

108TH CONGRESS
1ST SESSION

S. 1359

To allow credit unions to provide international money transfer services and to require disclosures in connection with international money transfers from all money transmitting service providers.

IN THE SENATE OF THE UNITED STATES

JUNE 26, 2003

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

A BILL

To allow credit unions to provide international money transfer services and to require disclosures in connection with international money transfers from all money transmitting service providers.

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 “International Remit-
5 tance Services Enhancement and Protection Act of 2003”.

1 **SEC. 2. 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 or provide for a fee negotiable
8 checks (including travelers checks), money or-
9 ders, international money transfer services, and
10 other similar money transfer instruments and
11 services; and

12 “(B) to cash checks and money orders;”.

13 **SEC. 3. DISCLOSURES REQUIRED.**

14 (a) REGULATIONS.—Subject to paragraph (2), the
15 appropriate Federal agencies shall jointly prescribe regula-
16 tions that require any financial institution or money trans-
17 mitting business which initiates an international money
18 transfer on behalf of a consumer (whether or not the con-
19 sumer maintains an account at such institution or busi-
20 ness) to provide the following disclosures to the consumer
21 before the consummation of the transaction:

22 (1) Any fees to be charged to the recipient, in-
23 cluding any exchange rate or currency conversion
24 fees.

1 (2) A final itemization of all costs to the con-
2 sumer, which would include all fees charged, for the
3 remittance.

4 (3) The exact amount of foreign currency to be
5 received by the recipient in the foreign country.

6 (b) LANGUAGE REQUIREMENT.—The disclosures re-
7 quired under subsection (a) shall be in English and in any
8 other language used by the financial institution or money
9 transmitting business, or any of its agents, to advertise,
10 solicit, or negotiate, either orally or in writing, at the office
11 of the institution or business at which the international
12 money transfer is initiated.

13 (c) DEFINITIONS.—For purposes of this section, the
14 following definitions shall apply:

15 (1) APPROPRIATE FEDERAL AGENCY.—The
16 term “appropriate Federal agency” means—

17 (A) the appropriate Federal banking agen-
18 cy, in the case of any insured depository institu-
19 tion;

20 (B) the National Credit Union Administra-
21 tion, in the case of any insured credit union;
22 and

23 (C) the Federal Trade Commission, in the
24 case of any financial institution or money trans-

1 mitting business that is not an insured deposi-
2 tory institution or insured credit union.

3 (2) APPROPRIATE FEDERAL BANKING AGEN-
4 CY.—The term “appropriate Federal banking agen-
5 cy” has the same meaning as in section 3 of the
6 Federal Deposit Insurance Act;

7 (3) INSURED CREDIT UNION.—The term “in-
8 sured credit union” has the same meaning as in sec-
9 tion 101 of the Federal Credit Union Act;

10 (4) INSURED DEPOSITORY INSTITUTION.—The
11 term “insured depository institution” has the same
12 meaning as in section 3 of the Federal Deposit In-
13 surance Act;

14 (5) INTERNATIONAL MONEY TRANSFER.—The
15 term “international money transfer” means any
16 money transmitting service originating in the United
17 States and involving an international transaction
18 which is provided by a financial institution or a
19 money transmitting business.

20 (6) MONEY TRANSMITTING SERVICE.—The
21 term “money transmitting service” has the same
22 meaning as in section 5330(d)(2) of title 31, United
23 States Code.

1 (7) MONEY TRANSMITTING BUSINESS.—The
2 term “money transmitting business” means any
3 business which—

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

9 (B) is not a depository institution (as de-
10 fined in section 5313(g) of title 31, United
11 States Code).

12 (d) ADMINISTRATIVE ENFORCEMENT.—

13 (1) DEPOSITORY INSTITUTIONS.—

14 (A) IN GENERAL.—Compliance with the
15 requirements imposed under this section shall
16 be enforced under—

17 (i) section 8 of the Federal Deposit
18 Insurance Act, in the case of an insured
19 depository institution, by the appropriate
20 Federal banking agency; and

21 (ii) the Federal Credit Union Act, in
22 the case of any insured credit union (as de-
23 fined in section 101 of the Federal Credit
24 Union Act), by the National Credit Union
25 Administration.

1 (B) APPLICABILITY OF OTHER LAWS.—

2 (i) VIOLATIONS OF THIS SECTION.—

3 For the purpose of the exercise by any
4 agency referred to in subparagraph (A) of
5 its powers under any Act referred to in
6 that subparagraph, a violation of any re-
7 quirement imposed under this section shall
8 be deemed to be a violation of a require-
9 ment imposed under that Act.

10 (ii) OTHER AUTHORITY.—In addition
11 to its powers under any provision of law
12 specifically referred to in subparagraph
13 (A), each of the agencies referred to in
14 such subparagraph may exercise, for the
15 purpose of enforcing compliance with any
16 requirement imposed under this section,
17 any other authority conferred on it by law.

18 (2) OTHER MONEY TRANSMITTING BUSI-
19 NESSES.—

20 (A) APPROPRIATE FEDERAL REGU-
21 LATOR.—Except to the extent that enforcement
22 of the requirements imposed under this section
23 is specifically committed to some other Govern-
24 ment agency under paragraph (1), the Federal

1 Trade Commission shall enforce such require-
2 ments.

3 (B) APPLICABILITY OF OTHER LAWS.—

4 (i) VIOLATIONS OF THIS SECTION.—

5 For the purpose of the exercise by the
6 Federal Trade Commission of its functions
7 and powers under the Federal Trade Com-
8 mission Act, a violation of any requirement
9 imposed under this section shall be deemed
10 a violation of a requirement imposed under
11 that Act.

12 (ii) OTHER AUTHORITY.—All of the
13 functions and powers of the Federal Trade
14 Commission under the Federal Trade
15 Commission Act are available to the Com-
16 mission to enforce compliance by any per-
17 son subject to the jurisdiction of the Com-
18 mission with the requirements imposed
19 under this section, irrespective of whether
20 that person is engaged in commerce or
21 meets any other jurisdictional tests in the
22 Federal Trade Commission Act.

23 (e) EFFECTIVE DATE.—This section shall apply to
24 any international money transfer initiated in the United

- 1 States after the end of the 3-month period beginning on
- 2 the date of enactment of this Act.

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