

Assembly Bill No. 3366

CHAPTER 98

An act to amend Section 13080 of the Financial Code, relating to financial institutions.

[Approved by Governor June 30, 1996. Filed with Secretary of State July 1, 1996.]

LEGISLATIVE COUNSEL'S DIGEST

AB 3366, Knox. ATM: surcharge disclosure.

Existing law prohibits the operator of an automated teller machine (ATM) from imposing a surcharge upon ATM usage when the customer is using an access device not issued by that operator unless the surcharge is clearly disclosed prior to completion of any transaction.

This bill would, commencing July 1, 1997, provide that no operator of an ATM in this state shall impose any surcharge upon a customer for the usage of that machine whether or not the customer is using an access device issued by that operator unless the surcharge is clearly disclosed to the customer electronically on the ATM, and, unless the disclosure is made prior to the customer being obligated to pay the surcharge, the customer shall be provided an opportunity to cancel the transaction without incurring any surcharge, with specified exceptions. The bill would also provide for total price and fee disclosure with respect to the sale of goods and services conducted at an ATM, as specified.

The people of the State of California do enact as follows:

SECTION 1. Section 13080 of the Financial Code is amended to read:

13080. (a) No operator of an automated teller machine (ATM) in this state shall impose any surcharge upon a customer for the usage of that machine whether or not the customer is using an access device issued by that operator unless that surcharge is clearly disclosed to the customer electronically on the automated teller machine. Unless the disclosure is made prior to the customer being obligated to pay the surcharge, the customer shall be provided an opportunity to cancel that transaction without incurring any surcharge. This subdivision does not apply to a point of sale transaction at an ATM.

(b) If the sale of a good or service is conducted at the ATM, the operator of that ATM shall disclose to the customer electronically on the ATM the total price of the good or service and any fee charged solely for the usage of the ATM. Unless the disclosure is made prior



to the customer being obligated to pay for the good or service, the customer shall be provided with an opportunity to cancel the transaction without incurring any obligation.

(c) If a surcharge is imposed on a customer using an access device not issued by the operator, the operator shall disclose that the customer may also be charged an additional fee by his or her own institution.

(d) As used in this section, “operator,” “automated teller machine,” “customer,” and “access device” have the meanings set forth in Section 13020. The term “surcharge” means any charge imposed by the operator of the ATM solely for use of the ATM. The term “service” includes, but is not limited to, receiving a statement of account activity.

SEC. 2. The amendments to Section 13080 of the Financial Code made by Section 1 of this act shall become operative on July 1, 1997.

