

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 14

Session of
1997

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SCHRODER and SEYFERT, JANUARY 27, 1997

SENATOR HOLL, BANKING AND INSURANCE, IN SENATE, AS AMENDED,
JANUARY 27, 1998

AN ACT

1 ~~Regulating the check cashing industry; providing for the~~ <—
2 ~~licensing of check cashers, for additional duties of the~~
3 ~~Department of Banking and for certain terms and conditions of~~
4 ~~the business of check cashing; and providing penalties.~~

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17 REGULATING THE CHECK-CASHING INDUSTRY; PROVIDING FOR THE
18 LICENSING OF CHECK CASHERS, FOR ADDITIONAL DUTIES OF THE
19 DEPARTMENT OF BANKING AND FOR CERTAIN TERMS AND CONDITIONS OF
20 THE BUSINESS OF CHECK CASHING; AND PROVIDING PENALTIES FOR
21 MONEY-LAUNDERING ACTIVITIES AND VIOLATIONS OF THE ACT.

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18 The General Assembly of the Commonwealth of Pennsylvania
19 hereby enacts as follows:

20 ~~CHAPTER 1~~

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21 ~~GENERAL PROVISIONS~~

22 ~~Section 101. Short title.~~

23 ~~This act shall be known and may be cited as the Check Cashing~~
24 ~~Licensing Act.~~

25 ~~Section 102. Purpose.~~

26 ~~The General Assembly hereby finds and declares that check~~
27 ~~cashers which engage in the business of cashing checks, drafts~~
28 ~~or money orders provide vital banking services which some~~
29 ~~citizens of this Commonwealth find unavailable or inconvenient~~
30 ~~to obtain from traditional banking institutions. Some customers,~~

~~however, have been charged unreasonable rates by some check cashers for these services. Therefore, it is in the public interest, convenience and welfare to have the Commonwealth set check cashing rates and to regulate the manner in which these services are provided.~~

~~Section 103. Definitions.~~

~~The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:~~

~~"Cashing." Providing currency for payment instruments, except for travelers checks and foreign denominations payment instruments.~~

~~"Check." A type of negotiable instrument as defined in 13 Pa.C.S. § 3104 (relating to negotiable instrument).~~

~~"Check casher." Any person, partnership, association or corporation engaging in the business of cashing checks, drafts or money orders for a fee.~~

~~"Department." The Department of Banking of the Commonwealth.~~

~~"Draft." A type of negotiable instrument as defined in 13 Pa.C.S. § 3104 (relating to negotiable instrument).~~

~~"Licensee." A check casher licensed by the Department of Banking to engage in the business of cashing checks, drafts or money orders.~~

~~"Money order." As defined in the act of September 2, 1965 (P.L. 490, No. 249), referred to as the Money Transmission Business Licensing Law.~~

~~"Secretary." The Secretary of Banking of the Commonwealth or a designee.~~

~~Section 104. Authority of department.~~

~~The department shall have the authority to:~~

1 ~~(1) Issue rules, regulations and orders as may be~~
2 ~~necessary for the administration and enforcement of this act~~
3 ~~and the proper conduct of the business of check cashing.~~

4 ~~(2) Examine any instrument, document, account, book,~~
5 ~~record or file of a check casher, any employee or any other~~
6 ~~person, or make such other investigation as may be necessary~~
7 ~~to administer this act.~~

8 ~~(3) Conduct administrative hearings of any matter~~
9 ~~pertaining to this act, issue subpoenas to compel the~~
10 ~~attendance of witnesses and the production of instruments,~~
11 ~~documents, accounts, books and records at any such hearing~~
12 ~~which may be retained by the department until the completion~~
13 ~~of all proceedings in connection with which they were~~
14 ~~produced and administer oaths and affirmations to any person~~
15 ~~whose testimony is required. In the event a person fails to~~
16 ~~comply with a subpoena issued by the department or to testify~~
17 ~~on any matter concerning which that person may be lawfully~~
18 ~~interrogated, on application by the department, the~~
19 ~~Commonwealth Court may issue an order requiring the~~
20 ~~attendance of such person, the production of instruments,~~
21 ~~documents, accounts, books or records or the giving of~~
22 ~~testimony or may institute contempt of court penalties.~~

23 ~~CHAPTER 3~~

24 ~~LICENSING PROVISIONS~~

25 ~~Section 301. License requirement and form.~~

26 ~~(a) Licensing required. No person, partnership, association~~
27 ~~or corporation shall engage in the business of cashing checks,~~
28 ~~drafts or money orders for a fee without first obtaining a~~
29 ~~license under this act.~~

30 ~~(b) Form of application. Application for a license shall be~~

~~in writing, under oath, shall be in the form prescribed by the department and shall contain the following:~~

~~(1) The applicant's name and address of residence.~~

~~(2) If the applicant is a partnership or association, the name and address of every member and, if a corporation, of each officer and director.~~

~~(3) The name and address of the business.~~

~~(4) Evidence of a lease, mortgage or agreement of sale for the business location.~~

~~(5) Evidence in the form of a signed statement by the applicant that the applicant has complied with all municipal and county requirements for doing business.~~

~~(6) Evidence in the form of a signed statement by the applicant that the applicant has no outstanding debts to the Commonwealth or evidence that a payoff agreement is in place.~~

~~(c) Additional information. The department may request any additional information which it deems necessary to the licensing procedure.~~

~~Section 302. Annual license fee.~~

~~(a) Amount. An applicant shall pay to the department at the time an application is filed an initial license fee of \$500 for each location. On or before January 1 of each year a licensee shall pay a license renewal fee of \$350. Each licensee shall, 90 days prior to the date of expiration, apply for license renewal on a form provided by the department. The department shall renew the license if the license renewal applicant is in compliance with the provisions of this act.~~

~~(b) Recovery of costs. No abatement of any license fee shall be made if the license is issued for a period of less than one year. The department shall be entitled to recover any cost~~

1 ~~of investigation in excess of license or renewal fees from the~~
2 ~~licensee or from any person who is not licensed under this act~~
3 ~~but who is presumed to be engaged in business contemplated by~~
4 ~~this act.~~

5 ~~Section 303. Issuance of license.~~

6 ~~(a) Time limit. Within 90 days after a complete application~~
7 ~~is received, the department shall either issue a license or~~
8 ~~refuse to issue or renew a license as provided for by section~~
9 ~~501. Upon receipt of an application for license, the department~~
10 ~~shall conduct such investigation as it deems necessary to~~
11 ~~determine that the applicant and its officers, directors and~~
12 ~~principals are of good character and ethical reputation.~~

13 ~~(b) Appeal of denial. If the department refuses to issue a~~
14 ~~license, it shall notify the applicant, in writing, of the~~
15 ~~denial and the reason therefor and of the applicant's right to~~
16 ~~appeal from such action to the Commonwealth Court. An appeal~~
17 ~~from the department's refusal to approve an application for a~~
18 ~~license shall be filed by the applicant within 30 days of notice~~
19 ~~thereof.~~

