple payment options offered, such as credit card, debit card, and bank drafts (e-checks)
- Rules may apply differently to “government merchants” versus “commercial merchants”
- Rules may apply differently to “tax payments” versus “non-tax payments” (e.g., licensing fees, registration fees, tuition, etc.)
- Rules sometimes conflict with a state statute that would otherwise appear to make the practice permissible
- There are conflicting interpretations of the rules made by third-party vendors
- Application of the rules of any one particular brand may appear not to be consistently applied or enforced, either among the merchants or among third-party vendors

Conflicting interpretations and inconsistent application or enforcement of the rules are the most common causes of confusion. For example, a particular card brand may have a rule that specifically indicates a third party cannot levy a convenience fee on behalf of a merchant. However, the merchant agency is aware of another government agency that uses a third-party vendor that does levy a fee with no problem. Some third-party vendors will advise the government agency that such policy of levying the fee is against the card brand’s rules, while other vendors will advise that their particular processing model of levying a fee is in compliance with the card brand’s rules. This apparent conflict in rules interpretation is also frequently seen in the application of Visa’s rule that prohibits the levying of a convenience fee that is percentage-based or tiered-based, as opposed to being a flat fee.

Ever Changing Card Brand Rules

One of the reasons for the apparent conflict in rules interpretation lies with the ever changing of the card brand rules. Prior to 1994, all major card brands prohibited any type of “convenience fee” (which generally applies to card-not-present transactions), as well as any type of “surcharge” (which generally applies to card-present transactions). Not being fully aware of these rules, or believing that the rules did not apply to them, in the early 1990s many governments began levying convenience fees and surcharges. Because of the widespread practice, in 1993 Visa ordered the acquiring member banks to cut-off services to governments that continued the practice. Desirous of continuing to accept cards, the State of Florida had to discontinue the practice even though it had enacted legislation specifically authorizing the practice. The North Carolina Department of Revenue had sought permission from Visa and MasterCard in 1991 to levy convenience fees but was denied.
Also during the early 1990s, there was an emergence of third-party vendors that provided ticket sales online and via touch-tone telephone. These vendors started levying a surcharge on its transactions. Because of the growth of these vendors, Visa and MasterCard changed their rules in 1994, sanctioning a “convenience fee” for transactions levied by merchants that provided a more convenient payment channel, such as through the Internet. Visa’s rule at the time, as is today, was more stringent than MasterCard’s, as Visa required the fee to be “fixed or flat,” regardless of the transaction amount size. Justification for the stricter rule is that a “percentage fee” based upon the transaction amount is being levied to offset the cost associated with using the card, while a “fixed fee” is more in line with offsetting the costs associated with the payment channel.

**Non-Clarity / Selective Enforcement of Rules**
The 1994 rule changes by Visa and MasterCard did not stop some third-party vendors that had established a foothold in the government arena from interpreting the rules to allow a vendor to offer online payment services to governments with percentage-based transaction fees. While some vendors discontinued the practice, some vendors somehow have continued to operate their processing model utilizing the percentage-based transaction fee, claiming that the fee is being levied by the vendor as a “transaction fee,” not by the government as a “convenience fee.”

When such a percentage-based fee is levied against a payor, by whatever name, it is not always clear as to when it is considered a convenience fee subject to Visa’s rules and when it is not. Visa has indicated that it does not police its convenience rules vigorously, but does investigate if a complaint is received from a cardholder. There does not seem to be a clear set of criteria consistently applied by Visa that allows a government to know when a third-party’s model is or is not a rules violation, or when or if Visa has granted a waiver of its rule for a particular vendor’s model.

Herein lies part of the root of the confusion, as a number of governments across the country are offering non-tax payments to payors through third-party vendors, often with percentage-based convenience fees, apparently without noticeable enforcement of the rules by Visa. When pressed for clarification, it is difficult for either the government or the vendor to obtain a written waiver or explanation from Visa. Some governments have the impression that the continued practice of those third-party vendors that levy percentage-based fees on non-tax payments gives the appearance of selective enforcement.

