

HOUSE BILL NO. 1101

Introduced by

Industry, Business and Labor Committee

(At the request of the Department of Banking and Financial Institutions)

1 A BILL for an Act to create and enact a new section to chapter 6-08 of the North Dakota
2 Century Code, relating to electronic fund transfer fees and disclosures; and to amend and
3 reenact subsection 7 of section 6-03-02 of the North Dakota Century Code, relating to bank
4 electronic fund transfer fees and disclosures.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subsection 7 of section 6-03-02 of the 1997 Supplement
7 to the North Dakota Century Code is amended and reenacted as follows:

8 7. To exercise, as determined by the board by order or rule, all the incidental powers
9 as are necessary to carry on the business of banking, including: discounting and
10 negotiating promissory notes, bills of exchange, drafts, and other evidences of
11 debt; receiving deposits; buying and selling exchange, coin, and bullion; and
12 loaning money upon real or personal security, or both; soliciting and receiving
13 deposit in the nature of custodial accounts funded only in savings accounts or
14 certificates of deposit for the purpose of retirement fund contracts or pension
15 programs, and such custodial accounts are exempt from chapter 6-05; providing
16 services to its customers involving electronic transfer of funds to the same extent
17 that other financial institutions chartered and regulated by an agency of the federal
18 government are permitted to provide those services within this state. A bank that
19 provides electronic funds transfer equipment and service to its customers, at
20 premises separate from its main banking house or duly authorized facility approved
21 by the state banking board, must make the equipment and service available for use
22 by customers of any other bank upon the request of the other bank to share its use
23 and the agreement of the other bank to share pro rata all costs incurred in
24 connection with its installation and operation, and the electronic operations are not

1 deemed to be the establishment of a branch, nor of a separate facility. The
2 electronic operations at premises separate from its banking house or duly
3 authorized facility, must be considered a customer electronic funds transfer center
4 and may be established subject to rules that the state banking board adopts. A
5 ~~financial institution engaging in electronic funds transfers in this state may impose~~
6 ~~a transaction fee for the use of an electronic funds transfer facility if the imposition~~
7 ~~of the fee is disclosed at a time and in a manner that allows the user to terminate~~
8 ~~or cancel the transaction without incurring the transaction fee. The fee may be in~~
9 ~~addition to any other charge imposed by the operator at an electronic funds~~
10 ~~transfer facility or by any other financial institution.~~

11 **SECTION 2.** A new section to chapter 6-08 of the North Dakota Century Code is
12 created and enacted as follows:

13 **Electronic funds transfer fees.** The operator of any electronic funds transfer facility
14 providing for electronic funds transfer in this state may impose a transaction fee for the use of
15 an electronic funds transfer facility if the imposition of the fee is disclosed at the time and in a
16 manner that allows the user to terminate or cancel the transaction without incurring the
17 transaction fee. The fee may be in addition to any other charge imposed by the operator at an
18 electronic funds transfer facility or by any other financial institution.