



## 95TH GENERAL ASSEMBLY

### State of Illinois

2007 and 2008

SB2856

Introduced 2/15/2008, by Sen. Jacqueline Y. Collins

#### SYNOPSIS AS INTRODUCED:

205 ILCS 616/50

Amends the Electronic Fund Transfer Act. Provides that no person operating a terminal in this State shall impose any surcharge exceeding \$2 on a consumer for the usage of that terminal. Provides that no financial institution operating a terminal under the laws of this State, or that serves as a depository of State funds as authorized by the Deposit of State Moneys Act, shall impose any surcharge exceeding \$2 on a consumer for the usage of that terminal. Provides that no surcharge may be imposed unless it is first disclosed to the consumer (i) by a sign that is clearly visible to the consumer on or at the terminal being used and (ii) electronically on the terminal screen. Provides that, as used in the provision "surcharge" means any charge imposed by the person or financial institution (instead of just the person) operating the terminal solely for the use of the terminal. Effective immediately.

LRB095 19215 MJR 45470 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Electronic Fund Transfer Act is amended by  
5 changing Section 50 as follows:

6 (205 ILCS 616/50)

7 Sec. 50. Terminal requirements.

8 (a) To assure maximum safety and security against  
9 malfunction, fraud, theft, and other accidents or abuses and to  
10 assure that all access devices will have the capability of  
11 activating all terminals established in this State, no terminal  
12 shall accept an access device that does not conform to  
13 specifications that are generally accepted. In the case of a  
14 dispute concerning the specifications, the Commissioner, in  
15 accordance with the provisions of Section 20 of this Act, shall  
16 have the authority to determine the specifications.

17 (b) No terminal that does not accept an access device that  
18 conforms with those specifications shall be established or  
19 operated.

20 (c) A terminal shall bear a logotype or other  
21 identification symbol designed to advise customers which  
22 access devices may activate the terminal.

23 (d) When used to perform an interchange transaction, a

1 terminal shall not bear any form of proprietary advertising of  
2 products and services not offered at the terminal; provided,  
3 however, that a terminal screen may bear proprietary  
4 advertising of products or services offered by a financial  
5 institution when a person uses an access device issued by that  
6 financial institution.

7 (e) No person operating a terminal in this State shall  
8 impose any surcharge exceeding \$2 on a consumer for the usage  
9 of that terminal, ~~whether or not the consumer is using an~~  
10 ~~access device issued by that person, unless that surcharge is~~  
11 ~~clearly disclosed to the consumer both (i) by a sign that is~~  
12 ~~clearly visible to the consumer on or at the terminal being~~  
13 ~~used and (ii) electronically on the terminal screen. No~~  
14 ~~financial institution operating a terminal under the laws of~~  
15 ~~this State, or that serves as a depository of State funds as~~  
16 ~~authorized by the Deposit of State Moneys Act, shall impose any~~  
17 ~~surcharge exceeding \$2 on a consumer for the usage of that~~  
18 ~~terminal. No surcharge may be imposed unless it is first~~  
19 ~~disclosed to the consumer (i) by a sign that is clearly visible~~  
20 ~~to the consumer on or at the terminal being used and (ii)~~  
21 ~~electronically on the terminal screen.~~ Following presentation  
22 of the electronic disclosure on the terminal screen, the  
23 consumer shall be provided an opportunity to cancel that  
24 transaction without incurring any surcharge or other  
25 obligation. If a surcharge is imposed on a consumer using an  
26 access device not issued by the person operating the terminal,

1 that person shall disclose on the sign and on the terminal  
2 screen that the surcharge is in addition to any fee that may be  
3 assessed by the consumer's own institution. As used in this  
4 subsection, "surcharge" means any charge imposed by the person  
5 or financial institution operating the terminal solely for the  
6 use of the terminal.

7 (f) A receipt given at a terminal to a person who initiates  
8 an electronic fund transfer shall include a number or code that  
9 identifies the consumer initiating the transfer, the  
10 consumer's account or accounts, or the access device used to  
11 initiate the transfer. If the number or code shown on the  
12 receipt is a number that identifies the access device, the  
13 number must be truncated as printed on the receipt so that  
14 fewer than all of the digits of the number or code are printed  
15 on the receipt. The Commissioner may, however, modify or waive  
16 the requirements imposed by this subsection (f) if the  
17 Commissioner determines that the modifications or waivers are  
18 necessary to alleviate any undue compliance burden.

19 (g) No terminal shall operate in this State unless, with  
20 respect to each interchange transaction initiated at the  
21 terminal, the access code entered by the consumer to authorize  
22 the transaction is encrypted by the device into which the  
23 access code is manually entered by the consumer and is  
24 transmitted from the terminal only in encrypted form. Any  
25 terminal that cannot meet the foregoing encryption  
26 requirements shall immediately cease forwarding information

1 with respect to any interchange transaction or attempted  
2 interchange transaction.

3 (h) No person that directly or indirectly provides data  
4 processing support to any terminal in this State shall  
5 authorize or forward for authorization any interchange  
6 transaction unless the access code intended to authorize the  
7 interchange transaction is encrypted when received by that  
8 person and is encrypted when forwarded to any other person.

9 (i) A terminal operated in this State may be designed and  
10 programmed so that when a consumer enters his or her personal  
11 identification number in reverse order, the terminal  
12 automatically sends an alarm to the local law enforcement  
13 agency having jurisdiction over the terminal location. The  
14 Commissioner shall promulgate rules necessary for the  
15 implementation of this subsection (i). The provisions of this  
16 subsection (i) shall not be construed to require an owner or  
17 operator of a terminal to design and program the terminal to  
18 accept a personal identification number in reverse order.

19 (j) A person operating a terminal in this State may not  
20 impose a fee upon a consumer for usage of the terminal if the  
21 consumer is using a Link Card or other access device issued by  
22 a government agency for use in obtaining financial aid under  
23 the Illinois Public Aid Code.

24 For the purpose of this subsection (j), the term "person  
25 operating a terminal" means the person who has control over and  
26 is responsible for a terminal. The term "person operating a

1 terminal" does not mean the person who owns or controls the  
2 property or building in which a terminal is located, unless he  
3 or she also has control over and is responsible for the  
4 terminal.

5 (Source: P.A. 93-136, eff. 1-1-04; 93-273, eff. 1-1-04; 93-583,  
6 eff. 1-1-04; 93-898, eff. 8-10-04.)

7 Section 99. Effective date. This Act takes effect upon  
8 becoming law.