

SENATE BILL REPORT

HB 1865

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, APRIL 2, 1993

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

**SPONSORS:** Representatives Mielke, Kremen, Zellinsky, Dorn, R. Meyers, Schmidt, Tate and Dellwo

**HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE**

**SENATE COMMITTEE ON LABOR & COMMERCE**

**Majority Report:** Do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Amondson, Fraser, McAuliffe, Pelz, Sutherland, and Vognild.

**Staff:** Benson Porter (786-7470)

**Hearing Dates:** April 2, 1993

**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 check cashers and sellers who violate the act. The statute, however, limits this power 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. The concern has been expressed that bringing such an action is a time consuming and expensive process for the enforcement of state licensing requirements.

**SUMMARY:**

The Supervisor of Banking may issue cease and desist orders or take other enforcement actions against any check casher or seller who is operating without the appropriate state license.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested

**TESTIMONY FOR:** None

**TESTIMONY AGAINST:** None

**TESTIFIED:** No one