This treatise generally covers laws that affect consumers governing bank checking and savings accounts and other payment systems. This section provides an overview of the treatise and describes issues that are covered by other treatises in this series.

Chapter 1 provides an overview of forms of payment systems and applicable law, including a discussion of preemption issues. It also provides checklists allowing speedy access to appropriate sections throughout the treatise.

Chapter 2 [1], infra, discusses the bank-customer relationship, including account opening disclosures and issues that arise when an account is closed or attempted to be closed. The chapter also covers the authority for, and restrictions on, various bank fees, and issues in connection with overdrafts.

Chapter 3 [2], infra, focuses on various issues concerning check payments made by consumers and the basics of paper payments law. The chapter includes Check 21 and substitute checks, but not checks that are used as a source of information for electronic transfers, which are covered in Chapter 5 [3], infra.

Chapter 4 [4], infra, covers check payments to consumers, including when funds become available and check-cashing issues.

Chapter 5 [3], infra, examines various forms of electronic transfers out of the consumer’s account, primarily focusing on the Electronic Fund Transfers Act and also the rules of the National Automated Clearing House Association. Although the chapter primarily focuses on transfers from traditional bank accounts, it also discusses mobile payments and other types of electronic transfers, although aspects of those systems are discussed in Chapters 6 [5], 7 [6] and 8 [7], infra. The chapter includes issues related to ATM cards, debit cards, phone or internet transactions, and checks that are used to provide the information for an electronic transfer. Chapter 4 [4], infra, also covers interchange fees and the rules governing merchant acceptance of and discounts for use of different types of cards and payment systems.

Chapter 6 [5], infra, looks at money orders, remittances and international wires, cashier’s checks, wires, and similar devices.

Chapter 7 [6], infra, looks at payments using prepaid cards and other forms of stored value cards, such as gift and payroll cards, as well as mobile payment systems accessed from a smartphone. The chapter also details the CFPB’s rule that, effective April, 2018, adds prepaid cards within the scope of the Electronic Fund Transfer Act’s Regulation E and the Truth in Lending Act’s Regulation Z, as well as adding a number of new rule provisions affecting prepaid cards. The chapter also examines government benefits that are paid using a prepaid card, including the Direct Express card used to deliver Social Security and Supplemental Security Income benefits, and prepaid cards used by state governments to deliver unemployment insurance, child support, and disaster relief.

Chapter 8 [7], infra, covers electronic benefit transfer (EBT) systems used to pay needs-based benefits such as the Supplemental Nutrition Assistance Program (formerly food stamps) and Temporary Aid to Needy Families. Government benefits that are paid through a prepaid card rather than an EBT card are covered in Chapter 7 [6], infra.

Chapter 9 [8], infra, examines the availability of, consumer rights regarding, and relative advantages and disadvantages of available options to receive federal benefit payments (such as Social Security): paper check, direct deposit into a bank account or a special electronic transfer account or payment to a Direct Express card or other prepaid card.

Chapter 10 [9], infra, details involuntary payments from the consumer’s account, in particular the bank’s ability to set off debts owed to the bank against the deposit account. The law governing garnishment orders—as opposed to set-offs—more generally is discussed in another NCLC treatise, Collections Actions.

Chapter 11 [10], infra, reviews the law governing when electronic disclosures, notices, statements, and other records can be used to substitute for paper ones. It focuses on the requirements of the federal E-Sign Act and the state enactments of the Uniform Electronic Transactions Act (UETA). The information in the chapter governing the use of electronic records and signatures is applicable not only to the topics covered in this treatise but to many other consumer law topics.

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1.1.2.1 The Chapters

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