In the case of state run universities however, Visa has been consistent in not granting waivers to allow a percentage-based convenience fee. Even the efforts of the National Association of State Auditors, Controllers, and Treasurers (NASACT) and the Government Finance Officers Association (GFOA) have failed to obtain waivers from Visa. Because of the large dollar amounts associated with tuition payments and the inability to obtain a waiver from Visa, most universities across the country now do not accept Visa cards for tuition. Instead, they only accept MasterCard, American Express, and Discover, as those card brands do not have a prohibition against a percentage-based convenience fee.

**Relaxing of Rules in 2007-2008**
Up until 2007, while each card brand’s rules were somewhat different, they were all consistent in only allowing a convenience fee to be assessed equally for all types of payments made through the same payment channel (e.g., Internet), as they did not want their cardholder to be discriminated against. This stipulation was initially accepted by the governments. However, with e-check (bank draft / ACH payment) becoming a widely accepted form of online payment during the early 2000s, the “no discrimination rule” created a disadvantage for the governments. The
cost of an e-check transaction is much less than a card transaction, as no interchange fees are applied to an e-check transaction. This cost differential led some governments, and third-party vendors on their behalf, to begin levying a lesser convenience fee, or no fee at all, for an e-check transaction. In many cases, this practice seemed to go unchallenged by the card brands, unless a discrimination complaint was received from a cardholder.

In 2007, MasterCard recognized the imposition that its no-discrimination convenience rule was having, and presumably desirous of obtaining more market share, changed its convenience fee rule, but for governments and educational entities only. Upon applying, a government is now allowed by MasterCard to levy both a convenient fee on card-not-present transactions, and a surcharge on card-present transactions, as well as being able to offer a lower fee for an e-check transaction. The fee or surcharge can be either fixed or percentage-based, and can be levied by either the agency as merchant or its third-party vendor.

In 2008, American Express adopted a convenience fee rule similar to MasterCard’s, presumably also attempting to increase its government sector market share. (Discover has never had a prohibition against surcharges.) Visa responded in October 2008 by announcing its Tax Payment Program, which provides a waiver from its no-discrimination convenience rule for e-checks, as well as a waiver from its “flat convenience fee only” rule. This waiver only applies to governments that apply (or its third-party vendor), and only for tax payments processed under an eligible merchant category code (MCC 9311). The waiver does not apply to other types of fees, such as licenses, permits, and tuition, or to situations where there is a mix of tax and non-tax payments. There are two important stipulations to Visa’s waiver. First, the convenience fee must be processed as a separate transaction than the tax payment. Second, for a Visa consumer debit card, the fee can be no more than $3.95, regardless of the amount of the tax payment amount.

**Effect of Rules in North Carolina**

While the North Carolina Department of Revenue is now able to accept Visa cards and levy a tiered-pricing convenience fee for tax payments because of the special Visa waiver, other agencies in the State are not eligible for the waiver due to their receipts not being considered tax payments. In fact, in 2005 and 2006 two North Carolina agencies that were not compliant with the Visa “flat fee only rule” received letters from Visa demanding that they cease the percentage-base fee practice. The two agencies reacted differently. The Child Support agency conceded and changed its fee to a flat fee. The University of North Carolina at Chapel Hill on the other hand elected to discontinue accepting Visa cards and now only accepts MasterCard for tuition payments, which is what most universities across the state and the country have elected to do. Two other agencies, the Office of the Secretary of State and the Employment Security Commission, took precautionary action of converting to a flat fee based convenience fee, in order to avoid being cited for being non-compliant with Visa’s rules.

Despite the experiences some North Carolina agencies have had with Visa regarding the convenience fee issue, there continues to be some vendors asserting that their processing model can circumvent Visa’s rule. The premise of one such model is that the vendor processes the payment under its merchant number, not that of the agency. Therefore, the agency is not levying the convenience fee, but the vendor is levying a transaction fee for the online service. Again, when pressed for a written verification of a waiver, Visa has been unwilling to acknowledge that such model is in compliance with their rules.

The North Carolina State Controller’s position has been that agencies are to be in compliance with all card brands’ published rules, as required in the merchant agreement between the State
and it merchant card processor, First Data Merchant Services. Should an agency enter into an agreement with a third-party vendor whose model provides for the levying of a percentage-based convenience fee, the entity that is considered the merchant is at risk for being cited for being in violation of Visa’s rules. While the risk of non-compliance seemingly is that of the third-party vendor if the vendor is functioning as the merchant, the agency is also at risk should the vendor be forced by Visa to discontinue providing the service under the arrangements.

