

107TH CONGRESS
1ST SESSION

H. R. 1306

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

IN THE HOUSE OF REPRESENTATIVES

MARCH 29, 2001

Mr. GUTIERREZ (for himself, Mr. EHLERS, Mr. LAFALCE, Mr. HINCHEY, Ms. BALDWIN, Mr. FARR of California, Mr. ENGEL, Ms. WOOLSEY, Mr. BONIOR, Mr. RODRIGUEZ, Ms. CARSON of Indiana, Ms. ROS-LEHTINEN, Mr. LANTOS, Ms. MCKINNEY, Ms. ROYBAL-ALLARD, Mr. BLAGOJEVICH, Mr. FRANK, Mr. ORTIZ, Mr. BARRETT, Mr. LEWIS of Georgia, Mr. LIPINSKI, Mr. SANDERS, Mr. EVANS, Mr. MENENDEZ, Mr. FILNER, Mr. BERMAN, Ms. ESHOO, Mr. DAVIS of Illinois, Mrs. LOWEY, Ms. NORTON, Mrs. THURMAN, Ms. LEE, Ms. BROWN of Florida, Mrs. NAPOLITANO, Mr. WEXLER, Mr. CONYERS, Mrs. JONES of Ohio, Mr. COSTELLO, Mr. HINOJOSA, Mr. OWENS, Mr. GEORGE MILLER of California, Mr. FROST, Ms. SOLIS, Mrs. MALONEY of New York, Mr. BECERRA, Mr. REYES, Mr. CUMMINGS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HONDA, Mr. ACEVEDO-VILÁ, Mr. DEUTSCH, Mr. SERRANO, Ms. SCHAKOWSKY, Ms. SANCHEZ, Mr. WYNN, Mr. CAPUANO, and Ms. LOFGREN) introduced the following bill; which was referred to the Committee on Financial Services

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Wire Transfer Fair-
3 ness and Disclosure Act of 2001”.

4 **SEC. 2. DISCLOSURE OF EXCHANGE RATES IN CONNECTION**
5 **WITH INTERNATIONAL MONEY TRANSFERS.**

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

8 (1) by redesignating sections 918, 919, 920,
9 and 921 as sections 919, 920, 921, and 922, respec-
10 tively; and

11 (2) by inserting after section 917 the following
12 new section:

13 **“SEC. 918. DISCLOSURE OF EXCHANGE RATES IN CONNEC-**
14 **TION WITH INTERNATIONAL MONEY TRANS-**
15 **FERS.**

16 “(a) DEFINITIONS.—

17 “(1) INTERNATIONAL MONEY TRANSFER.—The
18 term ‘international money transfer’ means any
19 money transmitting service involving an inter-
20 national transaction which is provided by a financial
21 institution or a money transmitting business.

22 “(2) MONEY TRANSMITTING SERVICE.—The
23 term ‘money transmitting service’ has the meaning
24 given to such term in section 5330(d)(2) of title 31,
25 United States Code.

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

4 (A) provides check cashing, currency ex-
5 change, or money transmitting or remittance
6 services, or issues or redeems money orders,
7 travelers’ checks, and other similar instruments;
8 and

9 (B) is not a depository institution (as de-
10 fined in section 5313(g) of title 31, United
11 States Code).

12 “(b) EXCHANGE RATE AND FEES DISCLOSURES RE-
13 QUIRED.—

14 “(1) IN GENERAL.—Any financial institution or
15 money transmitting business which initiates an
16 international money transfer on behalf of a con-
17 sumer (whether or not the consumer maintains an
18 account at such institution or business) shall provide
19 the following disclosures in the manner required
20 under this section:

21 “(A) The exchange rate used by the finan-
22 cial institution or money transmitting business
23 in connection with such transaction.

24 “(B) The exchange rate prevailing at a
25 major financial center of the foreign country

1 whose currency is involved in the transaction,
2 as of the close of business on the business day
3 immediately preceding the date of the trans-
4 action (or the official exchange rate, if any, of
5 the government or central bank of such foreign
6 country).

7 “(C) All commissions and fees charged by
8 the financial institution or money transmitting
9 business in connection with such transaction.

10 “(D) The exact amount of foreign currency
11 to be received by the recipient in the foreign
12 country, which shall be disclosed to the con-
13 sumer before the transaction is consummated
14 and printed on the receipt referred to in para-
15 graph (3).

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

1 “(3) PROMINENT DISCLOSURE IN ALL RE-
2 CEIPTS AND FORMS USED IN THE PLACE OF BUSI-
3 NESS WHERE AN INTERNATIONAL MONEY TRANSFER
4 IS INITIATED.—The information required to be dis-
5 closed under paragraph (1) shall be prominently dis-
6 played on all forms and receipts used by the finan-
7 cial institution or money transmitting business when
8 initiating an international money transfer in such
9 premises.

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

14 “(1) in any advertisement, announcements, or
15 solicitation which is mailed by the financial institu-
16 tion or money transmitting business and pertains to
17 international money transfer; or

18 “(2) in any print, broadcast, or electronic me-
19 dium or outdoor advertising display not on the
20 premises of the financial institution or money trans-
21 mitting business and pertaining to international
22 money transfer.

23 “(d) DISCLOSURES IN LANGUAGES OTHER THAN
24 ENGLISH.—The disclosures required under this section
25 shall be in English and in the same language as that prin-

1 cipally used by the financial institution or money transmit-
2 ting business, or any of its agents, to advertise, solicit,
3 or negotiate, either orally or in writing, at that office if
4 other than English.”.

5 (b) EFFECTIVE DATE.—The amendment made by
6 subsection (a) shall take effect at the end of the 3-month
7 period beginning on the date of the enactment of this Act.

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