

106TH CONGRESS
1ST SESSION

H. R. 3503

To provide for basic low-cost banking accounts, to eliminate certain automated teller machine surcharges, and to reauthorize a bank fee survey conducted by the Board of Governors of the Federal Reserve System, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 18, 1999

Ms. WATERS introduced the following bill; which was referred to the
Committee on Banking and Financial Services

A BILL

To provide for basic low-cost banking accounts, to eliminate certain automated teller machine surcharges, and to reauthorize a bank fee survey conducted by the Board of Governors of the Federal Reserve System, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “ATM Surcharge Elimi-
5 nation and Consumer Empowerment Act”.

1 **SEC. 2. LIFELINE BANKING REQUIREMENT FOR FINANCIAL**
2 **HOLDING COMPANIES AND FINANCIAL SUB-**
3 **SIDIARIES.**

4 (a) FINANCIAL HOLDING COMPANIES.—

5 (1) IN GENERAL.—Section 4(l)(1) of the Bank
6 Holding Company Act of 1956 (12 U.S.C.
7 1843(l)(1)), as added by the Gramm-Leach-Bliley
8 Act, is amended—

9 (A) by striking “and” at the end of sub-
10 paragraph (B);

11 (B) by redesignating subparagraph (C) as
12 subparagraph (D);

13 (C) by inserting after subparagraph (B)
14 the following new subparagraph:

15 “(C) all of the subsidiary depository insti-
16 tutions of the bank holding company have a de-
17 monstrable record of performance in the provi-
18 sion of low-cost lifeline bank accounts; and”;
19 and

20 (D) in subparagraph (D) (as so redesign-
21 ated by subparagraph (B) of this paragraph),
22 by striking “and (B)” and inserting “, (B), and
23 (C)”.

24 (2) TECHNICAL AND CONFORMING AMEND-
25 MENTS.—

1 (A) Section 5(a) of the Bank Holding
2 Company Act of 1956 (12 U.S.C. 1844(a)), as
3 amended by the Gramm-Leach-Bliley Act, is
4 amended by striking “4(l)(1)(C)” and inserting
5 “4(l)(1)(D)”.

6 (B) Section 8(e) of the International
7 Banking Act of 1978 (12 U.S.C. 3106(e)), as
8 amended by the Gramm-Leach-Bliley Act, is
9 amended by striking “4(l)(1)(C)” and inserting
10 “4(l)(1)(D)”.

11 (C) Section 4(e) of the Community Rein-
12 vestment Act of 1977 (12 U.S.C. 2903(e)), as
13 added by the Gramm-Leach-Bliley Act, is
14 amended in paragraphs (1)(A) and (2) by strik-
15 ing “4(l)(1)(C)” and inserting “4(l)(1)(D)”.

16 (b) FINANCIAL SUBSIDIARIES.—Section
17 5136A(a)(2)(C) of the Revised Statutes of the United
18 States, as added by the Gramm-Leach-Bliley Act, is
19 amended to read as follows:

20 “(C) the national bank and each insured
21 depository institution affiliate of the national
22 bank—

23 “(i) are well capitalized;

24 “(ii) are well managed: and

1 “(iii) have a demonstrable record of
2 performance in the provision of low-cost
3 lifeline bank accounts;”.

4 **SEC. 3. PRESERVATION OF BANK FEE REPORT REQUIRE-**
5 **MENTS.**

6 (a) **IN GENERAL.**—Section 3003(a)(1) of the Federal
7 Reports Elimination and Sunset Act of 1995 (31 U.S.C.
8 1113 note) shall not apply to any report required to be
9 submitted under section 1002(b) of Financial Institutions
10 Reform, Recovery, and Enforcement Act of 1989.

11 (b) **SUNSET OF REPORT.**—Section 1002(b) of Finan-
12 cial Institutions Reform, Recovery, and Enforcement Act
13 of 1989 (12 U.S.C. 1811 note) is amended by adding at
14 the end the following new paragraph:

15 “(4) **SUNSET.**—Notwithstanding section 108(b)
16 of the Riegle-Neil Interstate Banking and Branching
17 Efficiency Act of 1994, no report shall be required
18 under this subsection after the end of the 10-year
19 period beginning on the date of the enactment of the
20 Financial Services Modernization Act of 1999.”.

21 (c) **CREDIT UNIONS INCLUDED IN SURVEY.**—Section
22 1002(a)(1) of Financial Institutions Reform, Recovery,
23 and Enforcement Act of 1989 (12 U.S.C. 1811 note) is
24 amended by inserting “, including credit unions” after
25 “insured depository institutions”.

1 **SEC. 4. PROHIBITION ON CERTAIN FEES.**

2 The Electronic Fund Transfer Act (15 U.S.C. 1693
3 et seq.) is amended—

4 (1) by redesignating sections 918, 919, 920,
5 and 921 as sections 919, 920, 921, and 922, respec-
6 tively; and

7 (2) by inserting after section 917 the following
8 new section:

9 **“SEC. 918. FEES.**

10 “In the case of any electronic fund transfer which—

11 “(1) is initiated by a consumer from an elec-
12 tronic terminal operated by a person other than the
13 financial institution holding the account of the con-
14 sumer; and

15 “(2) utilizes a national or regional communica-
16 tion network to effect the transaction between such
17 person and the financial institution holding the ac-
18 count of the consumer,

19 no fee may be imposed on the consumer with respect to
20 such transaction by the person operating the electronic
21 terminal at which the transfer is initiated.”.

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