Notwithstanding the agency’s potential risk that its contracted third-party vendor, functioning as a merchant, may not be able to continue to provide the card processing service, there are other considerations. In order for the vendor to function as the merchant, the settlement of funds for card payments received from the card brands are normally made into a bank account belonging to the vendor (which may or may not be in-state). Funds are then subsequently disbursed from the vendor’s bank account to the agency, often times one or more days later.

For those agencies subject to the North Carolina Daily Deposit Law, such arrangement could be a violation of the statutes. Not only is there a delay in the agency receiving the funds, but the agency is subject to the credit risk of the vendor, as the funds are not collateralized while in custody of the vendor (as are when on deposit with the State Treasurer). Other implications could apply, such as who is responsible for chargebacks and who is the “record of payment,” the agency or the vendor. There could also be implications with IRS regulations, including the pending TIPRA 3% withholding requirements (payments to governments are exempt from withholding, but not payments to vendors), and Section 1050W requiring Form 1099-Ks to be issued for card payments.

Assuming potentially permissible, the advantage of being able to levy a percentage-based convenience fee for all card brands generally does not outweigh the disadvantages associated with the vendor being the merchant instead of the agency. Alternatives include the agency being the merchant and: 1) accepting all brands but setting a high enough flat fee; 2) only accepting the three card brands that do allow a percentage-based fee; or 3) only accepting e-checks for online payments. The third alternative is the least expensive for large ticket transactions, as no card interchange fees are incurred by the agency, and no convenience fee is necessary. Agencies should be aware that studies indicate 70% of consumers will elect to pay by paper check instead of paying online if a convenience fee is levied.

“Card-Present” Versus “Card-Not Present” Transactions
The levying of a convenience fee for online transactions may be appropriate in some cases (e.g., large dollar transactions like tuition). However, the prevalent best practice for card-present transactions is not to levy a surcharge, even though allowed by MasterCard, American Express, and Discover, but not Visa (unless authorized by local law). Visa has a website where cardholders can report any merchant that may be in violation of what it calls a “checkout fee.” The Visa website lists ten states that in fact have laws prohibiting surcharges for card present transactions. They are: California, Colorado, Connecticut, Florida, Kansas, Maine, Massachusetts, New York, Oklahoma, and Texas. In April 2011, a bill was introduced in the North Carolina General Assembly to prohibit merchants from levying a surcharge.

The North Carolina law authorizing a state agency to levy a convenience fee is G.S. 66-58.12, which only applies to “transactions through the World Wide Web or other means of electronic access.” While the statute authorizes either a flat fee or a percentage fee, the Visa’s restriction negates the ability to levy a percentage-based fee (for Visa cards only). The statute also specifies that the fee may be expended by the agency only for e-commerce initiatives and projects, and must be approved by the Office of State Budget and Management.
The North Carolina law authorizing a local unit of government to levy a fee is G.S. 159-32.1. The fee is referred to as a “surcharge.” The North Carolina Administrative Office of the Courts (AOC) has a separate law that applies to the 100 Clerks of Court [G.S. 7A-343(9b)], specifically allowing a third-party agent to levy a “convenience or transaction fee” to cover the cost of providing the service. Neither of the local entity laws has a distinction between a “card-present” transaction and a “card-not-present” transaction.

While Visa has been firm regarding the enforcement of its “flat convenience fee only” rule for card-not-present transactions (Section 5.2.E), Visa’s Public Operating Rules published October 15, 2010 indicate that its surcharge rule (Section 5.1.C) for card-present transactions prohibits a surcharge “unless local law expressly requires that a Merchant be permitted to impose a surcharge.” Unlike its Tax Program, “Any surcharge, if allowed, must be included in the transaction amount and not be collected separately.”

**Federal Legislation Affect on Rules**

During 2010, there were two events that seem to erode the card brands’ ability to dictate the manner in which they prohibit a merchant from discriminating against certain forms of payments. One was the enactment of the Durbin Amendment, and one was a lawsuit brought against the card brands by the US Department of Justice.

