



HOUSE BILL No. 5297

February 3, 2000, Introduced by Rep. Sanborn and referred to the Committee on Insurance and Financial Services.

A bill to amend 1996 PA 354, entitled
"Savings bank act,"
(MCL 487.3101 to 487.3804) by adding section 513.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 513. (1) AS USED IN THIS SECTION:
2 (A) "ATM" MEANS AN ELECTRONIC DEVICE SITUATED IN MICHIGAN
3 OWNED, OPERATED, OR LEASED BY A SAVINGS BANK, OTHER THAN A TELE-
4 PHONE, FACSIMILE MACHINE, OR PERSONAL COMPUTER OPERATED BY A CON-
5 SUMER, THROUGH WHICH A CONSUMER INITIATES AN ELECTRONIC FUND
6 TRANSFER. THE TERM DOES NOT INCLUDE A POINT-OF-SALE TERMINAL
7 USED EXCLUSIVELY TO PAY FOR A PURCHASE OF GOODS OR SERVICES BY
8 TRANSFERRING FUNDS ELECTRONICALLY FROM A CONSUMER'S CREDIT CARD
9 ARRANGEMENT OR DEPOSIT ACCOUNT AT A FINANCIAL INSTITUTION TO THE
10 TERMINAL PROVIDER'S ACCOUNT AT A FINANCIAL INSTITUTION OR A
11 DEVICE LOCATED ON THE PREMISES OF A CUSTOMER OF A FINANCIAL

1 INSTITUTION THAT IS USED TO EXECUTE TRANSACTIONS ONLY BETWEEN
2 THAT CUSTOMER AND THE FINANCIAL INSTITUTION.

3 (B) "CONSUMER" MEANS AN INDIVIDUAL.

4 (C) "CREDIT CARD" MEANS A CARD OR DEVICE ISSUED UNDER A
5 CREDIT CARD ARRANGEMENT THAT GIVES THE CARDHOLDER THE PRIVILEGE
6 OF OBTAINING LOANS FROM THE CARD ISSUER.

7 (D) "CREDIT CARD ARRANGEMENT" MEANS A LINE OF CREDIT ISSUED
8 BY A FINANCIAL INSTITUTION TO A CONSUMER, WHICH LINE OF CREDIT
9 MAY BE ACCESSED FOR THE PURPOSE OF OBTAINING A LOAN BY MEANS OF A
10 CREDIT CARD.

11 (E) "ELECTRONIC FUND TRANSFER" MEANS ANY TRANSACTION CON-
12 DUCTED BY A CONSUMER USING AN ATM THAT INSTRUCTS OR AUTHORIZES A
13 FINANCIAL INSTITUTION TO DEBIT OR CREDIT THE CONSUMER'S DEPOSIT
14 ACCOUNT OR CREDIT CARD ARRANGEMENT.

15 (F) "FINANCIAL INSTITUTION" MEANS A STATE OR NATIONAL
16 CHARTERED BANK OR A STATE OR FEDERAL CHARTERED SAVINGS AND LOAN
17 ASSOCIATION, SAVINGS BANK, OR CREDIT UNION.

18 (G) "PERSON" MEANS AN INDIVIDUAL, CORPORATION, ASSOCIATION,
19 PARTNERSHIP, GOVERNMENTAL ENTITY, OR ANY OTHER LEGAL ENTITY.

20 (2) IF A SAVINGS BANK ASSESSES OR IMPOSES A FEE OR CHARGE
21 FOR AN ELECTRONIC FUND TRANSFER, PRIOR TO COMPLETION OF THE
22 TRANSFER, THE SAVINGS BANK SHALL NOTIFY THE CONSUMER ATTEMPTING
23 THE TRANSFER OF THE FEE OR CHARGE AND ITS AMOUNT, AND SHALL PRO-
24 VIDE THE CONSUMER AN OPPORTUNITY TO CANCEL THE INCOMPLETE TRANS-
25 ACTION WITHOUT INCURRING THE FEE OR CHARGE.

26 (3) THE NOTICE REQUIRED BY SUBSECTION (2) SHALL BE DISPLAYED
27 ON THE ATM SCREEN UNTIL 1 OF THE FOLLOWING OCCURS:

1 (A) THE CONSUMER CANCELS THE TRANSACTION.

2 (B) THE CONSUMER PROCEEDS WITH THE TRANSACTION.

3 (C) THIRTY SECONDS HAVE ELAPSED, AT WHICH TIME THE TRANSAC-
4 TION SHALL BE CANCELED AUTOMATICALLY, WITHOUT CHARGE TO THE CON-
5 SUMER, AND THE SCREEN CLEARED.

6 (4) A SAVINGS BANK REQUIRED TO DISCLOSE FEES OR CHARGES
7 UNDER SUBSECTION (2) SHALL ALSO NOTIFY A CONSUMER OF ANOTHER
8 FINANCIAL INSTITUTION ATTEMPTING AN ELECTRONIC FUND TRANSFER THAT
9 HIS OR HER FINANCIAL INSTITUTION OR CREDIT CARD ISSUER MAY ASSESS
10 AN ADDITIONAL FEE FOR THE ELECTRONIC FUND TRANSFER.

11 (5) THE PROVISION OF A NOTICE IN COMPLIANCE WITH ANY FEDERAL
12 REGULATION REGARDING ATM FEES SHALL BE CONSIDERED COMPLIANCE WITH
13 THIS SECTION, EXCEPT THAT THE DISCLOSURES REQUIRED UNDER THAT
14 REGULATION SHALL BE DISPLAYED ON THE ATM SCREEN.