

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

ENROLLED

House Bill 2968

OFFICE WEST VIRGINIA
SECRETARY OF STATE

2019 MAR 26 P 1:36

FILED

BY DELEGATES NELSON, ESPINOSA, BARRETT, BYRD,

McGEEHAN, CRISS AND PORTERFIELD

[Passed March 9, 2019; in effect ninety days from
passage.]

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1 AN ACT to amend and reenact §31A-8-12b of the Code of West Virginia, 1931, as amended,
2 relating to adding remote service units to the definition of customer bank communication
3 terminal; defining remote service unit; and allowing national banks to operate remote
4 service units in this state pursuant to federal regulation.

Be it enacted by the Legislature of West Virginia:

**ARTICLE 8. HEARINGS; ADMINISTRATIVE PROCEDURES; JUDICIAL REVIEW;
UNLAWFUL ACTS; PENALTIES.**

**§31A-8-12b. Installation and operation of customer bank communication terminals
permitted.**

1 (a) Any banking institution as defined in §31A-1-2 of this code, individually or jointly with
2 one or more other banking institutions or other federally insured financial institutions having their
3 principal offices in this state, or any combination thereof, may upon 10 days prior written notice
4 filed with the commissioner, install, operate and engage in banking business by means of one or
5 more customer bank communication terminals. Any banking institution which installs and operates
6 a customer bank communication terminal:

7 (1) Shall make the customer bank communication terminal available for use by other
8 banking institutions; and

9 (2) May make the customer bank communication terminal available for use by other
10 federally insured financial institutions, all in accordance with regulations promulgated by the
11 commissioner. The customer bank communication terminals are not branch banks or branch
12 offices, agencies or places of business or off-premises walk-in or drive-in banking facilities; nor
13 do the operation of such customer bank communication terminals to communicate with and permit
14 financial transactions to be carried out through a nonexclusive access interchange system make
15 any banking institution which is part of such a nonexclusive access interchange system have
16 illegal branch banks or branch offices, agencies or places of business or off-premises walk-in or
17 drive-in banking facilities.

18 (b) Notwithstanding the provisions of subdivision (1), subsection (a) of this section, a
19 customer bank communication terminal located on the premises of the principal office or branch
20 bank of a banking institution or on the premises of an authorized off-premises facility need not be
21 made available for use by any other banking institution or its customers.

22 (c) For purposes of this section, "customer bank communication terminal" means any
23 electronic device or machine owned, leased, or operated by a bank, together with all associated
24 equipment, structures and systems, including, without limitation, remote service units, point of
25 sale terminals, through or by means of which a customer and a banking institution may engage
26 in any banking transactions, whether transmitted to the banking institution instantaneously or
27 otherwise, including, without limitation, the receipt of deposits of every kind, the receipt and
28 dispensing of cash, requests to withdraw money from an account or pursuant to a previously
29 authorized line of credit, receiving payments payable at the bank or otherwise transmitting
30 instructions to receive, transfer or pay funds for a customer's benefit. Personal computers,
31 telephones and associated equipment which enable a bank customer to conduct banking
32 transactions at their home or office through links to their bank's computer or telephone network,
33 do not constitute a "customer bank communication terminal" under this section. All transactions
34 initiated through a customer bank communication terminal are subject to verification by the
35 banking institution.

36 (d) No person, other than: (1) A banking institution authorized to engage in the banking
37 business in this state; or (2) a credit union authorized to conduct business in this state, may
38 operate any automatic teller machine ("ATM") or automatic loan machine ("ALM") or remote
39 service unit ("RSU") located in this state: *Provided*, That ATM or RSU terminals of out-of-state
40 banks not having branches in this state are allowed to operate to the same extent as a West
41 Virginia bank if a national bank from that state not having branches in West Virginia could do so
42 through a federal preemption of state law.

43 (e) For the purposes of this section, "remote service unit" means automated facility,
44 operated by a customer of a bank, that conducts banking functions such as receiving deposits,
45 paying withdrawals, or lending money, and includes an unmanned or automated teller machine,
46 an automated loan machine, and an automated device for receiving deposits. A remote service
47 unit may be equipped with a telephone or video device that allows contact with bank personnel.

48 (f) For the purposes of this section, "point of sale terminal" means a customer bank
49 communication terminal used for the primary purpose of either transferring funds to or from one
50 or more deposit accounts in a banking institution or segregating funds in one or more deposit
51 accounts in a banking institution for future transfer, or both, in order to execute transactions
52 between a person and his or her customers incident to sales, including, without limitation, devices
53 and machines which may be used to implement and facilitate check guaranty and check
54 authorization programs.

55 (g) Nothing in this section prevents point of sale terminals and associated equipment from
56 being owned, leased or operated by nonbanking entities: *Provided*, That those persons may not
57 engage in the business of banking by using point of sale devices. The use of a point of sale
58 terminal to enable a customer or other person to withdraw and obtain cash of more than \$50 in
59 excess of the sales transaction purchase amount, is presumed to constitute engaging in the
60 business of banking: *Provided, however*, That cash withdrawals through a point of sale terminal
61 in excess of \$50 is not engaging in the business of banking if the sales transaction is made with
62 the use of a West Virginia check card, as provided in §12-3A-1 *et seq.* of this code, or with an
63 electronic benefits transfer or other card issued by state spending units to transmit payments of
64 food benefits, temporary assistance to needy families, or other assistance, benefit or entitlement
65 programs mandated or offered by federal or state government: *Provided further*, That any retailer,
66 agency or person providing cash withdrawals with a West Virginia check card or an electronic
67 benefits transfer card through a POS terminal is limited to charging a fee for the services in the
68 amount of the higher of \$1 or one percent of the amount of cash withdrawn.

69 (h) Except for customer bank communication terminals located on the premises of the
70 principal office or a branch bank of the banking institution or on the premises of an authorized off-
71 premises walk-in or drive-in banking facility, a customer bank communication terminal shall be
72 unattended or attended by persons not employed by any banking institution utilizing the terminal:

73 *Provided, That:*

74 (1) Employees of the banking institution may be present at the terminal not located on the
75 premises of an authorized off-premises facility solely for the purposes of installing, maintaining,
76 repairing and servicing same; and

77 (2) A banking institution may provide an employee to instruct and assist customers in the
78 operation thereof: *Provided, That* the employee may not engage in any other banking activity.

79 (i) The commissioner shall prescribe by rule the procedures and standards regarding the
80 installation and operation of customer bank communication terminals, including, without limitation,
81 the procedure for the sharing thereof.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Steve Caputo
.....
Chairman, House Committee

E. S. Z.
.....
Member — Chairman, Senate Committee

Originating in the House.

In effect ninety days from passage.

Steve Harris
.....
Clerk of the House of Delegates

Joe Linn
.....
Clerk of the Senate

Ray Haskew
.....
Speaker of the House of Delegates

Michael B. Carmichael
.....
President of the Senate

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SECRETARY OF STATE

The within *is approved* this the *26th*
day of *March*, 2019.

James E. Justice
.....
Governor

PRESENTED TO THE GOVERNOR

MAR 25 2019

Time 2:40 pm