

111TH CONGRESS
2D SESSION

S. 3898

To amend the Electronic Fund Transfer Act to treat municipalities and school districts as consumers for certain purposes under that Act.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 29, 2010

Mr. SCHUMER introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To amend the Electronic Fund Transfer Act to treat municipalities and school districts as consumers for certain purposes under that Act.

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. TREATMENT OF CERTAIN LOCAL GOVERNMENT**
4 **ENTITIES AS CONSUMERS FOR PURPOSES OF**
5 **THE ELECTRONIC FUND TRANSFER ACT.**

6 Section 903 of the Electronic Fund Transfer Act (15
7 U.S.C. 1693a) is amended—

8 (1) in paragraph (2)—

9 (A) by striking “means a demand” and in-
10 serting the following: “means—

1 “(A) a demand”; and

2 (B) by striking the semicolon at the end
3 and inserting the following: “; and

4 “(B) for purposes of section 909, an ac-
5 count of a municipality or a school district, as
6 those terms are defined by rule of the Board,
7 used for the purpose of carrying out the official
8 duties of that municipality or school district;”;
9 and

10 (2) in paragraph (5), by inserting before the
11 semicolon at the end the following: “, and includes,
12 solely for purposes of section 909, a municipality or
13 school district, as those terms are defined by rule of
14 the Board”.

15 **SEC. 2. RULEMAKING REQUIRED.**

16 The Board of Governors of the Federal Reserve Sys-
17 tem shall issue final rules, not later than 180 days after
18 the date of enactment of this Act—

19 (1) to define the terms “municipality” and
20 “school district” for purposes of section 903 of the
21 Electronic Fund Transfer Act, as amended by this
22 Act; and

23 (2) to otherwise carry out the amendments
24 made by this Act.

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