The Durbin Amendment is the portion of the Wall Street Reform Act passed in 2010 that amended the “Electronic Funds Transfer Act,” and pertains primarily to debit card transactions, and to some extent credit card transactions. One of the provisions of the Amendment is that a “payment card network shall not …. inhibit the ability of any person to provide a discount or in-kind incentive for payment by the use of cash, checks, debit cards, or credit cards…” The Amendment specifies that “The term ‘discount’ means a reduction made from the price that customers are informed is the regular price; and does not include any means of increasing the price that customers are informed is the regular price.” (Emphasis added)

The law’s definition of “discount” implies that the provision does not authorize the levying of a “convenience fee” which generally results in the increase in the regular price of a product or service. The law specifically lists four “forms of payments” that are applicable. All four forms of payments are those that can be initiated in a “face-to-face” transaction, while only two of the four can be initiated in a “card-not-present” transaction. Not listed as a form of payment in the Durbin Amendment is an “ACH debit” (sometimes referred to as an e-check), a transaction type not covered under the “Electronic Funds Transfer Act,” but under the NACHA Operating Rules.

While some vendors may assert that an “e-check” is equivalent to cash, bank regulators do not, as they generally consider the term “cash” to be currency and coin (US or foreign). Additionally, cash is considered “immediately available funds,” while an e-check transaction does not represent “immediately available funds,” but a deposit transaction that is subject to collection.

Card brands generally interpret their rules based upon whether the transaction is a “card-present” transaction or a “card-not-present” transaction. The brands will likely interpret the Durbin Amendment to apply only to card-present transactions, as neither “cash” nor “check” can be initiated as an online transaction. The term “e-check” is an industry term that applies to an ACH debit, but is not a legal term used as a “form of payment.” Consequently, agencies should be careful in interpreting the Durbin Amendment to either: 1) allow a convenience fee; or 2) to offer a discount for a form of payment that is not specifically authorized (i.e., e-check).
However, there is a pending lawsuit settlement between the US Department of Justice and several of the card brands that would recognize an ACH debit as an “other form of payment,” when applying a discount. Should this settlement be approved by the courts, discounts (from the regular price) could potentially be offered for face-to-face transactions, as well as online transactions.

There are other provisions of the Durbin Amendment affecting merchant cards. One provision allows the Federal Reserve Bank to begin regulating fees for debit cards starting in 2012 (not credit cards). One provision allows any merchant to establish a minimum on the amount of a credit card transaction not to exceed $10.00 (does not apply to debit cards). One provision allows certain entities to establish a maximum dollar amount, with these entities being limited to a federal agency or an institution of higher learning (university or college). The maximum dollar amount limitation does not apply to a state agency.

**Conclusion**

While the convenience fee rules vary from one card brand to another and change from time to time, each of the brand’s rules in and of themselves is not confusing. What causes confusion is the different interpretations some make of the rules in attempting to circumvent a particular process that the rule was intended to prevent, and in some cases the appearance that the card brands are selectively enforcing their rules. Agencies should access their contractual arrangements to avoid the risk of implementing a process or arrangement that cannot be sustained. Any deviation from a card brand’s published rules should be implemented only with a written waiver from the card brand, and considering authorizing legislation.

