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§ 4001. Definitions

For purposes of this chapter—

(1) Account

The term “account” means a demand deposit account or other similar transaction account at a depository institution.

(2) Board

The term “Board” means the Board of Governors of the Federal Reserve System.

(3) Business day

The term “business day” means any day other than a Saturday, Sunday, or legal holiday.

(4) Cash

The term “cash” means United States coins and currency, including Federal Reserve notes.

(5) Cashier’s check

The term “cashier’s check” means any check which—

- (A) is drawn on a depository institution;
- (B) is signed by an officer or employee of such depository institution; and
- (C) is a direct obligation of such depository institution.

(6) Certified check

The term “certified check” means any check with respect to which a depository institution certifies that—

- (A) the signature on the check is genuine; and
- (B) such depository institution has set aside funds which—
 - (i) are equal to the amount of the check; and
 - (ii) will be used only to pay such check.

(7) Check

The term “check” means any negotiable demand draft drawn on or payable through an office of a depository institution located in the United States. Such term does not include noncash items.

(8) Check clearinghouse association

The term “check clearinghouse association” means any arrangement by which participant depository institutions exchange deposited checks on a local basis, including an entire metropolitan area, without using the check processing facilities of the Federal Reserve System.

(9) Check processing region

The term “check processing region” means the geographical area served by a Federal Reserve bank check processing center or such larger area as the Board may prescribe by regulations.

(10) Consumer account

The term “consumer account” means any account used primarily for personal, family, or household purposes.

(11) Depository check

The term “depository check” means any cashier’s check, certified check, teller’s check, and any other functionally equivalent instrument as determined by the Board.

(12) Depository institution

The term “depository institution” has the meaning given such term in clauses (i) through (vi) of section 461(b)(1)(A) of this title. Such term also includes an office, branch, or agency of a foreign bank located in the United States.

(13) Local originating depository institution

The term “local originating depository institution” means any originating depository institution which is located in the same check processing region as the receiving depository institution.

(14) Noncash item

The term “noncash item” means—

- (A) a check or other demand item to which a passbook, certificate, or other document is attached;
- (B) a check or other demand item which is accompanied by special instructions, such as a request for special advise of payment or dishonor; or
- (C) any similar item which is otherwise classified as a noncash item in regulations of the Board.

(15) Nonlocal originating depository institution

The term “nonlocal originating depository institution” means any originating depository institution which is not a local depository institution.

(16) Proprietary ATM

The term “proprietary ATM” means an automated teller machine which is—

- (A) located—
 - (i) at or adjacent to a branch of the receiving depository institution; or
 - (ii) in close proximity, as defined by the Board, to a branch of the receiving depository institution; or

(B) owned by, operated exclusively for, or operated by the receiving depository institution.

(17) Originating depository institution

The term “originating depository institution” means the branch of a depository institution on which a check is drawn.

(18) Nonproprietary ATM

The term “nonproprietary ATM” means an automated teller machine which is not a proprietary ATM.

(19) Participant

The term “participant” means a depository institution which—

- (A) is located in the same geographic area as that served by a check clearinghouse association; and
- (B) exchanges checks through the check clearinghouse association, either directly or through an intermediary.

(20) Receiving depository institution

The term “receiving depository institution” means the branch of a depository institution

or the proprietary ATM in which a check is first deposited.

(21) State

The term “State” means any State, the District of Columbia, the Commonwealth of Puerto Rico, or the Virgin Islands.

(22) Teller’s check

The term “teller’s check” means any check issued by a depository institution and drawn on another depository institution.

(23) United States

The term “United States” means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands.

(24) Unit of general local government

The term “unit of general local government” means any city, county, town, township, parish, village, or other general purpose political subdivision of a State.

(25) Wire transfer

The term “wire transfer” has such meaning as the Board shall prescribe by regulations.

(Pub. L. 100-86, title VI, §602, Aug. 10, 1987, 101 Stat. 635.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this title”, meaning title VI of Pub. L. 100-86, Aug. 10, 1987, 101 Stat. 635, known as the Expedited Funds Availability Act, which enacted this chapter, amended section 248a of this title, and enacted provisions set out as notes under sections 248a and 4001 of this title. For complete classification of this Act to the Code, see Short Title note below and Tables.

EFFECTIVE DATE

Pub. L. 100-86, title VI, §613, Aug. 10, 1987, 101 Stat. 652, provided that:

“(a) DATE OF ENACTMENT.—Except as provided in subsection (b), this title [enacting this chapter, amending section 248a of this title, and enacting provisions set out as notes under this section and section 248a of this title] shall take effect on the date of the enactment of this title [Aug. 10, 1987].

“(b) 1 YEAR AFTER DATE OF ENACTMENT.—Sections 603, 604, 605, 606, 610, and 611 [enacting sections 4002 to 4005, 4009, and 4010 of this title] shall take effect on September 1, 1988.”

SHORT TITLE

Pub. L. 100-86, title VI, §601, Aug. 10, 1987, 101 Stat. 635, provided that: “This title [enacting this chapter, amending section 248a of this title, and enacting provisions set out as notes under this section and section 248a of this title] may be cited as the ‘Expedited Funds Availability Act.’”

SEPARABILITY

If any provision of Pub. L. 100-86 or the application thereof to any person or circumstances is held invalid, the remainder of Pub. L. 100-86 and the application of the provision to other persons not similarly situated or to other circumstances not to be affected thereby, see section 1205 of Pub. L. 100-86, set out as a note under section 226 of this title.

§ 4002. Expedited funds availability schedules

(a) Next business day availability for certain deposits

(1) Cash deposits; wire transfers

Except as provided in subsection (e) and in section 4003 of this title, in any case in which—

(A) any cash is deposited in an account at a receiving depository institution staffed by individuals employed by such institution, or

(B) funds are received by a depository institution by wire transfer for deposit in an account at such institution,

such cash or funds shall be available for withdrawal not later than the business day after the business day on which such cash is deposited or such funds are received for deposit.

(2) Government checks; certain other checks

Funds deposited in an account at a depository institution by check shall be available for withdrawal not later than the business day after the business day on which such funds are deposited in the case of—

(A) a check which—

(i) is drawn on the Treasury of the United States; and

(ii) is endorsed only by the person to whom it was issued;

(B) a check which—

(i) is drawn by a State;

(ii) is deposited in a receiving depository institution which is located in such State and is staffed by individuals employed by such institution;

(iii) is deposited with a special deposit slip which indicates it is a check drawn by a State; and

(iv) is endorsed only by the person to whom it was issued;

(C) a check which—

(i) is drawn by a unit of general local government;

(ii) is deposited in a receiving depository institution which is located in the same State as such unit of general local government and is staffed by individuals employed by such institution;

(iii) is deposited with a special deposit slip which indicates it is a check drawn by a unit of general local government; and

(iv) is endorsed only by the person to whom it was issued;

(D) the first \$200 deposited by check or checks on any one business day;

(E) a check deposited in a branch of a depository institution and drawn on the same or another branch of the same depository institution if both such branches are located in the same State or the same check processing region;

(F) a cashier’s check, certified check, teller’s check, or depository check which—

(i) is deposited in a receiving depository institution which is staffed by individuals employed by such institution;

(ii) is deposited with a special deposit slip which indicates it is a cashier’s check, certified check, teller’s check, or depository check, as the case may be; and

(iii) is endorsed only by the person to whom it was issued.

(b) Permanent schedule

(1) Availability of funds deposited by local checks

Subject to paragraph (3) of this subsection, subsections (a)(2), (d), and (e) of this section,