20 ~~Section 304. Conditions for licensing.~~

21 ~~(a) Conditions for license. The department shall issue a~~
22 ~~license to permit the cashing of checks, drafts and money~~
23 ~~orders, in accordance with this act at the location specified in~~
24 ~~the application for license if the department finds that the~~
25 ~~financial responsibility and general fitness of the applicant,~~
26 ~~and of the members thereof if the applicant is a partnership or~~
27 ~~association, and of the officers and directors thereof if the~~
28 ~~applicant is a corporation, warrants the conclusion that the~~
29 ~~business will be operated honestly and fairly within the~~
30 ~~purposes of this act.~~

~~(b) Procedure for public comment. To determine the financial responsibility, experience, character and general fitness of the applicant, the department shall consider public comment. The procedure for public comment shall be as follows:~~

~~(1) The applicant shall publish notice, within ten days after being notified by the department, that the application is completed. Notice shall be published in a newspaper having general circulation in the community in which the applicant intends to locate.~~

~~(2) The applicant shall transmit to the department a copy of the notice and the publisher's affidavit of publication.~~

~~(3) Upon publication, the application and all related communications may be inspected in the department during working hours by any person. This inspection shall be upon written request and by appointment. The department may refuse to disclose information that it deems is confidential. The department shall not be liable for disclosure of information deemed confidential by the applicant.~~

~~(4) Within 30 days of the date of publication of notice, anyone may file a communication in protest or in favor of the application by submitting two copies to the department.~~

~~(5) The applicant may request a copy of such communication and may file an answer to any protest until ten days after the last date for filing of communication by submitting two copies to the department.~~

~~(6) The department shall consider all such communication in its evaluation of the application.~~

~~(c) Felony conviction. The department shall not issue a license if it finds that the applicant, or any person who is a~~

~~director, officer, partner or agent has been convicted of or
pled guilty or nolo contendere to a felony or to a crime
committed in this Commonwealth or another jurisdiction which, if
committed within this Commonwealth, would constitute a felony.~~

~~(d) Information on license. The license issued pursuant to
this section shall state:~~

~~(1) The name of the licensee.~~

~~(2) The name and address of the business.~~

~~(3) Any other information deemed necessary by the
department.~~

~~(f) Conspicuous posting. The license shall be kept
conspicuously posted in the place of business of the licensee.
The license shall not be sold, transferred or assigned.~~

~~(g) Effect of license. The license shall remain in full
force and effect until it expires or is surrendered by the
licensee or revoked or suspended as provided in this act.~~

~~CHAPTER 5~~

~~ENFORCEMENT~~

~~Section 501. Suspension and revocation of and refusal to issue
license.~~

~~(a) Notice. The department, upon 30 days written notice to
the licensee forwarded by registered mail to the place of
business of such licensee as shown in the application for
license or as amended on the license certificate in case of
change of address subsequent to issuance of the license
certificate, may refuse to issue, revoke or suspend any license
if it finds any of the following:~~

~~(1) The licensee or applicant has made any material
misstatement in the application for license.~~

~~(2) The licensee or applicant has violated any provision~~

1 ~~of this act.~~

2 ~~(3) The licensee or applicant has violated any, order,~~
3 ~~rule or regulation of the department issued under this act.~~

4 ~~(4) The licensee or applicant has failed to comply with~~
5 ~~any order, rule or regulation lawfully made by the department~~
6 ~~under the authority of this act.~~

7 ~~(5) The licensee or applicant refuses or has refused to~~
8 ~~permit the department or its designated representative to~~
9 ~~make examinations or investigations authorized by this act.~~

10 ~~(6) The licensee or applicant has failed to maintain~~
11 ~~satisfactory records required by this act or as prescribed by~~
12 ~~the department.~~

13 ~~(7) The licensee or applicant has falsified any records~~
14 ~~required by this act to be maintained of the business~~
15 ~~contemplated by this act.~~

16 ~~(8) The licensee or applicant has failed to file any~~
17 ~~report with the department within the time stipulated in this~~
18 ~~act.~~

19 ~~(9) The licensee or applicant has used unfair or~~
20 ~~deceptive practices.~~

21 ~~(10) Any fact or condition exists or is discovered~~
22 ~~which, if it had existed or had been discovered at the time~~
23 ~~of filing of the application for the license, would have been~~
24 ~~grounds for the department to refuse to issue such license.~~

25 ~~(11) The licensee or applicant has failed to report to~~
26 ~~the department any change in ownership at least ten days~~
27 ~~prior to the effective date of the ownership change.~~

28 ~~(b) Multiple license suspension or revocation. The~~
29 ~~department may revoke or suspend only the particular license~~
30 ~~with respect to which grounds for revocation may occur or exist,~~

~~but if it finds that grounds for revocation are of general application to all places of business or to more than one place of business operated by a licensee, it may revoke all of the licenses issued to such licensee or those licenses to which grounds for revocation apply, as the case may be.~~

~~(c) Issuance of another license. Whenever a license has been revoked, the department shall not issue another license until the expiration of at least five years from the effective date of revocation of such license and shall never issue a license if such licensee or an owner, partner, member, officer, director, employee, agent or spouse of the licensee shall have pleaded guilty, entered a plea of nolo contendere, or has been found guilty by a judge or a jury of a second offense violation of this act.~~

~~(d) Appeals. Appeals may be taken from the action of the department in suspending and revoking licenses in accordance with the procedures of 2 Pa.C.S. (relating to administrative law and procedure).~~

~~Section 502. Change of status.~~

~~A licensee shall make written application to the department on any change in status including address change, ownership change, change of directors, officers or principals by stating the reason for the proposed change. If the department approves the application a new license shall be issued.~~

~~Section 503. Fees and charges.~~

~~(a) Allowable fees. The licensee shall not charge or collect, in fees, charges or otherwise, for cashing a check or draft drawn on a bank or other financial institution an amount in excess of the following percentages of the face amount of the check or draft:~~

~~(1) One half of one percent of the face amount of a check which is an entitlement check from Federal or State government programs, including, but not limited to, Aid to Families with Dependent Children (AFDC), General Assistance, Social Security, Railroad Retirement, government and veterans' disability payments and government pensions.~~

~~(2) Two percent of the face amount of a nonentitlement check.~~

~~(3) Five percent of the face amount of a personal check.~~

~~(b) Fee schedule. In every check casher location there shall be conspicuously posted and at all times displayed a schedule of fees and charges based on a model form to be published by the department in the Pennsylvania Bulletin. The schedule shall state the maximum fees or charges and shall include a table of amounts and corresponding maximum fees along with the telephone number of the Consumer Services Division of the Department of Banking.~~

~~(c) Receipt. Based on the model form to be published by the department in the Pennsylvania Bulletin, the licensee shall provide a receipt to each consumer for each transaction. The receipt shall include the name and address of the licensee, the total amount of the check cashed, the fee charged, the maximum fee permitted under the act, the type of check and the telephone number of the Consumer Affairs Division of the Department of Banking.~~

~~(d) Other goods and services. The check casher shall not require consumers to purchase other goods or services in order to cash checks, drafts or money orders. A licensee shall not discount normal check cashing fees or charges for cashing checks, drafts or money orders upon the purchase of other goods~~

