
SENATE BILL 6520

State of Washington 59th Legislature 2006 Regular Session

By Senators Benton, Fairley, Oke, Stevens, Prentice and Spanel

Read first time 01/13/2006. Referred to Committee on Financial Institutions, Housing & Consumer Protection.

1 AN ACT Relating to cashing checks; adding a new section to chapter
2 30.04 RCW; adding a new section to chapter 31.12 RCW; adding a new
3 section to chapter 32.04 RCW; and adding a new section to chapter 33.04
4 RCW.

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

6 NEW SECTION. **Sec. 1.** A new section is added to chapter 30.04 RCW
7 to read as follows:

8 (1) A payor bank shall pay a check drawn on it against an account
9 with a sufficient balance at par, without regard to whether the payee
10 holds an account at the bank.

11 (2) This section does not prohibit a bank from requiring
12 commercially reasonable verification of the payee's identity before
13 settlement of the check.

14 (3) In addition to any remedy provided by law, the department of
15 financial institutions shall ensure that payor banks comply with the
16 requirements of this section.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 31.12 RCW
18 to read as follows:

1 (1) A payor credit union shall pay a check drawn on it against an
2 account with a sufficient balance at par, without regard to whether the
3 payee holds an account at the credit union.

4 (2) This section does not prohibit a credit union from requiring
5 commercially reasonable verification of the payee's identity before
6 settlement of the check.

7 (3) In addition to any remedy provided by law, the department of
8 financial institutions shall ensure that payor credit unions comply
9 with the requirements of this section.

10 NEW SECTION. **Sec. 3.** A new section is added to chapter 32.04 RCW
11 to read as follows:

12 (1) A payor savings bank shall pay a check drawn on it against an
13 account with a sufficient balance at par, without regard to whether the
14 payee holds an account at the savings bank.

15 (2) This section does not prohibit a savings bank from requiring
16 commercially reasonable verification of the payee's identity before
17 settlement of the check.

18 (3) In addition to any remedy provided by law, the department of
19 financial institutions shall ensure that payor savings banks comply
20 with the requirements of this section.

21 NEW SECTION. **Sec. 4.** A new section is added to chapter 33.04 RCW
22 to read as follows:

23 (1) A payor savings and loan association shall pay a check drawn on
24 it against an account with a sufficient balance at par, without regard
25 to whether the payee holds an account at the savings and loan
26 association.

27 (2) This section does not prohibit a savings and loan association
28 from requiring commercially reasonable verification of the payee's
29 identity before settlement of the check.

30 (3) In addition to any remedy provided by law, the department of
31 financial institutions shall ensure that payor savings and loan
32 associations comply with the requirements of this section.

--- END ---