



General Assembly

February Session, 2000

***Raised Bill No. 5014***

LCO No. 744

Referred to Committee on Banks

Introduced by:

(BA)

***An Act Prohibiting Certain Fees Charged For The Use Of Automated Teller Machines By Noncustomers.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 36a-156 of the general statutes is repealed and the  
2 following is substituted in lieu thereof:

3 (a) One or more banks, Connecticut credit unions or federal credit  
4 unions which have established a satellite device or point of sale  
5 terminal shall make the satellite device or point of sale terminal  
6 available on a nondiscriminatory basis for use by any other bank,  
7 Connecticut credit union or federal credit union, upon payment by  
8 each such other bank or credit union of a reasonably proportionate  
9 share of all acquisition, installation and operating costs of the satellite  
10 device or point of sale terminal. The satellite device or point of sale  
11 terminal shall identify with equal prominence all of the banks, credit  
12 unions or network systems which use the satellite device or point of  
13 sale terminal.

14 (b) Any bank, Connecticut credit union or federal credit union  
15 which has established an automated teller machine which is not a

16 satellite device may, in its discretion, permit any other bank,  
17 Connecticut credit union or federal credit union to use such automated  
18 teller machine, provided, (1) if such permission is granted to any other  
19 bank, Connecticut credit union or federal credit union, the automated  
20 teller machine is made available on a nondiscriminatory basis for use  
21 by any other bank, Connecticut credit union or federal credit union,  
22 upon payment of reasonably proportionate costs as described under  
23 subsection (a) of this section, and (2) such use is otherwise in  
24 accordance with subsection (a) of this section.

25 (c) No bank, Connecticut credit union or federal credit union that  
26 has established or acquired and uses any automated teller machine in  
27 this state may impose any fee for the use of any such automated teller  
28 machine on any consumer residing in this state if the consumer using  
29 such automated teller machine does not maintain a deposit account  
30 with such bank, Connecticut credit union or federal credit union. No  
31 bank, Connecticut credit union or federal credit union, and no out-of-  
32 state bank or out-of-state credit union that is authorized under the  
33 laws of this state or federal law to accept deposits within this state,  
34 may debit or permit the debiting of any deposit account of a customer  
35 of any such institution for the purpose of paying any fee prohibited by  
36 this subsection. As used in this subsection, "deposit account" has the  
37 same meaning as provided in section 36a-316 and includes such  
38 accounts accepted or acquired in this state by an out-of-state bank or  
39 out-of-state credit union that is authorized under the laws of this state  
40 or federal law to accept deposits within this state.

41 Sec. 2. Section 36a-158 of the general statutes is repealed and the  
42 following is substituted in lieu thereof:

43 (a) Except as provided in subsection (b) of this section, no out-of-  
44 state bank or out-of-state credit union may directly or indirectly  
45 establish or use an automated teller machine or point of sale terminal  
46 in this state. This prohibition does not apply to an out-of-state bank or  
47 out-of-state credit union that is authorized under the laws of this state

48 or federal law to accept deposits within this state.

49 (b) An out-of-state bank or out-of-state credit union may use an  
50 automated teller machine or point of sale terminal located in this state  
51 provided: (1) Such bank or credit union obtains permission to use the  
52 automated teller machine or point of sale terminal in this state from the  
53 owner of such automated teller machine or point of sale terminal; (2)  
54 such bank or credit union uses the automated teller machine in this  
55 state on a transaction fee basis; (3) unless such bank or credit union or  
56 an affiliate of such bank or credit union is otherwise authorized under  
57 the laws of this state or federal law to accept deposits within the state,  
58 the transactions available to customers of such bank or credit union on  
59 any such automated teller machine shall be limited to withdrawals,  
60 advances and transfers and shall not include deposit transactions; and  
61 (4) any such automated teller machine is established and used in  
62 accordance with the provisions of sections 36a-155 and 36a-156, as  
63 amended by this act.

64 (c) No out-of-state bank or out-of-state credit union that is  
65 authorized under the laws of this state or federal law to accept  
66 deposits within this state and has established or acquired and uses any  
67 automated teller machine in this state may impose any fee for the use  
68 of any such automated teller machine on any consumer residing in this  
69 state if the consumer using such automated teller machine does not  
70 maintain a deposit account with such out-of-state bank or out-of-state  
71 credit union. No bank, Connecticut credit union or federal credit  
72 union, and no out-of-state bank or out-of-state credit union that is  
73 authorized under the laws of this state or federal law to accept  
74 deposits within this state, may debit or permit the debiting of any  
75 deposit account of a customer of any such institution for the purpose  
76 of paying any fee prohibited by this subsection. As used in this  
77 subsection, "deposit account" has the same meaning as provided in  
78 section 36a-316 and includes such accounts accepted or acquired in this  
79 state by an out-of-state bank or out-of-state credit union that is  
80 authorized under the laws of this state or federal law to accept

81 deposits within this state.

82 Sec. 3. This act shall take effect from its passage.

***Statement of Purpose:***

To protect Connecticut consumers by prohibiting banks and credit unions from imposing automated teller machine fees on consumers who are not customers of such banks and credit unions.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*