

Bush to sign electronic-check law

Legislation aimed at slashing banks' paperwork

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WASHINGTON, Oct. 28 - A bill awaiting President Bush's signature would allow banks to clear checks electronically, potentially slashing paperwork.

UNDER THE LEGISLATION, banks will be able to approve digital images of checks rather than physically transport them between financial institutions.

The bill changes the current requirement that banks have specific agreements with other institutions to electronically process checks. Banks, customers and businesses that still want paper checks could request a substitute check, which has the same legal status as a regular one, to confirm the electronic transfer.

Bush was signing the legislation Tuesday in a White House ceremony.

With tens of billions of checks processed annually, the current system is prone to delays when air transportation halts. The Sept. 11, 2001, attacks lent urgency to electronic check legislation, as banks had to resort to slower ground transportation when planes were grounded.

There was no official word on whether Bush will sign a much more sensitive bill that awaits him - legislation outlawing a type of abortion, generally carried out in the second or third trimester, in which a fetus is partially delivered before being killed. The House approved the legislation this month, and Bush has urged Congress to get it to his desk, but has not signaled when he will sign it.

Also Tuesday, Bush was meeting privately with Romanian President Ion Iliescu.

Later, he was hosting a third annual meal with Muslim leaders and ambassadors from Muslim countries.

During the month long Ramadan, the faithful abstain from all food, drink, smoking and other pleasures during daylight. Bush was hosting the iftar - the traditional breaking of the daylong fast - in the White House on Tuesday evening.

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