1 ~~or services.~~

2 ~~Section 504. Endorsement of checks, drafts or money orders~~
3 ~~cashed.~~

4 ~~Before a check casher deposits with any banking institution a~~
5 ~~check, draft or money order cashed by the check casher, the same~~
6 ~~must be endorsed with the actual name under which such check~~
7 ~~casher is doing business and must have the words "licensed~~
8 ~~casher of checks" legibly written or stamped immediately after~~
9 ~~or below such name.~~

10 ~~Section 505. Restrictions on business of licensee.~~

11 ~~(a) Advancement of moneys. No check casher shall at any~~
12 ~~time cash or advance any money on a postdated check, draft or~~
13 ~~money order. No check casher shall make loans without the~~
14 ~~appropriate license or engage in the business of transmitting~~
15 ~~money or receiving money for transmission, unless licensed under~~
16 ~~the act of September 2, 1965 (P.L.490, No.249), referred to as~~
17 ~~the Money Transmission Business Licensing Law.~~

18 ~~(b) Exceptions. Notwithstanding subsection (a), a licensee~~
19 ~~may cash a check payable on the first banking business day~~
20 ~~following the date of cashing if:~~

21 ~~(1) the check is drawn by the United States, the~~
22 ~~Commonwealth or any political subdivision of the Commonwealth~~
23 ~~or by any department, bureau, agency, authority,~~
24 ~~instrumentality or officer (acting in official capacity) of~~
25 ~~the United States, or the Commonwealth or any political~~
26 ~~subdivision of the Commonwealth; or~~

27 ~~(2) the check is a payroll check drawn by an employer to~~
28 ~~the order of its employee.~~

29 ~~Section 506. Books, accounts and records.~~

30 ~~(a) Keeping and use of information. Each check casher shall~~

1 ~~keep and use in the business, in a form satisfactory to the~~
2 ~~department, such books, accounts and records as will enable the~~
3 ~~department to determine whether the check casher is complying~~
4 ~~with the provisions of this act and the rules and regulations~~
5 ~~adopted under this act. Every check casher shall preserve such~~
6 ~~books, accounts and records for five years.~~

7 ~~(b) Filing of information. Every check casher shall~~
8 ~~annually, on or before September 1, file a report with the~~
9 ~~department giving such information as the department may require~~
10 ~~concerning the business and operations of the licensee during~~
11 ~~the preceding calendar year. In addition to the annual report,~~
12 ~~the department may require such additional regular or special~~
13 ~~reports deemed necessary to the proper operation and enforcement~~
14 ~~of this act. These reports shall be made under oath or~~
15 ~~affirmation and shall be in the form prescribed by the~~
16 ~~department which shall make and publish annually an analysis of~~
17 ~~these reports.~~

18 ~~(c) Examination and cost of information. The department may~~
19 ~~examine the affairs, business, records, books, documents,~~
20 ~~accounts and papers of any licensee. The actual cost of these~~
21 ~~examinations shall be paid to the department by the licensee~~
22 ~~examined, and the department may bring an action for the~~
23 ~~recovery of these costs in any court of competent jurisdiction.~~
24 ~~Section 507. Departmental penalty.~~

25 ~~Any person who is subject to the provisions of this act who~~
26 ~~violates any of the provisions of this act shall be subject to a~~
27 ~~fine levied by the department of up to \$2,000 for each offense.~~
28 ~~Section 508. Criminal penalty.~~

29 ~~Any person, partnership, association or corporation, and any~~
30 ~~member, officer, director, agent or employee thereof, who~~

~~violates any of the provisions of this act commits a misdemeanor of the third degree.~~

~~Section 509. Private remedy.~~

~~(a) Liability. Any person who fails to comply with any provision of this act with respect to any consumer is liable to the consumer for an amount equal to three times any actual damage sustained by the consumer as a result of the failure or the sum of \$250, whichever is greater.~~

~~(b) Recovery of costs. In the case of any successful action to enforce the liability under subsection (a), the consumer shall recover from the licensee the costs of the action, together with a reasonable attorney fee as determined by the court.~~

~~CHAPTER 11~~

~~MISCELLANEOUS PROVISIONS~~

~~Section 1101. Applicability.~~

~~This act shall not apply to any insured depository institution or affiliate or service corporation of any depository institution supervised or regulated by the Department of Banking, the National Credit Union Administration, the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, the Comptroller of the Currency or the Board of Governors of the Federal Reserve or the Federal Reserve Banks. It also shall not apply to companies licensed by the Department of Banking under the act of April 8, 1937 (P.L.262, No.66), known as the Consumer Discount Company Act, the act of September 2, 1965 (P.L.490, No.249), referred to as the Money Transmission Business Licensing Law, the act of December 12, 1980 (P.L.1179, No.219), known as the Secondary Mortgage Loan Act, and the act of December 22, 1989 (P.L.687, No.90), known as the Mortgage~~

~~Bankers and Brokers Act, in the normal course of business with specific relation to lending transactions and when engaged in the activities regulated under these acts.~~

~~Section 1102. Report to General Assembly.~~

~~Three years from the effective date of this act, the department shall provide a written report to the General Assembly summarizing consumer complaints received by the department relating to check cashing activities and the methods by which the complaints were addressed. The department shall also make recommendations to the General Assembly regarding improvements to this act and the continuance of a licensing program.~~

~~Section 1103. Disposition of funds.~~

~~All moneys received by the Treasury Department from the Department of Banking from fees, fines, assessments, charges and penalties, collected or recovered from persons, firms, corporations or associations, under the supervision of the Department of Banking pursuant to the provisions of this act shall be deposited in the Banking Department Fund.~~

~~Section 1104. Effective date.~~

~~This act shall take effect in one year.~~

CHAPTER 1

GENERAL PROVISIONS

SECTION 101. SHORT TITLE.

THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE CHECK CASHING LICENSING ACT.

SECTION 102. PURPOSE.

THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT CHECK CASHERS WHICH ENGAGE IN THE BUSINESS OF CASHING CHECKS PROVIDE VITAL FINANCIAL SERVICES WHICH SOME CITIZENS OF THIS

COMMONWEALTH FIND UNAVAILABLE OR INCONVENIENT TO OBTAIN FROM
TRADITIONAL BANKING INSTITUTIONS AND THAT IT IS IN THE PUBLIC
INTEREST, CONVENIENCE AND WELFARE TO:

(1) PREVENT THE CHARGING OF UNCONSCIONABLE RATES.

(2) INSURE THE FINANCIAL STABILITY OF THE CHECK-CASHING
INDUSTRY.

(3) REGULATE THE MANNER OF PERFORMANCE OF CHECK-CASHING
SERVICE.

(4) SEEK THE CHECK-CASHING INDUSTRY'S ASSISTANCE IN
PREVENTING MONEY-LAUNDERING ACTIVITIES.

