

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 916\*

Short Title: Prohibit ATM Surcharge.

(Public)

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Sponsors: Representatives Hardaway; Bonner, Boyd-McIntyre, Braswell, Fitch, Gamble, Hensley, Hightower, Howard, H. Hunter, Kinney, Luebke, and Wainwright.

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Referred to: Commerce, if favorable, Finance.

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April 10, 1997

A BILL TO BE ENTITLED

1 AN ACT TO PROHIBIT FINANCIAL INSTITUTIONS FROM CHARGING  
2 CERTAIN FEES FOR THE USE OF AUTOMATED TELLER MACHINES.

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4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 53-62 is amended by adding a new subsection to read:

6 "(d2) A bank, savings and loan association, savings bank, credit union, or other  
7 financial institution that owns, operates, or leases an off-premises terminal, device, or  
8 machine authorized by subsection (d1) of this section shall not charge fees to consumers  
9 for transactions conducted at the terminal, device, or machine when the transactions are  
10 not related to or do not affect accounts held by the financial institution. A violation of  
11 this subsection is an unfair and deceptive trade practice in violation of G.S. 75-1.1."

12 Section 2. G.S. 54B-77(a)(1) reads as rewritten:

13 "(1) Establish off the premises of any principal office or branch a customer  
14 communications terminal, point-of-sale terminal, automated teller  
15 machine, automated or other direct or remote information-processing  
16 device or ~~machine, whether manned or unmanned,~~ machine through or by  
17 means of which funds or information relating to any financial service or  
18 transaction rendered to the public is stored and transmitted,  
19 instantaneously or otherwise to or from an association terminal or

1 terminals controlled or used by or with other ~~parties;~~ parties. The device  
2 or machine may be manned or unmanned and the establishment and use  
3 of such a device or machine shall not be deemed to constitute a branch  
4 office and the capital requirements and standards for approval of a  
5 branch office as set forth in the statutes and ~~regulations;~~ rules and shall  
6 not be applicable to the establishment of any ~~such-off-premises terminal,~~  
7 ~~device or machine;~~ and ~~associations~~ machine. Associations may through  
8 mutual consent share on-premises unmanned automated teller machines  
9 and cash dispensers. The Administrator may ~~prescribe~~ adopt rules and  
10 regulations with regard to the application for permission for use,  
11 maintenance and supervision of ~~said~~ terminals, devices and ~~machines;~~  
12 machines, except that no association that owns, operates, or leases an  
13 off-premises terminal, device, or machine may charge a fee to  
14 consumers for transactions conducted at off-premises terminals, devices,  
15 or machines when the transactions are not related to or do not affect  
16 accounts held by the association and any association that charges such a  
17 fee is in violation of the Unfair and Deceptive Trade Practice Act, G.S.  
18 75-1.1."

19 Section 3. G.S. 54C-146(a)(1) reads as rewritten:

20 "(1) Establish off the premises of any principal office or branch a customer  
21 communications terminal, point of sale terminal, automated teller  
22 machine, automated or other direct or remote information processing  
23 device or machine, whether manned or unmanned, through or by means  
24 of which funds or information relating to any financial service or  
25 transaction rendered to the public is stored and transmitted,  
26 instantaneously or otherwise to or from a savings bank terminal or  
27 terminals controlled or used by or with other parties. The establishment  
28 and use of a device or machine is not deemed to constitute a branch  
29 office, and the capital requirements and standards for approval of a  
30 branch office as set forth in the statutes and regulations are not  
31 applicable to the establishment of any off-premises terminal, device or  
32 machine. Savings banks may, through mutual consent, share on-  
33 premises, unmanned, automated teller machines and cash dispensers. No  
34 savings bank that owns, operates, or leases an off-premises terminal,  
35 device, or machine may charge a fee to consumers for transactions  
36 conducted at off-premises terminals, devices, or machines when the  
37 transactions are not related to or do not affect accounts held by the bank  
38 and any bank that charges such a fee is in violation of the Unfair and  
39 Deceptive Trade Practice Act, G.S. 75-1.1."

40 Section 4. G.S. 53-180 is amended by adding a new subsection to read:

41 "(k) A bank, savings and loan association, savings bank, credit union, or other  
42 financial institution that owns, operates, or leases an off-premises terminal, device, or  
43 machine authorized by G.S. 53-62, 54B-77, or 54C-146 shall not charge fees to

1 consumers for transactions conducted at the terminal, device, or machine when the  
2 transactions are not related to or do not affect accounts held by the financial institution.  
3 A violation of this subsection is an unfair and deceptive trade practice in violation of G.S.  
4 75-1.1."

5 Section 5. This act becomes effective October 1, 1997.