

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 83rd General Assembly
3 Regular Session, 2001
4

As Engrossed: H3/20/01

A Bill

Act 1723 of 2001
HOUSE BILL 2378

5 By: Representative Cleveland
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For An Act To Be Entitled

9 AN ACT TO PROVIDE THAT AUTOMATIC WITHDRAWALS FROM
10 BANK ACCOUNTS SHALL IMMEDIATELY CEASE UPON
11 WRITTEN REQUEST BY THE DEPOSITOR; AND FOR OTHER
12 PURPOSES.
13

Subtitle

15 AN ACT TO PROVIDE THAT AUTOMATIC
16 WITHDRAWALS FROM BANK ACCOUNTS SHALL
17 IMMEDIATELY CEASE UPON WRITTEN REQUEST
18 BY THE DEPOSITOR.
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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23 SECTION 1. (a) Any financial institution doing business in this state
24 shall stop payment of any electronic funds transfer from a customer's account
25 upon receipt, at least three (3) business days prior to the scheduled
26 transfer, of a written stop payment order from the customer or any person
27 authorized to draw upon the account describing the transfer with reasonable
28 certainty.

29 (b) If the written stop payment order purports to stop all future
30 electronic funds transfers to a particular payee, then the financial
31 institution may require the customer to provide written confirmation that the
32 payee has been informed of the revocation of authority within fourteen (14)
33 days of the delivery of the stop payment order. In the event the customer
34 fails to provide the confirmation, if required by the financial institution,
35 then the stop payment order shall cease to be effective at the end of the
36 fourteen (14) day confirmation period.

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(c) For the purposes of this section, "electronic funds transfer" mean any transaction in which funds are transferred from a customer's account to a third party payee primarily for personal, family, or household purposes. "Electronic funds transfers" may include automated clearing house debits, wire transfers through the Federal Reserve System or any private network, or other paperless, electronic methods of funds transfer, regardless of whether the transaction is initiated by the customer or the payee.

/s/ Cleveland

APPROVED: 4/17/2001