

Hall of the House of Representatives
83rd General Assembly - Regular Session, 2001
Amendment Form

Subtitle of House Bill No. 2378

"AN ACT TO PROVIDE THAT AUTOMATIC WITHDRAWALS FROM BANK ACCOUNTS
SHALL IMMEDIATELY CEASE UPON WRITTEN REQUEST BY THE DEPOSITOR."

Amendment No. 1 to House Bill No. 2378.

Amend House Bill No. 2378 as originally introduced:

Delete Section 1 of the bill and substitute the following:

"SECTION 1. (a) Any financial institution doing business in this state shall stop payment of any electronic funds transfer from a customer's account upon receipt, at least three (3) business days prior to the scheduled transfer, of a written stop payment order from the customer or any person authorized to draw upon the account describing the transfer with reasonable certainty.

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

(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."

* .CDS441*

The Amendment was read _____
By: Representative Cleveland
DF/CDS - 031620011349
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Chief Clerk