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HOUSE BILL 1603

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State of Washington

54th Legislature

1995 Regular Session

By Representatives L. Thomas, Morris, Huff, Campbell, Smith, Beeksma and Kessler

Read first time 02/01/95. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to deposit account information; adding new sections  
2 to chapter 30.22 RCW; adding a new section to chapter 9.38 RCW; and  
3 prescribing penalties.

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

5 NEW SECTION. **Sec. 1.** The definitions in this section apply  
6 throughout sections 1 through 3 of this act.

7 (1) "Customer" means any person, partnership, limited partnership,  
8 corporation, trust, or other legal entity that is transacting or has  
9 transacted business with a financial institution, that is using or has  
10 used the services of an institution, or for which a financial  
11 institution has acted or is acting as a fiduciary.

12 (2) "Financial institution" means state and national banks and  
13 trust companies, state and federal savings banks, state and federal  
14 savings and loan associations, and state and federal credit unions.

15 (3) "Law enforcement officer" means a public employee having as a  
16 primary function the enforcement of criminal laws in general, or any  
17 employee of any municipal, county, or state agency, or combination  
18 thereof, having as its primary function the enforcement of criminal  
19 laws in general.

1        NEW SECTION.    **Sec. 2.**    (1) If a financial institution discloses  
2 information in good faith concerning its customer or customers in  
3 accordance with this section, it shall not be liable to its customers  
4 or others for such disclosure or its consequences. Good faith will be  
5 presumed if the financial institution follows the procedures set forth  
6 in this section.

7        (2) A request for financial records made by a law enforcement  
8 officer shall be submitted to the financial institution in writing  
9 stating that the officer is conducting an official investigation of  
10 actual or attempted deposits to or withdrawals from an account at the  
11 institution. The request shall include the name and number of the  
12 account and be accompanied by a copy of:

13        (a) The front and back of at least one unpaid check or draft drawn  
14 on the account; and

15        (b) A statement of the dates or time period relevant to the  
16 investigation.

17        (3) To the extent permitted by federal law, under subsection (2) of  
18 this section a financial institution shall within a reasonable time  
19 disclose to a requesting law enforcement officer so much of the  
20 following information as has been requested concerning the account upon  
21 which the dishonored check or draft was drawn, to the extent the  
22 records can be located:

23        (a) The date the account was opened; the details and amount of the  
24 opening deposit to the account; and if closed, the reason the account  
25 was closed, the date the account was closed, and balance at date of  
26 closing;

27        (b) A copy of the statements of the account for the relevant period  
28 including dates under investigation and the preceding and following  
29 thirty days and the closing statement, if the account was closed; and

30        (c) A copy of the front and back of the signature card;

31        (d) If the account was closed by the financial institution, the  
32 name of the person notified of its closing and a copy of the notice of  
33 the account's closing and whether such notice was returned undelivered.

34        (4) Financial institutions may charge requesting parties a  
35 reasonable fee for the actual costs of providing services under this  
36 chapter. These fees may not exceed rates charged to federal agencies  
37 for similar requests. In the event an investigation results in  
38 conviction, the court may order the defendant to pay costs incurred by  
39 law enforcement under this act.



1           (2) Each violation of subsection (1) of this section after the  
2 third violation is a class C felony punishable as provided in chapter  
3 9A.20 RCW.

4           NEW SECTION.   **Sec. 5.** Section 4 of this act does not create a duty  
5 for financial institutions to request the information set forth in  
6 section 4(1) of this act.

7           NEW SECTION.   **Sec. 6.** Sections 1 through 3 and 5 of this act are  
8 each added to chapter 30.22 RCW.

9           NEW SECTION.   **Sec. 7.** If any provision of this act or its  
10 application to any person or circumstance is held invalid, the  
11 remainder of the act or the application of the provision to other  
12 persons or circumstances is not affected.

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