

# HOUSE BILL No. 5294

October 18, 2001, Introduced by Reps. Woodward, Sanborn, Schauer, Wojno, Hale, Lipsey, Schermesser, Clark, Kowall, Hager, Van Woerkom, Ehardt, Daniels, Anderson, Neumann, Bogardus, Middaugh, Scranton, Garza, Julian and Lemmons and referred to the Committee on Commerce.

A bill to amend 1980 PA 307, entitled  
"Savings and loan act of 1980,"  
(MCL 491.102 to 491.1202) by adding section 1135.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 1135. (1) AS USED IN THIS SECTION:  
2        (A) "ATM" MEANS AN ELECTRONIC DEVICE SITUATED IN MICHIGAN  
3 OWNED, OPERATED, OR LEASED BY AN ASSOCIATION, 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

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

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

26 (A) THE CONSUMER CANCELS THE TRANSACTION.

1 (B) THE CONSUMER PROCEEDS WITH THE TRANSACTION.

2 (C) THIRTY SECONDS HAVE ELAPSED, AT WHICH TIME THE  
3 TRANSACTION SHALL BE CANCELED AUTOMATICALLY, WITHOUT CHARGE TO  
4 THE CONSUMER, AND THE SCREEN CLEARED.

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

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