

SENATE BILL REPORT

HB 2810

As Reported By Senate Committee On:
Financial Institutions & Housing, February 20, 1996

Title: An act relating to the fees and period of duration for check casher and check seller licenses and small loan endorsements.

Brief Description: Regulating check casher and check seller licenses and small loan endorsements.

Sponsors: Representatives Wolfe, Beeksma and Thompson; by request of Department of Financial Institutions.

Brief History:

Committee Activity: Financial Institutions & Housing: 2/20/96 [DP].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair; Hale, Roach, Sellar, Smith and Sutherland.

Staff: David Cheal (786-7576)

Background: Check cashers and sellers are licensed and regulated by the Department of Financial Institutions. Check cashers and sellers are authorized to make loans of up to \$500 for a period of 31 days or less, and may accept postdated checks from the borrowers as security for the loans. Check cashers and sellers who wish to make small loans must obtain an endorsement on their licenses for each location where they will make these loans.

Licenses and small loan endorsements are generally for a five-year period.

Summary of Bill: A check casher and seller license and a small loan endorsement are effective until surrendered. The fees charged by the Department of Financial Institutions cover the department's cost of regulation of this industry and are assessed annually.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: The bill will enable a fee structure that will place the cost of regulating check cashers and sellers with that industry rather than being subsidized by other financial industries.

Testimony Against: None.

Testified: Rep. Cathy Wolfe (pro); Mark Thomson, DFI (pro).