SECTION 103. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS ACT SHALL
HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
CONTEXT CLEARLY INDICATES OTHERWISE:

"CHECK." A TYPE OF NEGOTIABLE INSTRUMENT AS DEFINED IN 13
PA.C.S. § 3104 (F), (G), (H) AND (I) (RELATING TO NEGOTIABLE
INSTRUMENTS) AND DOMESTIC POSTAL MONEY ORDERS.

"CHECK CASHER." A BUSINESS ENTITY, WHETHER OPERATING AS A
PROPRIETORSHIP, PARTNERSHIP, ASSOCIATION, LIMITED LIABILITY
COMPANY OR CORPORATION ENGAGING IN THE CASHING OF CHECKS FOR A
FEE.

"DEPARTMENT." THE DEPARTMENT OF BANKING OF THE COMMONWEALTH.

"LICENSEE." AN ENTITY LICENSED BY THE DEPARTMENT OF BANKING
TO ENGAGE IN THE BUSINESS OF CASHING CHECKS AT A FIXED LOCATION
OR BY MEANS OF A MOBILE UNIT.

"MOBILE UNIT." A VEHICLE OR OTHER MOVABLE MEANS FROM WHICH
THE BUSINESS OF CASHING CHECKS IS CONDUCTED.

SECTION 104. AUTHORITY OF DEPARTMENT.

THE DEPARTMENT SHALL HAVE THE AUTHORITY TO:

(1) ISSUE RULES, REGULATIONS AND ORDERS AS MAY BE

1 NECESSARY FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS ACT
2 AND THE PROPER CONDUCT OF THE BUSINESS OF CHECK CASHING.

3 (2) EXAMINE ANY INSTRUMENT, DOCUMENT, ACCOUNT, BOOK,
4 RECORD OR FILE RELATING TO A CHECK CASHER'S BUSINESS OR
5 OPERATION OR TO MAKE SUCH OTHER INVESTIGATION AS MAY BE
6 REASONABLY NECESSARY TO ADMINISTER THIS ACT.

7 (3) CONDUCT ADMINISTRATIVE HEARINGS OF ANY MATTER
8 PERTAINING TO THIS ACT, ISSUE SUBPOENAS TO COMPEL THE
9 ATTENDANCE OF WITNESSES AND THE PRODUCTION OF INSTRUMENTS,
10 DOCUMENTS, ACCOUNTS, BOOKS AND RECORDS AT ANY SUCH HEARING
11 WHICH MAY BE RETAINED BY THE DEPARTMENT UNTIL THE COMPLETION
12 OF ALL PROCEEDINGS IN CONNECTION WITH WHICH THEY WERE
13 PRODUCED AND ADMINISTER OATHS AND AFFIRMATIONS TO ANY PERSON
14 WHOSE TESTIMONY IS REQUIRED. IN THE EVENT A PERSON FAILS TO
15 COMPLY WITH A SUBPOENA ISSUED BY THE DEPARTMENT OR TO TESTIFY
16 ON ANY MATTER CONCERNING WHICH THAT PERSON MAY BE LAWFULLY
17 INTERROGATED, ON APPLICATION BY THE DEPARTMENT, THE
18 COMMONWEALTH COURT MAY ISSUE AN ORDER REQUIRING THE
19 ATTENDANCE OF SUCH PERSON, THE PRODUCTION OF INSTRUMENTS,
20 DOCUMENTS, ACCOUNTS, BOOKS OR RECORDS OR THE GIVING OF
21 TESTIMONY OR MAY INSTITUTE CONTEMPT OF COURT PENALTIES.

22 CHAPTER 3

23 LICENSING PROVISIONS

24 SECTION 301. LICENSE REQUIREMENT AND FORM.

25 (A) LICENSING REQUIRED.--NO PERSON OR BUSINESS ENTITY SHALL
26 ENGAGE IN THE BUSINESS OF CASHING CHECKS FOR A FEE WITHOUT FIRST
27 OBTAINING A LICENSE UNDER THIS ACT FOR EACH FIXED LOCATION OR
28 MOBILE UNIT.

29 (B) FORM OF APPLICATION.--APPLICATION FOR A LICENSE SHALL BE
30 IN WRITING, UNDER OATH, SHALL BE IN THE FORM PRESCRIBED BY THE

1 DEPARTMENT AND SHALL CONTAIN THE FOLLOWING:

2 (1) THE APPLICANT'S NAME AND ADDRESS OF RESIDENCE.

3 (2) IF THE APPLICANT IS A PARTNERSHIP OR ASSOCIATION,
4 THE NAME AND ADDRESS OF EVERY MEMBER AND, IF A CORPORATION,
5 OF EACH OFFICER AND DIRECTOR.

6 (3) THE NAME AND ADDRESS OF THE BUSINESS IF THE BUSINESS
7 WILL BE CONDUCTED AT A SPECIFIC ADDRESS OR, IF THE APPLICANT
8 INTENDS TO OPERATE A MOBILE UNIT, THE PENNSYLVANIA
9 REGISTRATION NUMBER OR OTHER IDENTIFICATION OF THE MOBILE
10 UNIT, THE AREA IN WHICH THE APPLICANT PROPOSES TO OPERATE THE
11 MOBILE UNIT AND A STATIONARY PHYSICAL LOCATION WHERE RECORDS
12 SHALL BE MAINTAINED FOR PHYSICAL EXAMINATION.

13 (4) A SIGNED STATEMENT BY THE APPLICANT THAT THE
14 APPLICANT HAS COMPLIED WITH ALL MUNICIPAL AND COUNTY
15 REQUIREMENTS FOR DOING BUSINESS.

16 (5) A SIGNED STATEMENT BY THE APPLICANT THAT THE
17 APPLICANT HAS NO OUTSTANDING DEBTS TO THE COMMONWEALTH OR
18 EVIDENCE THAT A PAYMENT AGREEMENT IS IN PLACE.

19 (6) FOR APPLICANTS DOING BUSINESS ON THE EFFECTIVE DATE
20 OF THIS ACT, THE LENGTH OF TIME THE APPLICANT HAS BEEN
21 ENGAGED IN THE CHECK-CASHING BUSINESS AT THE LOCATION
22 SPECIFIED IN THE APPLICATION OR ANY OTHER LOCATION.

23 (C) ADDITIONAL INFORMATION.--THE DEPARTMENT MAY REQUEST ANY
24 ADDITIONAL INFORMATION WHICH IT DEEMS NECESSARY TO THE LICENSING
25 PROCEDURE, AS WELL AS INFORMATION FROM OTHER STATES OR THE
26 FEDERAL GOVERNMENT, WHICH MAY BE EVALUATED FOR LICENSURE.
27 SECTION 302. LICENSE TERMS AND FEES.

28 (A) APPLICATION FEES.--AN APPLICANT FOR A LICENSE TO CONDUCT
29 A CHECK-CASHING BUSINESS FROM EITHER A STATIONARY OR MOBILE UNIT
30 LOCATION SHALL BE SUBJECT TO AN APPLICATION FEE OF \$500.

