

HOUSE BILL ANALYSIS

ON

HB 1400

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. The effective date of these changes was July 1, 1994.*

One of the provisions relates to information that must be provided on a statement of account. A bank must either: (1) provide the item paid or a copy of the item (such as a 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 item number, amount, and date of payment (date it cleared the bank).

SUMMARY: *After January 1, 1998, a bank statement of account provides sufficient information, as it does now, if it provides the item number, account, and the date of payment.*

Fiscal Note: *Not requested.*

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

Rulemaking: *No authority.*