

# FINAL BILL REPORT

## EHB 1603

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Synopsis as Enacted

**Brief Description:** Disclosing deposit account information.

**Sponsors:** Representatives L. Thomas, Morris, Huff, Campbell, Smith, Beeksma and Kessler.

**House Committee on Financial Institutions & Insurance**  
**Senate Committee on Financial Institutions & Housing**

**Background:** The federal Right to Financial Privacy Act generally prohibits federal agencies from obtaining financial records on financial institutions' customers without a subpoena. There is no similar state law. Courts have held that financial institutions sometimes have a duty to their customers not to release information on their customers' accounts.

**Summary:** A financial institution is immune from liability for the good faith disclosure of certain information regarding dishonored checks and related checking accounts that is requested by a law enforcement agency. The request must be in writing, must indicate the request is part of a criminal investigation, must indicate the officer believes statutory notice has been given, and must include a copy of at least one unpaid check. The financial institution, to the extent allowed by federal law, shall disclose: (1) the date the account was opened; (2) a copy of the statements of the account for the period under investigation; (3) a copy of the signature card; and (4) the notice of account closure, if applicable. The financial institution may charge requesting parties a reasonable fee.

Records obtained by law enforcement from financial institutions may be admitted as evidence in all courts if a prescribed certificate is included.

It is a gross misdemeanor for a deposit account applicant to knowingly make false statements to a financial institution regarding: (1) the applicant's identity; (2) past fraud convictions; or (3) outstanding judgments on checks issued by the applicant. Each violation after the third violation is a class C felony. A financial institution is under no duty to request this information when opening an account.

**Votes on Final Passage:**

House	97	1
Senate	39	0

Effective: July 23, 1995