1 (B) RENEWAL FEE.--ON OR BEFORE MARCH 1, EVERY YEAR, A
2 LICENSEE SHALL BE SUBJECT TO A RENEWAL FEE OF \$350. EACH
3 LICENSEE SHALL, 90 DAYS PRIOR TO THE DATE OF EXPIRATION, APPLY
4 FOR LICENSE RENEWAL ON A FORM PROVIDED BY THE DEPARTMENT. THE
5 DEPARTMENT SHALL RENEW THE LICENSE IF THE LICENSE RENEWAL
6 APPLICANT IS IN COMPLIANCE WITH THE PROVISIONS OF THIS ACT.

7 (C) SINGLE APPLICATION.--THE DEPARTMENT SHALL PERMIT THE
8 FILING OF A SINGLE APPLICATION FOR ALL APPLICANTS WHO CONDUCT
9 BUSINESS AT MULTIPLE LOCATIONS. A SINGLE APPLICATION SHALL
10 INDICATE THE PRINCIPAL OFFICE OF THE BUSINESS AND A SPECIFIC
11 ADDRESS FOR EACH FIXED LOCATION OR MOBILE UNIT COVERED UNDER THE
12 APPLICATION. THE PRINCIPAL OFFICE SHALL HAVE AVAILABLE ALL
13 PERTINENT RECORDS AND INFORMATION RELATED TO THE BUSINESSES
14 LICENSED. A LICENSE SHALL BE ISSUED FOR EACH LOCATION OR MOBILE
15 UNIT. THE DEPARTMENT MAY ACCEPT THE FILINGS ELECTRONICALLY OR IN
16 COMPUTER FORMAT.

17 (D) RECOVERY OF COSTS.--NO ABATEMENT OF ANY LICENSE FEE
18 SHALL BE MADE IF THE LICENSE IS ISSUED FOR A PERIOD OF LESS THAN
19 ONE YEAR.

20 (E) ADJUSTMENT OF FEE.--WHEN, IN THE OPINION OF THE
21 DEPARTMENT, THE APPLICATION FEES NEEDED TO ADMINISTER THIS ACT
22 ARE IN EXCESS OF THAT NECESSARY AMOUNT, IT MAY REDUCE THE FEE BY
23 REGULATION.

24 SECTION 303. ISSUANCE OF LICENSE.

25 (A) TIME LIMIT.--WITHIN 60 DAYS AFTER A COMPLETE APPLICATION
26 IS RECEIVED, THE DEPARTMENT SHALL EITHER ISSUE A LICENSE OR
27 REFUSE TO ISSUE OR RENEW A LICENSE AS PROVIDED FOR BY SECTION
28 501. UPON RECEIPT OF AN APPLICATION FOR LICENSE, THE DEPARTMENT
29 SHALL CONDUCT SUCH INVESTIGATION AS IT DEEMS NECESSARY TO
30 DETERMINE THAT THE APPLICANT AND ITS OFFICERS, DIRECTORS AND

1 PRINCIPALS ARE OF GOOD CHARACTER AND ETHICAL REPUTATION.

2 (B) APPEAL OF DENIAL.--IF THE DEPARTMENT REFUSES TO ISSUE OR
3 RENEW A LICENSE, IT SHALL NOTIFY THE APPLICANT, IN WRITING, OF
4 THE DENIAL AND THE REASON THEREFOR AND OF THE APPLICANT'S RIGHT
5 TO APPEAL FROM SUCH ACTION TO THE COMMONWEALTH COURT. AN APPEAL
6 FROM THE DEPARTMENT'S REFUSAL TO APPROVE OR RENEW AN APPLICATION
7 FOR A LICENSE SHALL BE FILED BY THE APPLICANT WITHIN 30 DAYS OF
8 NOTICE THEREOF.

9 SECTION 304. CONDITIONS FOR LICENSING.

10 (A) CONDITIONS FOR LICENSE.--

11 (1) EXCEPT AS PROVIDED IN SUBSECTION (B), IF THE
12 DEPARTMENT FINDS THAT THE FINANCIAL RESPONSIBILITY,
13 EXPERIENCE, CHARACTER AND GENERAL FITNESS OF THE APPLICANT
14 WARRANTS THE CONCLUSION THAT THE BUSINESS WILL BE OPERATED
15 HONESTLY AND FAIRLY WITHIN THE PURPOSE OF THE ACT, THE
16 DEPARTMENT SHALL ISSUE A LICENSE TO PERMIT THE CASHING OF
17 CHECKS. FOR PURPOSES OF THIS SECTION, "APPLICANT" MEANS
18 MEMBERS OF A PARTNERSHIP OR OFFICERS OF A CORPORATION.

19 (2) THE DEPARTMENT SHALL ISSUE A LICENSE TO PERMIT THE
20 CASHING OF CHECKS IN ACCORDANCE WITH THIS ACT. THE LICENSE
21 SHALL BE ISSUED FOR THE BUSINESS LOCATION SPECIFIED IN THE
22 APPLICATION ONLY AND FOR MOBILE UNITS TO THE SITE OR SITES
23 SPECIFIED. THE APPLICANT SHALL SUBMIT A COMPLETED APPLICATION
24 FULLY DISCLOSING THE NATURE AND OPERATION OF THE BUSINESS.

25 (B) NEW LOCATION OR NEW LICENSEES.--FOR ALL NEW LOCATIONS OR
26 NEW LICENSEES, TO DETERMINE THE FINANCIAL RESPONSIBILITY,
27 EXPERIENCE, CHARACTER AND GENERAL FITNESS OF THE APPLICANT
28 PURSUANT TO SUBSECTION (A), THE DEPARTMENT SHALL CONSIDER PUBLIC
29 COMMENT. THE PROCEDURE FOR PUBLIC COMMENT SHALL BE AS FOLLOWS:

30 (1) THE APPLICANT SHALL PUBLISH NOTICE, WITHIN TEN DAYS

1 AFTER BEING NOTIFIED BY THE DEPARTMENT, THAT THE APPLICATION
2 IS COMPLETED. NOTICE SHALL BE PUBLISHED IN A NEWSPAPER HAVING
3 GENERAL CIRCULATION IN THE COMMUNITY IN WHICH THE APPLICANT
4 INTENDS TO LOCATE.

5 (2) THE APPLICANT SHALL TRANSMIT TO THE DEPARTMENT A
6 COPY OF THE NOTICE AND THE PUBLISHER'S AFFIDAVIT OF
7 PUBLICATION.

8 (3) UPON PUBLICATION, THE APPLICATION AND ALL RELATED
9 COMMUNICATIONS MAY BE INSPECTED IN THE DEPARTMENT DURING
10 WORKING HOURS BY ANY PERSON. THIS INSPECTION SHALL BE UPON
11 WRITTEN REQUEST AND BY APPOINTMENT. THE DEPARTMENT MAY REFUSE
12 TO DISCLOSE INFORMATION THAT IT DEEMS IS CONFIDENTIAL. THE
13 DEPARTMENT SHALL NOT BE LIABLE FOR DISCLOSURE OF INFORMATION
14 DEEMED CONFIDENTIAL BY THE APPLICANT.

