

108TH CONGRESS  
1ST SESSION

# S. 1344

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

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## IN THE SENATE OF THE UNITED STATES

JUNE 26, 2003

Mr. CORZINE (for himself, Mr. SCHUMER, Mr. AKAKA, and Mrs. BOXER) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

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

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 “Money Wire Improve-  
5 ment and Remittance Enhancement Act of 2003” (or the  
6 “Money WIRE Act of 2003”).

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

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

5 (1) by redesignating sections 918, 919, 920,  
 6 and 921 as sections 919, 920, 921, and 922, respec-  
 7 tively; and

8 (2) by inserting after section 917 the following  
 9 new section:

10 **“SEC. 918. DISCLOSURE OF EXCHANGE RATES IN CONNEC-**  
 11 **TION WITH INTERNATIONAL MONEY TRANS-**  
 12 **FERS.**

13 “(a) DEFINITIONS.—

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

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

23 “(3) MONEY TRANSMITTING BUSINESS.—The  
 24 term ‘money transmitting business’ means any busi-  
 25 ness which—

1           “(A) provides check cashing, currency ex-  
2           change, or money transmitting or remittance  
3           services, or issues or redeems money orders,  
4           travelers’ checks, and other similar instruments;  
5           and

6           “(B) is not a depository institution (as de-  
7           fined in section 5313(g) of title 31, United  
8           States Code).

9           “(b) EXCHANGE RATE AND FEES DISCLOSURES RE-  
10          QUIRED.—

11           “(1) IN GENERAL.—Any financial institution or  
12          money transmitting business which initiates an  
13          international money transfer on behalf of a con-  
14          sumer (whether or not the consumer maintains an  
15          account at such institution or business) shall provide  
16          the following disclosures in the manner required  
17          under this section:

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

21           “(B) The exchange rate prevailing at a  
22          major financial center of the foreign country  
23          whose currency is involved in the transaction,  
24          as of the close of business on the business day  
25          immediately preceding the date of the trans-

1           action (or the official exchange rate, if any, of  
2           the government or central bank of such foreign  
3           country).

4           “(C) All commissions and fees charged by  
5           the financial institution or money transmitting  
6           business in connection with such transaction.

7           “(D) The exact amount of foreign currency  
8           to be received by the recipient in the foreign  
9           country, which shall be disclosed to the con-  
10          sumer before the transaction is consummated  
11          and printed on the receipt referred to in para-  
12          graph (3).

13          “(2) PROMINENT DISCLOSURE INSIDE AND  
14          OUTSIDE THE PLACE OF BUSINESS WHERE AN  
15          INTERNATIONAL MONEY TRANSFER IS INITIATED.—  
16          The information required to be disclosed under sub-  
17          paragraphs (A), (B), and (C) of paragraph (1) shall  
18          be prominently displayed on the premises of the fi-  
19          nancial institution or money transmitting business  
20          both at the interior location to which the public is  
21          admitted for purposes of initiating an international  
22          money transfer and on the exterior of any such  
23          premises.

24          “(3) PROMINENT DISCLOSURE IN ALL RE-  
25          CEIPTS AND FORMS USED IN THE PLACE OF BUSI-

1       NESS WHERE AN INTERNATIONAL MONEY TRANSFER  
 2       IS INITIATED.—The information required to be dis-  
 3       closed under paragraph (1) shall be prominently dis-  
 4       played on all forms and receipts used by the finan-  
 5       cial institution or money transmitting business when  
 6       initiating an international money transfer in such  
 7       premises.

8       “(c) ADVERTISEMENTS IN PRINT, BROADCAST, AND  
 9       ELECTRONIC MEDIA AND OUTDOOR ADVERTISING.—The  
 10      information required to be disclosed under subparagraphs  
 11      (A) and (C) of subsection (b)(1) shall be included—

12           “(1) in any advertisement, announcements, or  
 13           solicitation which is mailed by the financial institu-  
 14           tion or money transmitting business and pertains to  
 15           international money transfer; or

16           “(2) in any print, broadcast, or electronic me-  
 17           dium or outdoor advertising display not on the  
 18           premises of the financial institution or money trans-  
 19           mitting business and pertaining to international  
 20           money transfer.

21       “(d) DISCLOSURES IN LANGUAGES OTHER THAN  
 22       ENGLISH.—The disclosures required under this section  
 23       shall be in English and in the same language as that prin-  
 24       cipally used by the financial institution or money transmit-  
 25       ting business, or any of its agents, to advertise, solicit,

1 or negotiate, either orally or in writing, at that office if  
 2 other than English.”.

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

6 **SEC. 3. STUDY ON FEE DISCLOSURES FOR MONEY WIRE**  
 7 **TRANSMISSIONS.**

8 (a) STUDY.—The Federal banking agencies (as de-  
 9 fined in section 3 of the Federal Deposit Insurance Act)  
 10 and the Secretary of the Treasury shall jointly conduct  
 11 a study on fees charged and fee disclosures for money wire  
 12 transmissions.

13 (b) COMPARISON OF PRICES.—The study required by  
 14 subsection (a) shall compare the disclosures provided by  
 15 federally insured depository institutions for money wire  
 16 transmissions with disclosures provided by money trans-  
 17 mitting businesses (as defined in section 5330(d)(1) of  
 18 title 31, United States Code) for such transmissions.

19 (c) REPORT REQUIRED.—The Federal banking agen-  
 20 cies and the Secretary of the Treasury shall jointly submit  
 21 a report on the study required under subsection (a) to the  
 22 Congress before the end of the 1-year period beginning  
 23 on the date of enactment of this Act.

1   **SEC. 4. FEDERAL CREDIT UNION ACT AMENDMENT.**

2           Paragraph (12) of section 107 of the Federal Credit  
3   Union Act (12 U.S.C. 1757(12)) is amended to read as  
4   follows:

5           “(12) in accordance with regulations prescribed  
6   by the Board—

7           “(A) to sell, to persons in the field of  
8           membership, negotiable checks (including trav-  
9           elers checks), money orders, and other similar  
10          money transfer instruments; and

11          “(B) to cash checks and money orders for  
12          persons in the field of membership for a fee;”.

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