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By Mr. Walsh, a petition (accompanied by bill, Senate, No. 40) of Joseph B. Walsh and others for legislation relative to electronic banking devices. Banks and Banking.

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The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Seventy-seven.

AN ACT RELATIVE TO ELECTRONIC BANKING DEVICES.

*Be it enacted by the Senate and House of Representatives in General Court assembled and by the authority of the same, as follows:*

1 Chapter 167 of the General Laws is hereby amended by  
2 striking out section 65, inserted by chapter 222 of the acts  
3 of 1974, and inserting in place thereof under the caption —  
4 *Electronic Banking Devices* — the following section: —

5 *Section 65.* Notwithstanding the provisions of sections five  
6 and six of chapter one hundred and sixty-eight, section twelve  
7 of chapter one hundred and seventy, section two of chapter  
8 one hundred and seventy-one, section eleven of chapter one  
9 hundred and seventy-two and section twelve of chapter one  
10 hundred and seventy-two A, any bank or credit union may,  
11 directly or through any other organization, by vote of its  
12 board of trustees or board of directors and subject to regula-  
13 tions of the commissioner, purchase, establish, install, operate,  
14 lease, use and share with any other bank, credit union, federal-  
15 ly chartered banking institution or other organization any  
16 number of manned or unmanned electronic or other devices to  
17 facilitate customer convenience by providing additional loca-  
18 tions to perform any or all banking transactions, including,  
19 without limitation, deposit, withdrawal and transfer of funds,  
20 obtaining of advances against pre-authorized lines of credit,  
21 cashing of checks and payment of obligations, subject to the  
22 following:

23 (a) Such devices shall not be used to open a new account  
24 with any bank, credit union or federally chartered banking  
25 institution or to obtain authorization of a new line of credit  
26 from any bank, credit union or federally chartered banking  
27 institution.

28 (b) No such device located at other than the office of a  
29 bank, credit union or federally chartered banking institution  
30 may be manned or operated by the employee of any bank,  
31 credit union or federally chartered banking institution except  
32 on a temporary basis for the purposes of instructing operators  
33 or customers or for the purpose of servicing the device.

34 (c) There shall be no limitation on the location of such  
35 devices used by any bank or credit union or federally chartered  
36 banking institution having its main office within the common-  
37 wealth. Any state or federally chartered banking institution  
38 or credit union which has its main office in a state other  
39 than the commonwealth may use such devices within the  
40 commonwealth in accordance with this section if the laws of  
41 such other state permit banks, credit unions or federally  
42 chartered banking institutions having their main office in the  
43 commonwealth to use such devices in such state on terms  
44 and conditions at least as favorable as authorized by this  
45 section.

46 (d) Such devices shall not be deemed to be branches or  
47 depots of any bank or credit union for any purpose.

48 (e) Every bank or credit union that purchases, establishes,  
49 installs, operates, leases, uses or shares such devices shall:

50 (1) Adopt and maintain reasonable procedures designed to  
51 protect information about the account of or other records  
52 relating to any customer against disclosures to any person  
53 or entity at any such device other than to (i) the customer,  
54 (ii) a person specifically authorized by the customer to re-  
55 ceive such information, or (iii) any person operating the  
56 device if the disclosure to the operator occurs in connection  
57 with a transaction initiated by the customer and relates to  
58 the account or other record affected by the transaction; and

59 (2) Report in writing to the commissioner at least once in  
60 each year the procedures adopted and maintained as required  
61 by this section. The commissioner shall hold confidential all  
62 information relating to specific persons using the devices and  
63 all information concerning procedures employed by specific  
64 banks or credit unions.

65 (f) If the commissioner finds that banks are placed at a  
66 competitive disadvantage because banks have not been per-

67 mitted to use such devices on reasonable terms, the com-  
68 missioner may issue regulations mandating the shared use of  
69 any such device or devices, except for devices located at the  
70 office of a bank, credit union or federally chartered banking  
71 institution, which regulations shall set forth the conditions  
72 under which a bank may obtain mandatory sharing, the  
73 procedures for doing so, the reasonable terms and conditions  
74 of such mandatory sharing, and any other provisions which  
75 the commissioner deems necessary or appropriate.