Comments regarding this article may be addressed to David C. Reavis, Director of E-Commerce Initiatives, NC Office of the State Controller. Email: david.reavis@osc.nc.gov
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| Card-Not-Present (Non-Face-to-Face) Convenience Fee | 5.2.E (Page 445) | In the U.S. Region, except as specified otherwise for Tax Payment Transactions in "Tax Payment Program Fee Requirements - U.S. Region," a Merchant that charges a Convenience Fee must ensure that the fee is:  
• Charged for a bona fide convenience in the form of an alternative payment channel outside the Merchant's customary payment channels  
• Disclosed to the Cardholder as a charge for the alternative payment channel convenience  
• Added only to a non-face-to-face Transaction. The requirement for an alternate payment channel means that Mail/Telephone Order and Electronic Commerce Merchants whose payment channels are exclusively non-face-to-face may not impose a Convenience Fee.  
• A flat or fixed amount, regardless of the value of the payment due  
• Applicable to all forms of payment accepted in the alternative payment channel  
• Disclosed before the completion of the Transaction and the Cardholder is given the opportunity to cancel  
• Included as a part of the total amount of the Transaction  
In the U.S. Region, except as specified in "Tax Payment Program - Interchange Reimbursement Fee Qualifications and Fee Amount - U.S. Region," a Convenience Fee may only be charged by the Merchant that actually provides goods or services to the Cardholder. A Convenience Fee may not be charged by any third party.  
In the U.S. Region, except as permitted in "Tax Payment Program - Interchange Reimbursement Fee Qualifications and Fee Amount - U.S. Region," a Convenience Fee must not be added to a Recurring Transaction. |
| Card-Present (Face-to-Face) Surcharge | 5.1.C (Page 409) | A Merchant must not add any surcharges to Transactions, unless local law expressly requires that a Merchant be permitted to impose a surcharge. Any surcharge amount, if allowed, must be included in the Transaction amount and not collected separately.  
A variance applies in the U.S. Region for the Visa Tax Payment Program. |
| Tax Payments Program | 5.2.E Pages 554 - 556 | In the U.S. Region, a Tax Payment Program Transaction must originate from a Tax Payment Program Merchant using Merchant Category Code 9311, "Tax Payments."  
In the U.S. Region, a Tax Payment Program Merchant may charge a Convenience Fee for processing a Tax Payment Transaction if the Convenience Fee:  
• Is a fixed or flat amount regardless of the value of the tax payment  
• Charged for a Visa Transaction is not greater than any fixed or flat fee charged for a transaction with any other payment card  
• Is clearly disclosed before the completion of the Transaction and the Cardholder is given the opportunity to cancel  
In the U.S. Region, a Tax Payment Program Merchant that charges a Convenience Fee must process the Convenience Fee amount as a separate Transaction. |
In the U.S. Region, a Tax Payment Program Merchant may assess a variable service fee for processing a Visa Consumer Credit Card or a Commercial Visa Product Transaction if:

- The Transaction is an eligible Tax Payment Transaction
- The service fee is clearly disclosed before the completion of the Transaction and the Cardholder is given the opportunity to cancel
- The service fee for a Tax Payment Transaction on a Visa Card is not greater than the fee charged to a Cardholder who pays with another comparable general purpose consumer credit or commercial payment card

In the U.S. Region, the service fee for a Tax Payment Transaction must be processed separately from the Transaction and not included with the amount of tax due.

A Tax Payment Program Merchant must not assess a service fee for a Visa Debit Card Transaction, but may assess a Convenience Fee to process a Visa Debit Card Tax Payment Transaction, as specified in "Tax Payment Program Merchant Convenience Fee Requirements - U.S. Region."

Reference should be made to Visa's Tax Program Guide for further restrictions.

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| Transactions in General | 5.11.2 | A Merchant must not directly or indirectly require any Cardholder to pay a surcharge or any part of any Merchant discount or any contemporaneous finance charge in connection with a Transaction. A Merchant may provide a discount to its customers for cash payments. A Merchant is permitted to charge a fee (such as a bona fide commission, postage, expedited service or convenience fees, and the like) if the fee is imposed on all like transactions regardless of the form of payment used, or as the Corporation has expressly permitted in writing. For purposes of this Rule:
  1. A surcharge is any fee charged in connection with a Transaction that is not charged if another payment method is used.
  2. The Merchant discount fee is any fee a Merchant pays to an Acquirer so that the Acquirer will acquire the Transactions of the Merchant. |

Convenience Fee Program for Governments (Tax and Non-Tax Payments) | MasterCard has put in place a convenience fee program for participating pre-certified government and education entities, or their third-party agents. Participants in the program will be permitted to assess a convenience fee for MasterCard transactions, whether conducted in person, Internet, phone, mail or kiosk, versus other forms of payment, such as cash, check, Automated Clearing House (ACH), and Personal Identification Number (PIN) based debit, provided that the conditions set out below are satisfied.

