
SUBSTITUTE HOUSE BILL 1858

State of Washington 52nd Legislature 1991 Regular Session

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

Read first time March 6, 1991.

1 AN ACT Relating to employee check, draft, or warrant cashing by
2 cities and towns; adding a new section to chapter 35.21 RCW; and adding
3 a new section to chapter 35A.40 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 35.21 RCW
6 to read as follows:

7 Any city or town is hereby authorized, at its option and after the
8 adoption of the appropriate ordinance, to accept in exchange for cash
9 a payroll check, draft, or warrant; expense check, draft, or warrant;
10 or personal check from a city or town employee in accordance with the
11 following conditions:

12 (1) The check, warrant, or draft must be drawn to the order of cash
13 or bearer and be immediately payable by a drawee financial institution;

14 (2) The person presenting the check, draft, or warrant to the city

1 or town must produce identification as outlined by the city or town in
2 the authorizing ordinance;

3 (3) The payroll check, draft, or warrant or expense check must have
4 been issued by the city or town; and

5 (4) Personal checks cashed pursuant to this authorization cannot
6 exceed two hundred dollars.

7 In the event that any personal check cashed for a city or town
8 employee by the city or town under this section is dishonored by the
9 drawee financial institution when presented for payment, the city or
10 town is authorized, after notice to the drawer or endorser of the
11 dishonor, to withhold from the drawer's or endorser's next payroll
12 check, draft, or warrant the full amount of the dishonored check.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 35A.40 RCW
14 to read as follows:

15 Any code city is hereby authorized, at its option and after the
16 adoption of the appropriate ordinance, to accept in exchange for cash
17 a payroll check, draft, or warrant; expense check; or personal check
18 from a city employee in accordance with the following conditions:

19 (1) The check, warrant, or draft must be drawn to the order of cash
20 or bearer and be immediately payable by a drawee financial institution;

21 (2) The person presenting the check, draft, or warrant to the city
22 must produce identification as outlined by the city in the authorizing
23 ordinance;

24 (3) The payroll check, draft, or warrant or expense check, draft,
25 or warrant must have been issued by the city; and

26 (4) Personal checks cashed pursuant to this authorization cannot
27 exceed two hundred dollars.

28 In the event that any personal check cashed for a city employee by
29 the city under this section is dishonored by the drawee financial

1 institution when presented for payment, the city is authorized, after
2 notice to the drawer or endorser of the dishonor, to withhold from the
3 drawer's or endorser's next payroll check, draft, or warrant the full
4 amount of the dishonored check.