
HOUSE BILL 2069

State of Washington

53rd Legislature

1993 Regular Session

By Representatives Mielke and Zellinsky

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

1 AN ACT Relating to check cashing by any institution of higher
2 education; and adding a new section to chapter 28B.10 RCW.

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

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

6 (1) Any institution of higher education may, at its option and
7 after the approval by governing boards, accept in exchange for cash a
8 payroll check, expense check, financial aid check, or personal check
9 from a student or employee of that institution of higher education in
10 accordance with the following conditions:

11 (a) The check shall be drawn to the order of cash or bearer and be
12 immediately payable by a drawee financial institution;

13 (b) The person presenting the check to the institution of higher
14 education shall produce identification that he or she is currently
15 enrolled or employed at the institution of higher education; and

16 (c) The payroll check, expense check, or financial aid check shall
17 have been issued by the institution of higher education.

18 (2) In the event that any personal check cashed under this section
19 is dishonored by the drawee financial institution when presented for

1 payment, the institution of higher education, after giving notice of
2 the dishonor to the student or employee and providing an opportunity
3 for a brief adjudicative proceeding, may:

4 (a) In the case of a student, place a hold on the student's
5 enrollment and transcript records until payment in full of the value of
6 the dishonored check and reasonable collection fees and costs;

7 (b) In the case of an employee, withhold from the next payroll
8 check or expense check the full amount of the dishonored check plus a
9 collection fee. In the case that the employee no longer is employed by
10 the institution of higher education at time of dishonor, then the
11 institution of higher education may pursue other legal collection
12 efforts that are to be paid by the drawer or endorser of the dishonored
13 check along with the full value of the check.

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