

113TH CONGRESS  
2D SESSION

# S. 2200

To provide debit card holders with consumer protections equivalent to those available to credit card holders, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

APRIL 2, 2014

Mr. WARNER (for himself and Mr. KIRK) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

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## A BILL

To provide debit card holders with consumer protections equivalent to those available to credit card holders, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Consumer Debit Card  
5 Protection Act of 2014”.

6 **SEC. 2. AMENDMENTS TO ELECTRONIC FUND TRANSFER**

7 **ACT.**

8 The Electronic Fund Transfer Act (15 U.S.C. 1693  
9 et seq.) is amended—

1           (1) in section 908(c), by inserting “, or in the  
2 case of an electronic debit transaction, as defined in  
3 section 920(c)(5), seven business days except as oth-  
4 erwise allowed by the Bureau to protect against  
5 fraud,”; and

6           (2) in section 909—

7           (A) in subsection (a), in the first sentence,  
8 by striking “A consumer shall” and inserting  
9 “Except as provided in subsection (b), a con-  
10 sumer shall”;

11           (B) by redesignating subsections (b)  
12 through (e) as subsections (c) through (f), re-  
13 spectively; and

14           (C) by inserting the following after sub-  
15 section (a):

16           “(b) UNAUTHORIZED DEBIT CARD TRANS-  
17 ACTIONS.—

18           “(1) LIABILITY OF CONSUMER.—A consumer  
19 shall be liable for the unauthorized use of a debit  
20 card, only if—

21           “(A) the debit card is an accepted debit  
22 card;

23           “(B) the liability is not in excess of \$50;

24           “(C) the issuer has provided the consumer  
25 with a description of a means by which the

1 issuer may be notified of loss or theft of the  
2 card;

3 “(D) the unauthorized use occurs before  
4 the issuer has been notified that an unauthor-  
5 ized use of the debit card has occurred or may  
6 occur as the result of loss, theft, or otherwise;  
7 and

8 “(E) the issuer has provided a method  
9 whereby the user of such card can be identified  
10 as the person authorized to use it.

11 “(2) NOTIFICATION.—For purposes of this sub-  
12 section, an issuer has been notified when such steps  
13 as may be reasonably required in the ordinary  
14 course of business to provide the issuer with the per-  
15 tinent information have been taken, whether or not  
16 any particular officer, employee, or agent of the  
17 issuer does in fact receive such information.

18 “(3) BURDEN OF PROOF.—In any action by an  
19 issuer to enforce liability for the use of a debit card,  
20 the burden of proof is upon the issuer to show that  
21 the use was authorized or, if the use was unauthor-  
22 ized, then the burden of proof is upon the issuer to  
23 show that the conditions of liability for the unau-  
24 thorized use of a debit card, as set forth in para-  
25 graph (1), have been met.

1           “(4) RULE OF CONSTRUCTION.—Nothing in  
2 this subsection imposes liability upon a consumer for  
3 the unauthorized use of a debit card in excess of his  
4 liability for such use under other applicable law or  
5 under any agreement with the issuer.

6           “(5) DEFINITIONS.—As used in this subsection,  
7 the terms ‘debit card’ and ‘issuer’ have the same  
8 meaning as in section 920(c).”

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