

# FINAL BILL REPORT

## HB 1865

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C 143 L 93  
Synopsis as Enacted

**Brief Description:** Preventing check cashers and sellers from operating without a license.

By Representatives Mielke, Kremen, Zellinsky, Dorn, R. Meyers, Schmidt, Tate and Dellwo.

House Committee on Financial Institutions & Insurance  
Senate Committee on Labor & Commerce

**Background:** In 1991, the Legislature adopted a comprehensive licensing statute for persons and organizations engaged in the business of cashing and selling checks. Under the act, the supervisor of banking was granted authority to issue a cease and desist order to licensees who violate the act; however, this authority extends only to persons and organizations who already maintain the required license. If a person or organization fails to obtain the necessary license, the Office of the Attorney General must bring a Consumer Protection Act claim against the offending person or organization. Bringing such an action is a time consuming and expensive process for the enforcement of state licensing requirements. Several pawnbroker businesses are engaging in a check cashing business without a license.

**Summary:** The supervisor of banking may issue cease and desist orders against any check casher or seller who is operating without the required state license, including pawnbrokers engaged in a check cashing business without the required license.

**Votes on Final Passage:**

House	98	0
Senate	45	0

**Effective:** July 25, 1993