- Eligible payments include payments collected by the entity from individuals and businesses that are eligible to be collected on a payment card
- MasterCard cardholders cannot be assessed a convenience fee that would discriminate against the brand relative to other payment card acceptance brands, such as American Express, Discover, Visa

The MasterCard Convenience Fee Program is open to the following educational institutions and public sector merchant categories:
| Elementary and secondary schools for tuition and related fees, and school-maintained room and board |
| Colleges, universities, professional schools, and junior colleges for tuition and related fees, and school-maintained room and board |
| Local, state, and federal courts of law that administer and process court fees, alimony, and child support payments |
| Government entities that administer and process local, state, and federal fines |
| Local, state, and federal entities that engage in financial administration and taxation |
| Government Services; merchants that provide general support services for the government |

**Federal Legislation - Durbin Amendment Excerpt**

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“(2) LIMITATION ON RESTRICTIONS ON OFFERING DISCOUNTS FOR USE OF A FORM OF PAYMENT.—

“(A) IN GENERAL.—A payment card network shall not, directly or through any agent, processor, or licensed member of the network, by contract, requirement, condition, penalty, or otherwise, inhibit the ability of any person to provide a discount or in-kind incentive for payment by the use of cash, checks, debit cards, or credit cards to the extent that—

“(i) in the case of a discount or in-kind incentive for payment by the use of debit cards, the discount or in-kind incentive does not differentiate on the basis of the issuer or the payment card network;

“(ii) in the case of a discount or in-kind incentive for payment by the use of credit cards, the discount or in-kind incentive does not differentiate on the basis of the issuer or the payment card network; and

“(iii) to the extent required by Federal law and applicable State law, such discount or in-kind incentive is offered to all prospective buyers and disclosed clearly and conspicuously.

“(B) LAWFUL DISCOUNTS.—For purposes of this paragraph, the network may not penalize any person for the providing of a discount that is in compliance with Federal law and applicable State law.

**NC General Statute Excerpt - § 66-58.12**

§ 66-58.12. Agencies may provide access to services through electronic and digital transactions; fees authorized.

(a) Public agencies are encouraged to maximize citizen and business access to their services through the use of electronic and digital transactions. A public agency may determine, through program and transaction analysis, which of its services may be made available to the public through electronic means, including the Internet. The agency shall identify any inhibitors to electronic transactions between the agency and the public, including legal, policy, financial, or privacy concerns and specific inhibitors unique to the agency or type of transaction. An agency shall not provide a transaction through the Internet that is impractical, unreasonable, or not permitted by laws pertaining to privacy or security.

(b) An agency may charge a fee to cover its costs of permitting a person to complete a transaction through the World Wide Web or other means of electronic access. The fee may be applied on a per
transaction basis and may be calculated either as a flat fee or a percentage fee, as determined under an
agreement between a person and a public agency. The fee may be collected by the agency or by its third
counterparty agent.

(c) The fee imposed under subsection (b) of this section must be approved by the Office of State
Budget and Management, in consultation with the State Chief Information Officer and the Joint Legislative
Commission on Governmental Operations. The revenue derived from the fee must be credited to a
nonreverting agency reserve account. The funds in the account may be expended only for e-commerce
initiatives and projects approved by the State Chief Information Officer, in consultation with the Joint
Legislative Oversight Committee on Information Technology. For purposes of this subsection, the term
"public agencies" does not include a county, unit, special district, or other political subdivision of
government.

(d) This section does not apply to the Judicial Department.

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<td>§ 159-32.1. Electronic payment.</td>
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<td>A unit of local government, public hospital, or public authority may, in lieu of payment by cash or check, accept payment by electronic payment as defined in G.S. 147-86.20 for any tax, assessment, rate, fee, charge, rent, interest, penalty, or other receivable owed to it. A unit of local government, public hospital, or public authority may pay any negotiated discount, processing fee, transaction fee, or other charge imposed by a credit card, charge card, or debit card company, or by a third-party merchant bank, as a condition of contracting for the unit's or the authority's acceptance of electronic payment. A unit of local government, public hospital, or public authority may impose the fee or charge as a surcharge on the amount paid by the person using electronic payment.</td>
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<td>§ 7A-343. Duties of Director. (Administrative Office of the Courts)</td>
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<td>(9b) Enter into contracts with one or more private vendors to provide for the payment of fines, fees, and costs due to the court by credit, charge, or debit cards; such contracts may provide for the assessment of a convenience or transaction fee by the vendor to cover the costs of providing this service.</td>
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