



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1361

PRINTERS NO. 1790

PRIME SPONSOR: Ross

COST / (SAVINGS)

FUND	FY 2012/13	FY 2013/14
Banking Fund	\$0	\$0

SUMMARY: Amends the Check Casher Licensing Act of 1998 to lower the fee for cashing a government issued check; to require public posting of fees; and to allow recovery of losses due to fraudulent representation. This legislation would take effect in 60 days.

ANALYSIS: This legislation lowers the 2.5% fee for cashing a "government check" to 1.5% and expands the definition of the term to include all governmental checks issued by the federal, state or local government other than "government assistance checks". The fee for cashing a "government assistance check" is lowered to 0.5% and is redefined as a Social Security, Workers' or Unemployment Compensation, railroad retirement, veterans benefit, federal or state assistance, or housing assistance check. The legislation makes the customer liable for fraudulent misrepresentation and allows the check casher to recover losses equal to 3 times the value of the check or 3 times actual damage sustained.

This legislation also requires check cashers to post a notice of exact fees and charges, in plain view and in a location readily apparent to the consumer.

The legislation clarifies that the Department of Banking and Securities may not require retail food stores that cash checks to be registered under the National Mortgage Licensing System, as they currently register with the Department.

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: May 29, 2013

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.