

**AUTOMATED TELLER MACHINE CHARGES
FOR INTERNATIONAL ACCOUNTS**

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Julie Fisher

Senate Sponsor: Curtis S. Bramble

LONG TITLE

General Description:

This bill modifies the Financial Institutions Act addressing agreements entered into related to transaction fees for automated teller machines.

Highlighted Provisions:

This bill:

- ▶ restricts agreements with the charging of certain fees without limiting surcharge free networks; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

7-16a-202, as last amended by Chapter 327, Laws of Utah 2006

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **7-16a-202** is amended to read:

7-16a-202. Powers of depository institutions operating automated teller machines

-- Fees or surcharges.

(1) An operator may:

30 (a) make an automated teller machine available for use by customers of one or more
31 issuers;

32 (b) connect the automated teller machine with an electronic consumer funds transfer
33 system connecting one or more depository institutions to one or more automated teller
34 machines; and

35 (c) impose a transaction fee for the use of the automated teller machine, if the
36 imposition of the transaction fee is disclosed at a time and in a manner that allows a user to
37 terminate or cancel the transaction without incurring the transaction fee.

38 (2) Except for the dispensing of currency or coin or accepting deposits or payments,
39 any service provided by an operator to a customer at the automated teller machine is not
40 governed by this chapter.

41 (3) The transaction fee permitted in Subsection (1)(c) may be in addition to any other
42 charges imposed by any of the following entities involved in the transaction:

43 (a) an electronic consumer funds transfer system;

44 (b) a depository institution; or

45 (c) an issuer.

46 (4) (a) Any of the following entities may charge any or all customers any transaction
47 fee allowed or not prohibited by state or federal law:

48 [~~(a)~~] (i) a depository institution;

49 [~~(b)~~] (ii) an owner;

50 [~~(c)~~] (iii) an operator;

51 [~~(d)~~] (iv) an issuer; or

52 [~~(e)~~] (v) an electronic consumer funds transfer system.

53 [~~(5)~~] (b) A transaction fee allowed under this section includes a [~~fee or surcharge~~]
54 charge to a customer conducting a transaction using an account from [~~a depository~~] an
55 institution providing financial services that is located outside of the United States.

56 (c) (i) Subject to Subsection (4)(c)(ii) and to the extent not prohibited by federal law,
57 an agreement to operate or share an automated teller machine may not prohibit, limit, or

58 otherwise restrict a person described in Subsection (4)(a) from charging a customer for use of
59 or access to the automated teller machine on the basis of the customer using an account from an
60 institution providing financial services that is located outside of the United States if the charge
61 is not otherwise prohibited under state or federal law.

62 (ii) Notwithstanding Subsection (4)(c)(i), nothing in this section may be construed to
63 prohibit, limit, or otherwise restrict the ability of a person described in Subsection (4)(a) from
64 voluntarily entering into an agreement to participate in a surcharge free network.