

# SENATE BILL REPORT

## HB 1525

---

As Reported By Senate Committee On:  
Financial Institutions & Housing, March 23, 1995

**Title:** An act relating to information provided by banks for customers' examination of negotiable instruments.

**Brief Description:** Lowering the number of items provided by banks for customers' examination of negotiable instruments.

**Sponsors:** Representatives L. Thomas, Beeksma, Benton, Smith and McMahan.

**Brief History:**

**Committee Activity:** Financial Institutions & Housing: 3/21/95, 3/23/95 [DP].

---

### SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & HOUSING

**Majority Report:** Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair; Hale, Roach, Sellar, Smith and Sutherland.

**Staff:** Erika Lim (786-7488)

**Background:** Many financial institutions offer low-cost or no-cost checking accounts that do not return a customer's canceled checks with each statement. If a customer needs a copy of a canceled check to prove payment or date of payment, the customer can request it and the financial institution will provide it within ten business days.

Many financial institutions microfilm canceled checks rather than keeping hard copies. The cost of retrieving and copying canceled checks affects the fee a financial institution must charge for checking accounts. Under current law, financial institutions are required to provide free copies of up to five canceled checks per month. Financial institutions may charge a fee for copies of additional canceled checks.

**Summary of Bill:** Financial institutions are required to provide free copies of up to two canceled checks per month. They may still charge a fee for copies of additional canceled checks.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill contains an emergency clause and takes effect July 1, 1995.

**Testimony For:** This bill will permit financial institutions to continue offering low-cost checking accounts while still allowing customers to get free copies of needed items.

**Testimony Against:** None.

**Testified:** Representative Les Thomas, prime sponsor; Gary Gardner, Boeing Credit Union (pro).