
HOUSE BILL 2068

State of Washington

53rd Legislature

1993 Regular Session

By Representatives Dellwo and Brown

Read first time 02/26/93. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to employee check cashing by regional and state
2 universities, The Evergreen State College, and the community and
3 technical colleges; and adding a new section to chapter 28B.10 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.10 RCW
6 to read as follows:

7 (1) A regional and state university, The Evergreen State College,
8 and a community and technical college may, at its option and after the
9 approval by governing boards, accept in exchange for cash a payroll
10 check, expense check, financial aid check, or personal check from a
11 university student or employee in accordance with the following
12 conditions:

13 (a) The check must be drawn to the order of cash or bearer and be
14 immediately payable by a drawee financial institution;

15 (b) The person presenting the check to the university or college
16 must produce identification that he or she is currently enrolled or
17 employed at the university;

18 (c) The payroll check, expense check, or financial aid check must
19 have been issued by the university or college; and

1 (d) The institution may establish a fee for the check cashing
2 service that reflects the reasonable costs of providing this service.

3 (2) If a personal check cashed under this section is dishonored by
4 the drawee financial institution when presented for payment, the
5 university or college, after giving notice of the dishonor to the
6 student or employee and providing an opportunity for a brief
7 adjudicative proceeding, may:

8 (a) For a student, place a hold on the student's enrollment or
9 transcript records, or both, until payment in full of the value of the
10 dishonored check and reasonable collection fees and costs; and

11 (b) For an employee, withhold from the next payroll check or
12 expense check the full amount of the dishonored check plus a collection
13 fee. If the employee is no longer employed by the university or
14 college at time of dishonor, then the university or college is
15 authorized to pursue other legal collection efforts that are to be paid
16 by the drawer or endorser of the dishonored check along with the full
17 value of the check.

--- END ---