

SENATE BILL No. 413

DIGEST OF INTRODUCED BILL

Citations Affected: IC 28-1.

Synopsis: Automated teller machine fees. Defines "automated teller machine" (ATM). Defines "surcharge". Prohibits a financial institution from charging a surcharge against a user of an automated teller machine (ATM) owned or operated by the financial institution. Provides that a financial institution may assess a fee on an automated teller machine (ATM) transaction if the fee does not exceed \$1.50 per transaction.

Effective: July 1, 2000.

Lanane

January 10, 2000, read first time and referred to Committee on Insurance and Financial Institutions.

C
o
p
y



Second Regular Session 111th General Assembly (2000)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1999 General Assembly.

C
O
P
Y

SENATE BILL No. 413



A BILL FOR AN ACT to amend the Indiana Code concerning financial institutions.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 28-1-1-3, AS AMENDED BY P.L.215-1999,
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2000]: Sec. 3. Unless a different meaning is required by the
4 context, the following definitions apply throughout this article:

5 (1) "Financial institution" means any bank, trust company,
6 corporate fiduciary, savings association, credit union, savings
7 bank, bank of discount and deposit, or industrial loan and
8 investment company organized or reorganized under the laws of
9 this state, and includes a consumer finance institution licensed to
10 make supervised or regulated loans under IC 24-4.5.

11 (2) "Bank" or "bank or trust company" means a financial
12 institution organized or reorganized as a bank, bank of discount
13 and deposit, or trust company under the laws of this state with the
14 express power to receive and accept deposits of money subject to
15 withdrawal by check, and possessing such other rights and powers
16 granted by the provisions of this article in express terms or by
17 implication. The term "bank" or "bank or trust company" does not



- 1 include a savings association, credit union, or industrial loan and
2 investment company.
- 3 (3) "Domestic corporation" means a corporation formed under the
4 laws of this state, and "foreign corporation" means every other
5 corporation.
- 6 (4) "Articles of incorporation" includes both the original articles
7 of incorporation and any and all amendments thereto, except
8 where the original articles of incorporation only are expressly
9 referred to, and includes articles of merger and consolidation, and,
10 in the case of corporations organized before July 1, 1933, articles
11 of reorganization, and all amendments thereto.
- 12 (5) "Incorporator" means one (1) of the signers of the original
13 articles of incorporation.
- 14 (6) "Subscriber" means one who subscribes for shares of stock in
15 a financial institution.
- 16 (7) "Shareholder" means one who is a holder of record of shares
17 of stock in a financial institution.
- 18 (8) "Capital stock" means the aggregate amount of the par value
19 of all shares of capital stock.
- 20 (9) "Capital" means the aggregate amount paid in on the shares of
21 capital stock of a financial institution issued and outstanding.
- 22 (10) "Sound capital" means and includes the paid-in and
23 unimpaired capital, the unimpaired surplus, and the unimpaired
24 proceeds of the notes and debentures of any bank which have
25 been issued under the authority and with the approval, in writing,
26 of the department.
- 27 (11) "Assets" includes all of the property and rights of every kind
28 of a financial institution and the term "fixed assets" means such
29 assets as are not intended to be sold or disposed of in the ordinary
30 course of business.
- 31 (12) "Principal office" means that office maintained by the
32 financial institution in this state, the address of which is required
33 by the provisions of this article to be kept on file in the office of
34 the secretary of state.
- 35 (13) "Subscription" means any written agreement or undertaking,
36 accepted by a financial institution, for the purchase of shares of
37 capital stock in the financial institution.
- 38 (14) "Department" means the department of financial institutions.
- 39 (15) "Member" means a member of the department of financial
40 institutions.
- 41 (16) "Branch" means any office, agency, or other place of
42 business, other than the principal office of a financial institution,

C
O
P
Y

1 at which deposits are received, checks paid, or money lent.

2 (17) "Subsidiary" means any foreign or domestic corporation or
3 limited liability company in which the parent bank, savings bank,
4 savings association, or industrial loan and investment company
5 had at least eighty percent (80%) ownership before July 1, 1999,
6 or is formed or acquired in accordance with IC 28-13-16 after
7 June 30, 1999.

8 (18) "Savings bank" means a financial institution that:

9 (A) was organized, reorganized, or operating under IC 28-6
10 (before its repeal) before January 1, 1993;

11 (B) is formed as the result of a conversion under:

12 (i) IC 28-1-21.7;

13 (ii) IC 28-1-21.8;

14 (iii) IC 28-1-21.9; or

15 (iv) IC 28-1-30; or

16 (C) is incorporated under IC 28-12.

17 (19) "Corporate fiduciary" means a financial institution whose
18 primary business purpose is to engage in the trust business (as
19 defined in IC 28-14-1-8) and the execution and administration of
20 fiduciary accounts as a nondepository trust company incorporated
21 under Indiana law.

22 **(20) "Automated teller machine" or "ATM" means a piece of**
23 **unmanned electronic or mechanical equipment that performs**
24 **routine financial transactions for authorized individuals. The**
25 **term does not include retail point of sale payment terminals.**

26 SECTION 2. IC 28-1-23-16 IS ADDED TO THE INDIANA CODE
27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
28 1, 2000]: **Sec. 16. (a) As used in this section, "surcharge" means a**
29 **fee assessed by the owner or operator of an automated teller**
30 **machine (ATM) against a person who conducts an automated teller**
31 **machine (ATM) transaction but is not a customer or account**
32 **holder with the owner or operator of the automated teller machine**
33 **(ATM).**

34 **(b) A financial institution may not assess a surcharge against a**
35 **user of an automated teller machine (ATM) owned or operated by**
36 **the financial institution.**

37 **(c) A financial institution may assess a fee not to exceed one**
38 **dollar and fifty cents (\$1.50) per transaction on an automated teller**
39 **machine (ATM) transaction.**

C
O
P
Y

