

107TH CONGRESS  
2D SESSION

# S. 2885

To amend the Electronic Fund Transfer Act to require additional disclosures relating to exchange rates in transfers involving international transactions.

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## IN THE SENATE OF THE UNITED STATES

AUGUST 1, 2002

Mr. CORZINE (for himself and Mr. AKAKA) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To amend the Electronic Fund Transfer Act to require additional disclosures relating to exchange rates in transfers involving international transactions.

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 “Wire Transfer Fair-  
5 ness and Disclosure Act of 2002”.

6 **SEC. 2. DISCLOSURE OF EXCHANGE RATES IN CONNECTION**  
7 **WITH INTERNATIONAL MONEY TRANSFERS.**

8 (a) IN GENERAL.—The Electronic Fund Transfer  
9 Act (15 U.S.C. 1693 et seq.) is amended—

1           (1) by redesignating sections 918 through 921  
2 as sections 919 through 922, respectively; and

3           (2) by inserting after section 917 the following  
4 new section:

5 **“SEC. 918. DISCLOSURE OF EXCHANGE RATES IN CONNEC-**  
6 **TION WITH INTERNATIONAL MONEY TRANS-**  
7 **FERS.**

8           “(a) DEFINITIONS.—In this section, the following  
9 definitions shall apply:

10           “(1) INTERNATIONAL MONEY TRANSFER.—The  
11 term ‘international money transfer’ means any  
12 money transmitting service involving an inter-  
13 national transaction which is provided by a financial  
14 institution or a money transmitting business.

15           “(2) MONEY TRANSMITTING SERVICE.—The  
16 term ‘money transmitting service’ has the same  
17 meaning as in section 5330(d)(2) of title 31, United  
18 States Code.

19           “(3) MONEY TRANSMITTING BUSINESS.—The  
20 term ‘money transmitting business’ means any busi-  
21 ness which—

22           “(A) provides check cashing, currency ex-  
23 change, or money transmitting or remittance  
24 services, or issues or redeems money orders,

1 travelers' checks, or other similar instruments;  
2 and

3 “(B) is not a depository institution (as de-  
4 fined in section 5313(g) of title 31, United  
5 States Code).

6 “(b) EXCHANGE RATE AND FEES DISCLOSURES RE-  
7 QUIRED.—

8 “(1) IN GENERAL.—Any financial institution or  
9 money transmitting business which initiates an  
10 international money transfer on behalf of a con-  
11 sumer (whether or not the consumer maintains an  
12 account at such institution or business) shall dis-  
13 close, in the manner required under this section—

14 “(A) the exchange rate used by the finan-  
15 cial institution or money transmitting business  
16 in connection with such transaction;

17 “(B) the exchange rate prevailing at a  
18 major financial center of the foreign country  
19 whose currency is involved in the transaction,  
20 as of the close of business on the business day  
21 immediately preceding the date of the trans-  
22 action (or the official exchange rate, if any, of  
23 the government or central bank of such foreign  
24 country);

1           “(C) all commissions and fees charged by  
2           the financial institution or money transmitting  
3           business in connection with such transaction;  
4           and

5           “(D) the exact amount of foreign currency  
6           to be received by the recipient in the foreign  
7           country, which shall be disclosed to the con-  
8           sumer before the transaction is consummated  
9           and printed on the receipt referred to in para-  
10          graph (3).

11          “(2) PROMINENT DISCLOSURE INSIDE AND  
12          OUTSIDE THE PLACE OF BUSINESS WHERE AN  
13          INTERNATIONAL MONEY TRANSFER IS INITIATED.—  
14          The information required to be disclosed under sub-  
15          paragraphs (A), (B), and (C) of paragraph (1) shall  
16          be prominently displayed on the premises of the fi-  
17          nancial institution or money transmitting business  
18          both at the interior location to which the public is  
19          admitted for purposes of initiating an international  
20          money transfer, and on the exterior of any such  
21          premises.

22          “(3) PROMINENT DISCLOSURE IN ALL RE-  
23          CEIPTS AND FORMS USED IN THE PLACE OF BUSI-  
24          NESS WHERE AN INTERNATIONAL MONEY TRANSFER  
25          IS INITIATED.—All information required to be dis-

1 closed under paragraph (1) shall be prominently dis-  
2 played on all forms and receipts used by the finan-  
3 cial institution or money transmitting business when  
4 initiating an international money transfer in such  
5 premises.

6 “(c) ADVERTISEMENTS IN PRINT, BROADCAST, AND  
7 ELECTRONIC MEDIA AND OUTDOOR ADVERTISING.—The  
8 information required to be disclosed under subparagraphs  
9 (A) and (C) of subsection (b)(1) shall be included—

10 “(1) in any advertisement, announcement, or  
11 solicitation which is mailed by the financial institu-  
12 tion or money transmitting business and pertains to  
13 international money transfers; or

14 “(2) in any print, broadcast, or electronic me-  
15 dium or outdoor advertising display not on the  
16 premises of the financial institution or money trans-  
17 mitting business and pertaining to international  
18 money transfers.

19 “(d) DISCLOSURES IN LANGUAGES OTHER THAN  
20 ENGLISH.—The disclosures required under this section  
21 shall be in English and in the same language as that prin-  
22 cipally used by the financial institution or money transmit-  
23 ting business, or any of its agents, to advertise, solicit,  
24 or negotiate, either orally or in writing, at that office, if  
25 other than English.”.

1           (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) shall take effect 3 months after the date  
3 of enactment of this Act.

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