15 (4) WITHIN 30 DAYS OF THE DATE OF PUBLICATION OF NOTICE,
16 ANYONE MAY FILE A COMMUNICATION IN PROTEST OR IN FAVOR OF THE
17 APPLICATION BY SUBMITTING TWO COPIES TO THE DEPARTMENT.

18 (5) THE APPLICANT MAY REQUEST A COPY OF SUCH
19 COMMUNICATION AND MAY FILE AN ANSWER TO ANY PROTEST UNTIL TEN
20 DAYS AFTER THE LAST DATE FOR FILING OF COMMUNICATION BY
21 SUBMITTING TWO COPIES TO THE DEPARTMENT.

22 (6) THE DEPARTMENT SHALL CONSIDER ALL SUCH COMMUNICATION
23 IN ITS EVALUATION OF THE APPLICATION.

24 (C) FACTORS AFFECTING LICENSING.--THE DEPARTMENT, PRIOR TO
25 THE GRANTING OF A LICENSE, SHALL CONSIDER THE FOLLOWING FACTORS:

26 (1) FOR PURPOSES OF THE INITIAL APPLICATION ONLY,
27 WHETHER THE APPLICANT HAS IN FACT BEEN ENGAGED IN THE CHECK-
28 CASHING BUSINESS AT THE LOCATION SPECIFIED IN THE APPLICATION
29 FOR A PERIOD OF AT LEAST ONE YEAR PRIOR TO THE EFFECTIVE DATE
30 OF THIS ACT.

1 (2) WHETHER THE APPLICANT HAS MADE A SUBSTANTIAL LEGAL
2 OR FINANCIAL COMMITMENT, IN THE FORM OF A LEASE, OPTION TO
3 LEASE OR PURCHASE OF PROPERTY COVERING THE LOCATION TO BE
4 LICENSED, PRIOR TO THE ENACTMENT OF THIS ACT.

5 (3) WHETHER THE APPLICANT IS OPERATING IN COMPLIANCE
6 WITH ALL LOCAL ZONING LAWS AND LAWS PERTAINING TO THE
7 OPERATION OF A BUSINESS IN THIS COMMONWEALTH.

8 (4) WHETHER THE APPLICANT HAS SUFFICIENT BUSINESS
9 EXPERIENCE TO QUALIFY THE APPLICANT TO COMPETENTLY CONDUCT,
10 OPERATE OR BECOME ASSOCIATED WITH A CHECK-CASHING BUSINESS.

11 (D) ACTION BY DEPARTMENT.--EXCEPT AS PROVIDED IN SECTION
12 1104, THE DEPARTMENT SHALL ACT UPON A LICENSE APPLICATION WITHIN
13 60 DAYS FROM THE DATE OF RECEIVING A COMPLETED APPLICATION AND
14 CONDUCTING AN INVESTIGATION.

15 (E) NUMBER OF LICENSES.--NO MORE THAN ONE PLACE OF BUSINESS
16 OR MORE THAN ONE MOBILE UNIT SHALL BE MAINTAINED UNDER THE SAME
17 LICENSE. HOWEVER, MORE THAN ONE LICENSE MAY BE ISSUED TO THE
18 SAME LICENSEE UPON COMPLIANCE WITH THIS ACT FOR EACH NEW
19 LICENSE.

20 (F) FELONY CONVICTION.--THE DEPARTMENT MAY DECLINE TO ISSUE
21 A LICENSE IF IT FINDS THAT THE APPLICANT HAS BEEN CONVICTED OF
22 OR PLED GUILTY OR NOLO CONTENDERE TO A FELONY WHICH WOULD
23 WARRANT SUCH A DENIAL. THE DEPARTMENT SHALL CONSIDER THE YEAR OF
24 THE CONVICTION, THE NATURE OF THE OFFENSE AND THE POTENTIAL
25 IMPACT ON THE CHECK-CASHING BUSINESS OR THE COMMUNITY PRIOR TO
26 DECLINING TO ISSUE A LICENSE PURSUANT TO THIS SUBSECTION. THE
27 DEPARTMENT SHALL MAKE SPECIFIC WRITTEN FINDINGS REGARDING ITS
28 DECISION TO DENY AT THE TIME OF THE ISSUANCE OF THE DENIAL.

29 (G) INFORMATION ON LICENSE.--THE LICENSE ISSUED UNDER THIS
30 SECTION SHALL STATE:

1 ACT OR AS PRESCRIBED BY THE DEPARTMENT;

2 (5) HAS FALSIFIED A RECORD REQUIRED UNDER THIS ACT OR AS
3 PRESCRIBED BY THE DEPARTMENT;

4 (6) REFUSES OR HAS REFUSED TO PERMIT THE DEPARTMENT OR
5 ITS DESIGNATED REPRESENTATIVE TO MAKE EXAMINATIONS OR
6 INVESTIGATIONS AUTHORIZED UNDER THIS ACT;

7 (7) HAS FAILED TO FILE A REPORT WITH THE DEPARTMENT
8 WITHIN THE TIME STIPULATED IN THIS ACT;

9 (8) HAS BEEN CONVICTED OF OR PLED GUILTY OR NOLO
10 CONTENDERE TO OR HAS OTHERWISE BEEN ADJUDGED IN A FINAL
11 JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE
12 COMMITTED ANY OF THE FOLLOWING ACTS:

13 (I) A VIOLATION OF 18 PA.C.S. (RELATING TO CRIMES
14 AND OFFENSES) DEALING WITH THEFT OR FRAUD TO A CUSTOMER;

15 (II) A VIOLATION OF FEDERAL OR STATE LAW CONCERNING
16 THE REPORTING OF CURRENCY TRANSACTIONS, INCLUDING SECTION
17 411 OF THE NATIONAL HOUSING ACT (48 STAT. 1246, 12 U.S.C.
18 § 1730D), SECTION 21 OF THE FEDERAL DEPOSIT INSURANCE
19 CORPORATION ACT (64 STAT. 873, 12 U.S.C. § 1829B) AND
20 SECTIONS 121 THROUGH 124 OF THE ACT OF OCTOBER 26, 1970
21 (PUBLIC LAW 91-508, 12 U.S.C. §§ 1951 THROUGH 1954);

22 (III) A VIOLATION OF 18 PA.C.S. § 5111 (RELATING TO
23 DEALING IN PROCEEDS OF UNLAWFUL ACTIVITIES) OR FEDERAL
24 CRIMINAL STATUTE, RELATED TO MONEY LAUNDERING OR
25 CONSPIRACY TO LAUNDER MONEY; OR

26 (IV) ANY OTHER FELONY AS DETERMINED IN ACCORDANCE
27 WITH SECTION 304(F).

28 (9) HAS FAILED TO REPORT TO THE DEPARTMENT ANY CHANGE IN
29 OWNERSHIP AT LEAST TEN DAYS PRIOR TO THE EFFECTIVE DATE OF
30 THE OWNERSHIP CHANGE;

(10) HAS ENGAGED IN AN ACTIVITY PROHIBITED BY SECTION
304(F); OR

(11) COMMITTED ANY ACT, THE FACT OR CONDITION OF WHICH
EXISTS OR IS DISCOVERED TO EXIST WHICH, IF IT HAD EXISTED OR
HAD BEEN DISCOVERED TO EXIST AT THE TIME OF FILING OF THE
APPLICATION FOR THE LICENSE, WOULD HAVE BEEN GROUNDS FOR THE
DEPARTMENT TO REFUSE TO ISSUE THE LICENSE.

