

SUBSTITUTE FOR
HOUSE BILL NO. 4698

A bill to amend 1978 PA 322, entitled

"An act to authorize financial institutions to make electronic funds transfer terminals available to their customers; to protect the privacy and security of customers; to prohibit unfair discrimination among financial institutions and monopolistic practices in the use and availability of electronic funds transfer terminals; to prescribe remedies; and to prescribe penalties,"

by amending sections 2 and 3 (MCL 488.2 and 488.3).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) "Available" means and includes all deposit
2 account functions which are performed from time to time by the
3 particular electronic funds transfer terminal.

4 (2) "Bank" means ~~a state banking corporation established~~
5 ~~under Act No. 319 of the Public Acts of 1969, as amended, being~~
6 ~~sections 487.301 to 487.598 of the Michigan Compiled Laws,~~ **that**
7 **term as defined in section 1201 of the banking code of 1999, 1999**
8 **PA 276, MCL 487.11201,** or a national banking association

1 established under the laws of the United States having its main
2 office in this state.

3 (3) "Branch", as it applies to:

4 (a) A state credit union, ~~includes~~ **means a branch as**
5 **defined in section 102 of the credit union act** and a service
6 center as defined in section ~~1a of Act No. 285 of the Public~~
7 ~~Acts of 1925, being section 490.1a of the Michigan Compiled Laws~~
8 **103 of the credit union act.**

9 (b) A federal credit union, means a branch place of business
10 as defined in **section 101 of the federal credit union act,**
11 **chapter 750, 48 Stat. 1216,** 12 U.S.C. 1752, and applicable
12 regulations.

13 (c) A state savings and loan association, means a branch
14 office as defined in section ~~115 of Act No. 156 of the Public~~
15 ~~Acts of 1964, being section 489.515 of the Michigan Compiled~~
16 ~~Laws~~ **112 of the savings and loan act of 1980, 1980 PA 307,**
17 **MCL 491.112,** and also includes an agency as defined in section
18 ~~111 of Act No. 156 of the Public Acts of 1964, being section~~
19 ~~489.511 of the Michigan Compiled Laws~~ **106 of the savings and**
20 **loan act of 1980, 1980 PA 307, MCL 491.106, that is** established
21 before the effective date of this act.

22 (d) A federal savings and loan association, means a branch
23 office as defined by the regulations of the federal home loan
24 bank board pursuant to the federal home loan bank act, ~~12~~
25 ~~U.S.C. 1421 to 1449~~ **chapter 522, 47 Stat. 725,** but does not
26 include a mobile facility, satellite office, or an agency
27 established after the effective date of this act.

1 (e) A state bank, means a branch ~~place of business~~ as
2 defined in section ~~5 of Act No. 319 of the Public Acts of 1969,~~
3 ~~being section 487.305 of the Michigan Compiled Laws~~ **1201 of the**
4 **banking code of 1999, 1999 PA 276, MCL 487.11201.**

5 (f) A national banking association, means a branch place of
6 business as defined in 12 U.S.C. 36.

7 (4) "Consumer finance company" means a licensee under ~~Act~~
8 ~~No. 21 of the Public Acts of 1939, as amended, being sections~~
9 ~~493.1 to 493.26 of the Michigan Compiled Laws~~ **the regulatory**
10 **loan act, 1939 PA 21, MCL 493.1 to 493.24.**

11 Sec. 3. (1) "Credit union" means a **domestic** credit union
12 ~~established under Act No. 285 of the Public Acts of 1925, as~~
13 ~~amended, being sections 490.1 to 490.31 of the Michigan Compiled~~
14 ~~Laws~~ **as that term is defined in section 102 of the credit union**
15 **act,** or a federal credit union established under the laws of the
16 United States having its main office in this state.

17 (2) "Customer" means a person, but does not include a
18 financial institution or a financial institution holding
19 company.

20 (3) "Deposit account" includes share, deposit, member, and
21 savings accounts of financial institutions.

22 (4) "Electronic fund transfer" is any transaction ~~—, the~~
23 ~~effectuation of which is dependent~~ **that depends** upon ~~a~~ **an**
24 **electronic funds transfer terminal to complete.**

25 (5) "Electronic funds transfer terminal" means an
26 information processing device used for the purpose of executing
27 deposit account transactions between financial institutions and

1 their customers by either the direct transmission of electronic
2 impulses or the recording of electronic impulses for delayed
3 processing. ~~The fact that a~~ **A** device ~~is~~ used for other
4 purposes ~~does not prevent it from being~~ **may be** an electronic
5 funds transfer terminal, but a terminal ~~shall not be considered~~
6 ~~to be~~ **is not** an electronic funds transfer terminal while being
7 used for those other purposes. Electronic funds transfer
8 terminal does not include a device at the time it is used to
9 perform the functions of check guaranty, check authorization, or
10 credit card programs, or a combination of any of those programs,
11 and does not include a device located on the premises of a
12 customer of a financial institution ~~which~~ **that** is used to
13 execute transactions only between that customer and the financial
14 institution.

15 Enacting section 1. This amendatory act does not take
16 effect unless Senate Bill No. 496 of the 92nd Legislature is
17 enacted into law.