

FINAL BILL REPORT

SHB 1858

C 185 L 91
Synopsis As Enacted

Brief Description: Authorizing cities and towns to cash employee checks, drafts, and warrants.

By House Committee on Local Government (originally sponsored by Representatives Bray, Roland and Haugen).

House Committee on Local Government
Senate Committee on Governmental Operations

Background: The state treasurer is authorized to cash state warrants issued to state employees or officers and the personal checks or drafts of state employees and officers. A state employee or officer must produce such identification as the treasurer may require and the check, draft, or warrant must be drawn to the order of cash or the bearer and be payable immediately by the drawee financial institution.

The treasurer may withhold from the official's or employee's payroll warrant the full amount of his or her personal check or draft that had been cashed by the treasurer, if the check or draft was dishonored by the drawee financial institution when presented for payment and the official or employee has been notified of the dishonor.

Cities and towns have not been granted similar authority to cash checks, drafts, and warrants for city or town employees.

Summary: Cities and towns are authorized to cash the following financial paper for their employees: (1) payroll checks, drafts, or warrants of the city or town; (2) expense checks, warrants, or drafts of the city or town; and (3) personal checks not exceeding \$200.

A city or town may withhold from the employee's payroll check, draft, or warrant the full amount of the employee's check that was cashed by a city or town, if the check was dishonored by the drawee financial institution when presented for payment and the employee has been notified of the dishonor.

Votes on Final Passage:

House 86 9

Senate 43 0 (Senate amended)
House 86 9 (House concurred)

Effective: July 28, 1991