(B) NONCOMPLIANCE NOTICE.--THE DEPARTMENT SHALL PROVIDE TO A
LICENSEE NOTICE OF NONCOMPLIANCE WITH OR A VIOLATION OF THIS
ACT. THE DEPARTMENT SHALL PERMIT THE LICENSEE A REASONABLE TIME
TO COMPLY WITH THIS ACT OR TO CORRECT THE VIOLATION. IF THE
LICENSEE FAILS TO COMPLY OR CORRECT THE VIOLATION, THE
DEPARTMENT MAY ORDER THAT CIVIL PENALTIES BE LEVIED AGAINST A
LICENSEE.

(C) MULTIPLE LICENSE SUSPENSION OR REVOCATION.--THE
DEPARTMENT MAY REVOKE OR SUSPEND ONLY THE PARTICULAR LICENSE
WITH RESPECT TO WHICH GROUNDS FOR REVOCATION MAY OCCUR OR EXIST,
BUT IF IT FINDS THAT GROUNDS FOR REVOCATION ARE OF GENERAL
APPLICATION TO ALL PLACES OF BUSINESS OR TO MORE THAN ONE PLACE
OF BUSINESS OPERATED BY A LICENSEE, IT MAY REVOKE ALL OF THE
LICENSES ISSUED TO SUCH LICENSEE OR THOSE LICENSES TO WHICH
GROUNDS FOR REVOCATION APPLY, AS THE CASE MAY BE.

(D) ISSUANCE OF ANOTHER LICENSE.--WHENEVER A LICENSE HAS
BEEN REVOKED, THE DEPARTMENT SHALL NOT ISSUE ANOTHER LICENSE
UNTIL THE EXPIRATION OF AT LEAST ONE YEAR FROM THE EFFECTIVE
DATE OF REVOCATION OF SUCH LICENSE.

(E) APPEALS.--APPEALS MAY BE TAKEN FROM THE ACTION OF THE
DEPARTMENT IN SUSPENDING AND REVOKING LICENSES IN ACCORDANCE
WITH THE PROCEDURES OF 2 PA.C.S. (RELATING TO ADMINISTRATIVE LAW
AND PROCEDURE).

1 SECTION 502. CHANGE OF STATUS.

2 (A) NOTICE TO DEPARTMENT.--A LICENSEE SHALL SEND WRITTEN
3 NOTICE TO THE DEPARTMENT ON ANY CHANGE IN STATUS INCLUDING
4 ADDRESS CHANGE, CHANGE OF DIRECTORS, OWNERS OR OFFICERS BY
5 STATING THE REASON FOR THE PROPOSED CHANGE.

6 (B) APPROVAL FOR SALE OR TRANSFER OF LICENSE.--A LICENSEE
7 SHALL NOT BE PERMITTED TO SELL, TRANSFER OR ASSIGN A LICENSE OF
8 THE BUSINESS WITHOUT THE APPROVAL BY THE DEPARTMENT OF THE NEW
9 LICENSEE. IN THE EVENT A LICENSE IS TERMINATED, THE FORMER
10 LICENSEE SHALL SURRENDER IT TO THE DEPARTMENT.

11 SECTION 503. FEES AND CHARGES.

12 (A) ALLOWABLE FEES.--THE LICENSEE MAY COLLECT IN FEES:

13 (1) FOR CASHING A GOVERNMENT ASSISTANCE CHECK A SUM OR
14 SUMS NOT EXCEEDING 2.5% OF THE FACE AMOUNT OF THE CHECK,
15 PROVIDED THE PAYEE SUBMITS VALID IDENTIFICATION IN THE FORM
16 OF A DRIVER'S LICENSE, AN IDENTIFICATION CARD ISSUED BY THE
17 DEPARTMENT OF TRANSPORTATION OR THE EQUIVALENT; OR

18 (2) A SUM NOT EXCEEDING 3% OF THE FACE AMOUNT OF A
19 PAYROLL CHECK.

20 (3) A SUM NOT TO EXCEED 10% OF THE FACE AMOUNT OF A
21 PERSONAL CHECK.

22 (B) NEW CUSTOMER FEE.--NOTWITHSTANDING ANYTHING IN THIS
23 SECTION TO THE CONTRARY, THE LICENSEE MAY CHARGE AN INITIAL FEE
24 NOT EXCEEDING \$10 TO A NEW CUSTOMER TO COVER THE COST OF
25 INVESTIGATING THE CUSTOMER'S CREDIT.

26 (C) RECEIPT OF TRANSACTION.--THE LICENSEE SHALL PROVIDE A
27 RECEIPT OF THE TRANSACTION.

28 (D) OTHER GOODS AND SERVICES.--

29 (1) THE LICENSEE SHALL NOT REQUIRE CONSUMERS TO PURCHASE
30 OTHER GOODS OR SERVICES IN ORDER TO CASH CHECKS.

(2) NOTHING IN THIS SECTION SHALL PREVENT LICENSEES FROM
OFFERING ADDITIONAL GOODS AND SERVICES.

(D) DEFINITION.--AS USED IN THIS SECTION, THE TERM
"GOVERNMENT ASSISTANCE CHECK" MEANS A CHECK ISSUED ON A
CONTINUING PERIODIC BASIS BY A GOVERNMENT AGENCY FOR PAYMENT TO
THE RECIPIENT PAYEE OF FEDERAL OR STATE ASSISTANCE, SOCIAL
SECURITY, WORKERS' COMPENSATION, UNEMPLOYMENT COMPENSATION,
RAILROAD RETIREMENT BENEFITS OR VETERANS DISABILITY.

SECTION 504. ENDORSEMENT OF CHECKS.

BEFORE A CHECK CASHER DEPOSITS WITH ANY BANKING INSTITUTION A
CHECK, THE SAME MUST BE ENDORSED WITH THE ACTUAL NAME UNDER
WHICH SUCH CHECK CASHER IS DOING BUSINESS AND MUST HAVE THE
WORDS "LICENSED CASHER OF CHECKS" LEGIBLY WRITTEN OR STAMPED
IMMEDIATELY AFTER OR BELOW SUCH NAME.

SECTION 505. RESTRICTIONS ON BUSINESS OF LICENSEE.

(A) ADVANCEMENT OF MONEYS.--NO LICENSEE SHALL AT ANY TIME
CASH OR ADVANCE ANY MONEY ON A POSTDATED CHECK. NO CHECK
LICENSEE SHALL ENGAGE IN THE BUSINESS OF TRANSMITTING MONEY OR
RECEIVING MONEY FOR TRANSMISSION, UNLESS LICENSED UNDER THE ACT
OF SEPTEMBER 2, 1965 (P.L.490, NO.249), REFERRED TO AS THE MONEY
TRANSMISSION BUSINESS LICENSING LAW.