76 (g) As used in this subsection, the term "Banking Card"  
77 means any card, plate or other single physical object existing  
78 for the purpose of being used from time to time upon presen-  
79 tation to accomplish transactions at such devices.

80 (1) No Banking Card shall be issued except in response to  
81 a request or application therefor. This prohibition shall not  
82 apply to the issuance of a Banking Card in renewal or in sub-  
83 stitution for a Banking Card which a cardholder has requested  
84 and received, or has signed, or has used.

85 (2) A customer may be held liable for loss incurred through  
86 the unauthorized use of a Banking Card only if (a) the Bank-  
87 ing Card was actually received by the customer prior to the  
88 unauthorized use: (b) the issuer of the Banking Card has  
89 given adequate notice to the customer of his potential liabil-  
90 ity either on the Banking Card itself or on a separate notifi-  
91 cation delivered to the customer within two years preceding  
92 the unauthorized use; and (c) the issuer of the Banking Card  
93 has provided a method whereby the user of such card can be  
94 identified as the person authorized to use it, such as by  
95 signature, photograph, or fingerprint on the card or such as  
96 by electronic or mechanical confirmation of a separate identi-  
97 fication code, number or word.

98 (3) Customer liability for losses incurred through the  
99 unauthorized use of a Banking Card shall not exceed the  
100 lesser of \$50 or the amount of money, property, labor, or  
101 services obtained by such use prior to notification by the  
102 customer to the issuer of the Banking Card of the loss, theft  
103 or unauthorized use of the Banking Card.

104 (h) (1) Any customer or depositor using such facilities in  
105 connection with consumer credit transactions shall be con-

106 sidered a customer, as defined in section one of chapter  
107 ninety-three C, and any statement of account issued by a  
108 bank, credit union or federally chartered banking institution  
109 to a customer or depositor relative to such consumer credit  
110 transactions shall be subject to the provisions of chapter  
111 ninety-three C of the General Laws.

112 (2) Each statement of account reflecting one or more trans-  
113 actions other than consumer credit transactions occurring at  
114 such devices shall contain an address to which customers may  
115 send statement error inquiries, and such address shall be pre-  
116 ceded by the caption "Send your statement inquiries to:." If  
117 a bank, credit union or federally chartered banking institution,  
118 having transmitted to a customer a statement of account re-  
119 flecting such transactions occurring at such devices, receives,  
120 within sixty (60) days of the date of the statement and at the  
121 address appropriately specified on the statement, a written  
122 notice from the customer in which the customer in good faith  
123 (a) directs attention to the particular transaction accomplished  
124 at any such device which the customer believes to be in error,  
125 (b) indicates the amount by which the transaction amount  
126 shown on the statement is greater than or less than the amount  
127 believed to be the correct transaction amount by the customer,  
128 and (c) sets forth the reasons for the customer's belief that an  
129 error has occurred, the bank, credit union or federally chart-  
130 ered banking institution to which the inquiry is addressed shall,  
131 not later than ninety (90) days following the date of receipt of  
132 the statement inquiry, either (i) make appropriate corrections  
133 in the account of the customer and notify the customer of the  
134 nature of the corrections or (ii) send a written explanation to  
135 the customer setting forth the reasons why the customer's al-  
136 legations are believed to be incorrect. Any time interval be-  
137 tween the date on which any bank, credit union or federally  
138 chartered banking institution, acting in good faith, makes a  
139 written request to the customer to provide additional in-  
140 formation required to complete a statement inquiry investiga-  
141 tion and the date the additional information so requested is  
142 provided by the customer shall not be counted in determining  
143 the passage of the ninety-day response time requirement, and  
144 no duties under this paragraph shall exist if the customer fails

145 to provide such requested additional information within ninety  
146 (90) days of the date the request was transmitted.

