
SUBSTITUTE HOUSE BILL 2027

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Insurance, Financial Services & Consumer Protection (originally sponsored by Representative Santos)

READ FIRST TIME 2/28/07.

1 AN ACT Relating to using postdated checks or drafts as security for
2 small loans; and amending RCW 31.45.060.

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

4 **Sec. 1.** RCW 31.45.060 and 2003 c 86 s 6 are each amended to read
5 as follows:

6 (1) A schedule of the fees and the charges for the cashing and
7 selling of checks, drafts, money orders, or other commercial paper
8 serving the same purpose shall be conspicuously and continuously posted
9 in every location licensed under this chapter. The licensee shall
10 provide to its customer a receipt for each transaction. The receipt
11 must include the name of the licensee, the type and amount of the
12 transaction, and the fee or fees charged for the transaction.

13 (2) Each licensee shall keep and maintain such business books,
14 accounts, and records as the director may require to fulfill the
15 purposes of this chapter. Every licensee shall preserve such books,
16 accounts, and records as required in rule by the director for at least
17 two years from the completion of the transaction. Records may be
18 maintained on an electronic, magnetic, optical, or other storage media.

1 However, the licensee must maintain the necessary technology to permit
2 access to the records by the department for the period required under
3 this chapter.

4 (3) A check, draft, or money order sold by a licensee shall be
5 drawn on an account of a licensee maintained in a federally insured
6 financial institution authorized to do business in the state of
7 Washington.

8 (4) Whenever a borrower makes a payment on a small loan that is
9 secured by a postdated check or draft, the licensee must require the
10 borrower to sign and date a copy of the receipt, or a similar
11 statement, recording the amount of cash paid by the borrower. The
12 licensee must keep the signed receipt in its business records as
13 required under subsection (2) of this section.

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