

106TH CONGRESS
1ST SESSION

H. R. 382

To amend the Electronic Fund Transfer Act to require additional disclosures relating to exchange rates in transfers involving international transactions.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 19, 1999

Mr. GUTIERREZ (for himself, Mr. VENTO, Mr. BECERRA, Mr. FILNER, Mr. HINCHEY, Mr. OWENS, Mr. RODRIGUEZ, Mr. ROMERO-BARCELÓ, Mr. STARK, and Mr. ORTIZ) introduced the following bill; which was referred to the Committee on Banking and Financial Services

A BILL

To amend the Electronic Fund Transfer Act to require additional disclosures relating to exchange rates in transfers involving international transactions.

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. SHORT TITLE.**

4 This Act may be cited as the “Wire Transfer Fair-
5 ness and Disclosure Act of 1999”.

6 **SEC. 2. DISCLOSURE OF EXCHANGE RATES IN CONNECTION**
7 **WITH INTERNATIONAL MONEY TRANSFERS.**

8 (a) IN GENERAL.—The Electronic Fund Transfer
9 Act (15 U.S.C. 1693 et seq.) is amended—

1 (1) by redesignating sections 918, 919, 920,
 2 and 921 as sections 919, 920, 921, and 922, respec-
 3 tively; and

4 (2) by inserting after section 917 the following
 5 new section:

6 **“SEC. 918. DISCLOSURE OF EXCHANGE RATES IN CONNEC-**
 7 **TION WITH INTERNATIONAL MONEY TRANS-**
 8 **FERS.**

9 “(a) DEFINITIONS.—

10 “(1) INTERNATIONAL MONEY TRANSFER.—The
 11 term ‘international money transfer’ means any
 12 money transmitting service involving an inter-
 13 national transaction which is provided by a financial
 14 institution or a money transmitting business.

15 “(2) MONEY TRANSMITTING SERVICE.—The
 16 term ‘money transmitting service’ has the meaning
 17 given to such term in section 5330(d)(2) of title 31,
 18 United States Code.

19 “(3) MONEY TRANSMITTING BUSINESS.—The
 20 term ‘money transmitting business’ has the meaning
 21 given to such term in section 5330(d)(1) of title 31,
 22 United States Code (other than subparagraph (B) of
 23 such section).

24 “(b) EXCHANGE RATE AND FEES DISCLOSURES RE-
 25 QUIRED.—

1 “(1) IN GENERAL.—Any financial institution or
2 money transmitting business which initiates an
3 international money transfer on behalf of a con-
4 sumer (whether or not the consumer maintains an
5 account at such institution or business) shall provide
6 the following disclosures in the manner required
7 under this section:

8 “(A) The exchange rate used by the finan-
9 cial institution or money transmitting business
10 in connection with such transaction.

11 “(B) The exchange rate prevailing at a
12 major financial center of the foreign country
13 whose currency is involved in the transaction,
14 as of the close of business on the business day
15 immediately preceding the date of the trans-
16 action (or the official exchange rate, if any, of
17 the government or central bank of such foreign
18 country).

19 “(C) All commissions and fees charged by
20 the financial institution or money transmitting
21 business in connection with such transaction.

22 “(2) PROMINENT DISCLOSURE INSIDE AND
23 OUTSIDE THE PLACE OF BUSINESS WHERE AN
24 INTERNATIONAL MONEY TRANSFER IS INITIATED.—
25 The information required to be disclosed under para-

1 graph (1) shall be prominently displayed on the
2 premises of the financial institution or money trans-
3 mitting business both at the interior location to
4 which the public is admitted for purposes of initiat-
5 ing an international money transfer and on the exte-
6 rior of any such premises.

7 “(3) PROMINENT DISCLOSURE IN ALL RE-
8 CEIPTS AND FORMS USED IN THE PLACE OF BUSI-
9 NESS WHERE AN INTERNATIONAL MONEY TRANSFER
10 IS INITIATED.—The information required to be dis-
11 closed under paragraph (1) shall be prominently dis-
12 played on all forms and receipts used by the finan-
13 cial institution or money transmitting business when
14 initiating an international money transfer in such
15 premises.

16 “(c) ADVERTISEMENTS IN PRINT, BROADCAST, AND
17 ELECTRONIC MEDIA AND OUTDOOR ADVERTISING.—The
18 information required to be disclosed under subsection
19 (b)(1) shall be included—

20 “(1) in any advertisement, announcements, or
21 solicitation which is mailed by the financial institu-
22 tion or money transmitting business and pertains to
23 international money transfer; or

24 “(2) in any print, broadcast, or electronic me-
25 dium or outdoor advertising display not on the

1 premises of the financial institution or money trans-
2 mitting business and pertaining to international
3 money transfer.

4 “(d) DISCLOSURES IN LANGUAGES OTHER THAN
5 ENGLISH.—The disclosures required under this section
6 shall be in English and in the same language as that prin-
7 cipally used by the financial institution or money transmit-
8 ting business, or any of its agents, to advertise, solicit,
9 or negotiate, either orally or in writing, at that office if
10 other than English.”.

11 (b) EFFECTIVE DATE.—The amendment made by
12 subsection (a) shall take effect at the end of the 3-month
13 period beginning on the date of the enactment of this Act.

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