Subsec. (c). Pub. L. 103–325, §323(2), inserted “or whether to approve or disapprove any notice” after “approval.”

1982—Pub. L. 97–320 substituted provisions relating to prior approval for investments in bank service corporations for provisions relating to regulation and examination of bank service for a regularly examined bank or its subsidiary or affiliate whether performed on or off its premises. See section 1867(c) of this title.

1978—Pub. L. 95–630 among other changes, substituted provisions requiring banks regularly examined by a Federal supervisory agency, which cause to be performed, by contract or otherwise, any bank service for itself, to notify such supervisory agency of the existence of a service relationship within 30 days after making such service contract or performance of service, whichever occurs first for provisions requiring that no bank subject to examination by a Federal supervisory agency may cause to be performed, by contract or otherwise, any bank service for itself unless satisfactory assurances are furnished to such supervisory agency by both the bank and the party performing such services that the performances thereof will be subject to regulation and examination by such agency to the same extent as if such services were being performed by the bank itself.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–630 effective on expiration of 120 days after Nov. 10, 1978, see section 2161 of Pub. L. 95–630, set out as an Effective Date note under section 3730 of this title.

§ 1866. Services to nonstockholders or nonmembers

No bank service company shall unreasonably discriminate in the provision of any services authorized under this chapter to any depository institution that does not own stock in or is not a member of the service company, except that—

(1) it shall not be considered unreasonable discrimination for a bank service company to provide services to a nonstockholding or nonmember institution only at a price that fully reflects all of the costs of offering those services, including the cost of capital and a reasonable return thereon; and

(2) a bank service company may refuse to provide services to a nonstockholding or nonmember institution if comparable services are available from another source at competitive overall costs, or if the providing of services would be beyond the practical capacity of the service company.


AMENDMENTS

1996—Pub. L. 104–208, §2613(g)(4), in section catchline, inserted “or nonmembers” after “nonstockholders”, and in introductory provisions of text, substituted “company” for “corporation” wherever appearing and inserted “or nonmember” after “nonstockholding”.

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§ 1867. Regulation and examination of bank service companies

(a) Principal investor

A bank service company shall be subject to examination and regulation by the appropriate Federal banking agency of its principal investor to the same extent as its principal investor. The appropriate Federal banking agency of the principal shareholder or principal member of such a bank service company may authorize any other Federal banking agency that supervises any other shareholder or member of the bank service company to make such an examination.

(b) Applicability of section 1818 of this title

A bank service company shall be subject to the provisions of section 1818 of this title as if the bank service company were an insured depository institution. For this purpose, the appropriate Federal banking agency shall be the appropriate Federal banking agency of the principal investor of the bank service company.

(c) Services performed by contract or otherwise

Notwithstanding subsection (a) of this section, whenever a depository institution that is regularly examined by an appropriate Federal banking agency, or any subsidiary or affiliate of such a depository institution that is subject to examination by that agency, causes to be performed for itself, by contract or otherwise, any services authorized under this chapter, whether on or off its premises—

(1) such performance shall be subject to regulation and examination by such agency to the same extent as if such services were being performed by the depository institution itself, to notify such supervisory agency of the existence of the service relationship within thirty days after making such service contract or the performance of the service, whichever occurs first.

(d) Issuance of regulations and orders

The Board and the appropriate Federal banking agencies are authorized to issue such regulations and orders as may be necessary to enable them to administer and to carry out the purposes of this chapter and to prevent evasions thereof.


AMENDMENT OF SUBSECTION (c)(2)

Pub. L. 111–203, title III, §§351, 357(3), July 21, 2010, 124 Stat. 1546, 1548, provided that, effective on the transfer date, subsection (c)(2) of this section is amended by inserting “each” after “notify”. See Effective Date of 2010 Amendment note below.

AMENDMENTS

Subsec. (c). Pub. L. 109–351, §602(b)(5)(B), substituted “a depository institution” for “a bank” in two places in introductory provisions and “the depository institution” for “the bank” in pars. (1) and (2).


Subsec. (a). Pub. L. 104–208, §2613(h)(1), (2), substituted “company” for “corporation” wherever appearing and inserted “or principal member” after “principal shareholder” and “or member” after “other shareholder”.


**Effective Date of 2010 Amendment**

Amendment by Pub. L. 111–203 effective on the transfer date, see section 351 of Pub. L. 111–203, set out as a note under section 906 of Title 2, The Congress.

**CHAPTER 19—SECURITY MEASURES FOR BANKS AND SAVINGS ASSOCIATIONS**

Sec. 1881. “Federal supervisory agency” defined.

1882. Security measures.

1883. Insurance rates; report to Congress.

1884. Penalties for violations.

§1881. “Federal supervisory agency” defined

As used in this chapter the term “Federal supervisory agency” means—

(1) The Comptroller of the Currency with respect to national banks,

(2) The Board of Governors of the Federal Reserve System with respect to Federal Reserve banks which are members of the Federal Reserve System,

(3) The Federal Deposit Insurance Corporation with respect to State banks which are not members of the Federal Reserve System but the deposits of which are insured by the Federal Deposit Insurance Corporation and State savings associations, and

(4) The Director of the Office of Thrift Supervision with respect to Federal savings.


**Amendment of Section**

Pub. L. 111–203, title III, §§351, 356(1), July 21, 2010, 124 Stat. 1546, 1547, provided that, effective on the transfer date, this section is amended by substituting “the term ‘Federal supervisory agency’ means the appropriate Federal banking agency, as defined in section 1813(q) of this title.” for “the term” and all that follows through the end. See Effective Date of 2010 Amendment note below.

**Amendments**


1 So in original. Probably should be “Federal savings associations.”

§1882. Security measures

(a) Rules for installation, maintenance, and operation of security devices and procedures

Within six months from July 7, 1968, each Federal supervisory agency shall promulgate rules establishing minimum standards with which each bank or savings and loan association must comply with respect to the installation, maintenance, and operation of security devices and procedures, reasonable in cost, to discourage robberies, burglaries, and larcenies and to assist in the identification and apprehension of persons who commit such acts.

(b) Time for compliance with standards

The rules shall establish the time limits within which banks and savings and loan associations shall comply with the standards.


**Amendment of Section**

Pub. L. 111–203, title III, §§351, 356(2), July 21, 2010, 124 Stat. 1546, 1547, provided that, effective on the transfer date, this section is amended by striking out “and loan” wherever appearing. See Effective Date of 2010 Amendment note below.

**Amendments**

1989—Subsec. (b). Pub. L. 101–73 struck out “and shall require the submission of periodic reports with respect to the installation, maintenance, and operation of security devices and procedures” before period at end.

**Effective Date of 2010 Amendment**

Amendment by Pub. L. 111–203 effective on the transfer date, see section 351 of Pub. L. 111–203, set out as a note under section 906 of Title 2, The Congress.

**Effective Date of 1989 Amendment**

Amendment by Pub. L. 101–73 applicable with respect to reports filed or required to be filed after Aug. 9, 1989, see section 911(i) of Pub. L. 101–73, set out as a note under section 161 of this title.