

Policy and Guidelines For Electronic Commerce

Office of the State Controller (OSC)		Effective Date: August 16, 2000 Revision Date: October 1, 2005
Policy Area: Electronic Commerce	Title: Customer Transaction Disputes	

Authority: Session Law 1999-434, Senate Bill 222, ratified in July 1999 amended various statutes, authorizing state government agencies to maximize the acceptance of electronic payments, a term which includes credit / debit cards (merchant cards) and electronic fund transfer (EFT). Electronic payments involve both inbound and outbound flows of funds. The primary statutes pertaining to the utilization of electronic payments for State agencies include: G.S. 147-86.10; G.S. 147-86.11(h); G.S. 147-86.20; G.S. 147-86.22; and G.S. 143B-426.40G(a).

Statutes authorizing the Office of the State Controller to issue policies regarding electronic payments include G.S. 143B-426.39(1) and (5); G.S. 147-86.11(a); and G.S. 147-86.22(b).

“Electronic Commerce in Government” is covered under Chapter 66, Article 11A (G.S. 66-58.1 through 66-58.19).

Program Administration: The State of North Carolina business environment includes all departments, agencies, boards, commissions and authorities governed, legally controlled and financially accountable to the state’s executive, legislative and judicial branches. Although state agencies offer diverse services, North Carolina intends to use a statewide enterprise approach to implementing electronic payment acceptance.

Policy: For Merchant card transactions, the rules governing disputes are established by national card associations (e.g., MasterCard and Visa) or by other similar organizations for proprietary cards (e.g., American Express and Discover). For electronic funds transfer transactions, the rules governing disputes are established by the National Automated Clearing House Association (NACHA). Various laws and regulations may also apply, including the Federal Reserve Bank’s Regulation E.

Disputes involving transactions shall be resolved by each participant and with its customer (e.g., citizens, taxpayer, etc), with the assistance of the respective transaction Merchant Card Services Provider (merchant card processor) or EFT Financial Services Provider. The Provider may process the appropriate correcting transactions, if necessary, subsequent to the resolution of the dispute.

Correcting financial transaction resulting from a dispute shall be supported by fully detailed information in all reporting activity.