

HOUSE BILL ANALYSIS

ON

SB 5423

Brief Description: *Removing a termination date in the bank statement rule.*

BACKGROUND: *In 1993, Uniform Commercial Code Articles 3 and 4 were substantially revised in accordance with recommendations of the National Conference of Commissioners on Uniform State Laws.*

One of the provisions in Article 4 relates to information that must be provided on a statement of account (bank statement). A financial institution must either: (1) provide the item paid or a copy of the item (the check); or (2) provide information on the statement sufficient to allow the customer to reasonably define the item paid. Until January 1, 1998, the statement provides sufficient information if it provides the check number, amount, date of payment (date it cleared the bank), and a phone number the customer may call to request a copy of the check.

SUMMARY: *After January 1, 1998, a bank statement of account provides sufficient information, as it does now, if it provides the check number, amount, the date of payment, and a phone number the customer may call to request a copy of the check.*

Fiscal Note: *Not requested.*

Effective Date: *Ninety days after adjournment of session in which bill is passed.*

Rulemaking: *No authority.*