

Notice 16-01
July 6, 2015

EMV LIABILITY SHIFT FOR CARD-PRESENT CREDIT CARD TRANSACTIONS

In October 2015, the Payment Networks Liability Shift for non-EMV (EuroPay MasterCard and Visa) transactions will be implemented in the United States. This change is driven by the rising costs of fraudulent credit card activity for merchants and payment networks. This means departments using non-EMV compliant devices that choose to accept transactions made with EMV compliant credit cards will assume liability for any and all transactions that are found to be fraudulent. This will only affect departments who use devices to swipe credit cards for card-present transactions.

Departments can avoid the transfer of liability by purchasing an EMV compliant device that utilizes “Smart Chip” technology. The Division of Financial Services is working with the Bank of America to help departments transition to EMV terminals. We highly recommend purchasing a VX520 terminal to replace most card-present (swipe) devices. Bank of America is making these terminals available for a reduced price of \$450 to accommodate the smart chip technology transition at K-State.

Effective October 1, 2015, the liability for fraudulent activity will be passed along to your department if you do not have EMV compliant devices in place. To order a new terminal, please send your request form to:

Jim Keating
Cashiers and Student Accounts
211 Anderson Hall
keating@ksu.edu
Fax: 785-532-6454

The Division of Financial Services will deliver the new terminals to departments once we verify they are programmed correctly. We will install the new terminal, remove and send your old terminal to Bank of America for proper destruction. This process is expected to take 4-6 weeks from the time of order to installation. Please contact Jim Keating (2-1834) if you have any questions or concerns.

Credit Card Terminal Request Form:

<http://www.k-state.edu/finsvcs/cashiers/departmentinfo/index.html>

Read about the EMV Payment Network Liability Shift here:

<http://www.paymentsleader.com/will-retailers-be-ready-for-emv-by-oct-2015/>

To learn more about the VX520 terminal:

<http://www.verifone.com/products/hardware/countertop/vx-520/>

In addition to installing EMV compliant device, it is just as important to use the new terminal correctly. Please click on the following link to watch a video explaining the proper use of these new terminals:

<http://video.creditcards.com/EiGAu/how-to-use-emv-smart-chip-credit-cards/>