147 (i) Whoever uses any counterfeit, fictitious, altered, forged,  
148 lost, stolen or fraudulently obtained Banking Card to obtain  
149 money, goods or services, or any combination thereof, having  
150 an aggregate value of five thousand dollars or more, shall be  
151 punished by a fine of not more than ten thousand dollars or  
152 by imprisonment for not more than five years, or both.

153 (j) This section shall be liberally construed and applied to  
154 permit and foster the expansion and operation of electronic  
155 funds transfer facilities at which customers may enter into  
156 banking transactions.

157 Notwithstanding any other provisions of this section, a bank  
158 or credit union may establish and maintain one or more branch  
159 offices consisting of one or more such devices, provided that  
160 said bank or credit union complies with the applicable statutes  
161 regulating branch banking, and a bank or credit union may  
162 purchase, establish, install, operate, lease, use or share one or  
163 more such devices at a main or branch office. The provisions  
164 of subsection (a) through (i) of this section shall not apply to  
165 devices referred to in this paragraph.

The first part of the work is devoted to a general history of the  
 world, from the beginning of time to the present day. The author  
 begins with the creation of the world, and follows the progress of  
 human civilization through the various ages. He discusses the  
 rise and fall of empires, the discovery of new worlds, and the  
 progress of science and art. The second part of the work is  
 devoted to a detailed history of the British Empire, from the  
 reign of Henry II to the present day. The author describes the  
 growth of the empire, the discovery of America, and the  
 establishment of the British Empire in India and the East Indies.  
 The third part of the work is devoted to a history of the  
 French Revolution and the Napoleonic Wars. The author  
 describes the rise of Napoleon, the fall of the French Republic,  
 and the establishment of the French Empire. The fourth part of  
 the work is devoted to a history of the United States of  
 America, from the discovery of the continent to the present day.  
 The author describes the growth of the United States, the  
 discovery of gold, and the establishment of the United States  
 Empire in the West. The fifth part of the work is devoted to  
 a history of the Russian Empire, from the reign of Peter the  
 Great to the present day. The author describes the growth of  
 the Russian Empire, the discovery of Siberia, and the  
 establishment of the Russian Empire in the East. The sixth part  
 of the work is devoted to a history of the Ottoman Empire,  
 from the reign of Selim I to the present day. The author  
 describes the growth of the Ottoman Empire, the discovery of  
 the New World, and the establishment of the Ottoman Empire  
 in the East. The seventh part of the work is devoted to a  
 history of the Mughal Empire, from the reign of Babur to the  
 present day. The author describes the growth of the Mughal  
 Empire, the discovery of the New World, and the establishment  
 of the Mughal Empire in the East. The eighth part of the work  
 is devoted to a history of the Maratha Empire, from the reign  
 of Shivaji Maharaj to the present day. The author describes  
 the growth of the Maratha Empire, the discovery of the New  
 World, and the establishment of the Maratha Empire in the  
 East. The ninth part of the work is devoted to a history of the  
 Sikh Empire, from the reign of Guru Nanak to the present day.  
 The author describes the growth of the Sikh Empire, the  
 discovery of the New World, and the establishment of the Sikh  
 Empire in the East. The tenth part of the work is devoted to  
 a history of the British Empire, from the reign of George III  
 to the present day. The author describes the growth of the  
 British Empire, the discovery of the New World, and the  
 establishment of the British Empire in the East.

The work is written in a clear and concise style, and is  
 well illustrated with maps and engravings. It is a valuable  
 work for the student of history, and for the general reader  
 who is interested in the history of the world. The work is  
 divided into ten parts, each devoted to a different empire or  
 nation. The first part is devoted to a general history of the  
 world, and the remaining nine parts are devoted to the history  
 of the British Empire, the French Revolution, the United States  
 of America, the Russian Empire, the Ottoman Empire, the  
 Mughal Empire, the Maratha Empire, and the Sikh Empire.  
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