(B) REPORT OF CERTAIN TRANSACTIONS.--A LICENSEE SHALL REPORT
TO THE DEPARTMENT EACH TRANSACTION INVOLVING A CHECK DRAWN ON
THE PERSONAL ACCOUNT OF THE MAKER WHICH IS ALSO PAYABLE TO THE
MAKER IF IT EXCEEDS \$2,500. THE REPORT SHALL BE FORWARDED TO THE
SECRETARY WITHIN TEN DAYS OF THE TRANSACTION AND SHALL INCLUDE
THE NAME AND ADDRESS OF THE PERSON ON WHOSE ACCOUNT THE CHECK
WAS DRAWN AND THE DATE OF THE TRANSACTION.

SECTION 506. BOOKS, ACCOUNTS AND RECORDS.

(A) KEEPING AND USE OF INFORMATION.--EACH CHECK CASHER SHALL

1 KEEP AND USE IN THE BUSINESS, IN A FORM SATISFACTORY TO THE
2 DEPARTMENT, SUCH BOOKS, ACCOUNTS AND RECORDS AS WILL ENABLE THE
3 DEPARTMENT TO DETERMINE WHETHER THE CHECK CASHER IS COMPLYING
4 WITH THE PROVISIONS OF THIS ACT AND THE RULES AND REGULATIONS
5 ADOPTED UNDER THIS ACT. EVERY CHECK CASHER SHALL PRESERVE SUCH
6 BOOKS, ACCOUNTS AND RECORDS FOR FIVE YEARS.

7 (B) FILING OF INFORMATION.--EVERY CHECK CASHER SHALL
8 ANNUALLY, ON OR BEFORE SEPTEMBER 1, FILE A REPORT WITH THE
9 DEPARTMENT GIVING SUCH INFORMATION AS THE DEPARTMENT MAY REQUIRE
10 CONCERNING THE BUSINESS AND OPERATIONS OF THE LICENSEE DURING
11 THE PRECEDING CALENDAR YEAR. IN ADDITION TO THE ANNUAL REPORT,
12 THE DEPARTMENT MAY REQUIRE SUCH ADDITIONAL REGULAR OR SPECIAL
13 REPORTS DEEMED NECESSARY TO THE PROPER OPERATION AND ENFORCEMENT
14 OF THIS ACT. THESE REPORTS SHALL BE MADE UNDER OATH OR
15 AFFIRMATION AND SHALL BE IN THE FORM PRESCRIBED BY THE
16 DEPARTMENT WHICH SHALL MAKE AND PUBLISH ANNUALLY AN ANALYSIS OF
17 THESE REPORTS.

18 (C) EXAMINATION AND COST OF INFORMATION.--THE DEPARTMENT MAY
19 EXAMINE THE AFFAIRS, BUSINESS, RECORDS, BOOKS, DOCUMENTS,
20 ACCOUNTS AND PAPERS OF ANY LICENSEE. THE ACTUAL COST OF THESE
21 EXAMINATIONS SHALL BE PAID TO THE DEPARTMENT BY THE LICENSEE
22 EXAMINED, AND THE DEPARTMENT MAY BRING AN ACTION FOR THE
23 RECOVERY OF THESE COSTS IN ANY COURT OF COMPETENT JURISDICTION.
24 SECTION 507. CIVIL PENALTY.

25 ANY PERSON WHO IS SUBJECT TO THE PROVISIONS OF THIS ACT WHO
26 VIOLATES ANY OF THE PROVISIONS OF THIS ACT SHALL BE SUBJECT TO A
27 CIVIL PENALTY LEVIED BY THE DEPARTMENT OF UP TO \$2,000 FOR EACH
28 VIOLATION. THE CIVIL PENALTY SHALL SPECIFICALLY APPLY TO
29 LICENSED AND UNLICENSED ACTIVITY UNDER THIS ACT. THE DEPARTMENT
30 MAY ALSO RECOVER THE COST OF INVESTIGATING ALLEGED VIOLATIONS.

1 SECTION 508. CRIMINAL PENALTY.

2 IT SHALL BE A MISDEMEANOR OF THE THIRD DEGREE FOR ANY PERSON
3 TO OPERATE AS A CHECK CASHER WITHOUT OBTAINING A LICENSE UNDER
4 SECTION 304 OR WHO VIOLATES SECTION 501(A)(5) OR (6) OR 503.

5 SECTION 509. PRIVATE REMEDY.

6 (A) LIABILITY.--ANY PERSON WHO WILLFULLY VIOLATES ANY
7 PROVISION OF THIS ACT WITH RESPECT TO ANY CONSUMER IS LIABLE TO
8 THE CONSUMER FOR AN AMOUNT EQUAL TO THREE TIMES ANY ACTUAL
9 DAMAGE SUSTAINED BY THE CONSUMER AS A RESULT OF THE FAILURE OR
10 THE SUM OF \$250, WHICHEVER IS GREATER.

11 (B) RECOVERY OF COSTS.--IN THE CASE OF ANY SUCCESSFUL ACTION
12 TO ENFORCE THE LIABILITY UNDER SUBSECTION (A), THE CONSUMER
13 SHALL RECOVER FROM THE LICENSEE THE COSTS OF THE ACTION,
14 TOGETHER WITH A REASONABLE ATTORNEY FEE AS DETERMINED BY THE
15 COURT.

16 CHAPTER 11

17 MISCELLANEOUS PROVISIONS

18 SECTION 1101. APPLICABILITY.

19 THIS ACT SHALL NOT APPLY TO ANY INSURED DEPOSITORY
20 INSTITUTION OR AFFILIATE OR SERVICE CORPORATION OF ANY
21 DEPOSITORY INSTITUTION SUPERVISED OR REGULATED BY THE DEPARTMENT
22 OF BANKING, THE NATIONAL CREDIT UNION ADMINISTRATION, THE OFFICE
23 OF THRIFT SUPERVISION, THE FEDERAL DEPOSIT INSURANCE
24 CORPORATION, THE COMPTROLLER OF THE CURRENCY OR THE BOARD OF
25 GOVERNORS OF THE FEDERAL RESERVE OR THE FEDERAL RESERVE BANKS.
26 IT ALSO SHALL NOT APPLY TO COMPANIES LICENSED BY THE DEPARTMENT
27 OF BANKING UNDER THE ACT OF APRIL 8, 1937 (P.L.262, NO.66),
28 KNOWN AS THE CONSUMER DISCOUNT COMPANY ACT, THE ACT OF DECEMBER
29 12, 1980 (P.L.1179, NO.219), KNOWN AS THE SECONDARY MORTGAGE
30 LOAN ACT, AND THE ACT OF DECEMBER 22, 1989 (P.L.687, NO.90),

1 KNOWN AS THE MORTGAGE BANKERS AND BROKERS ACT, IN THE NORMAL
2 COURSE OF BUSINESS WITH SPECIFIC RELATION TO LENDING
3 TRANSACTIONS AND WHEN ENGAGED IN THE ACTIVITIES REGULATED UNDER
4 THESE ACTS.

5 SECTION 1102. REPORT TO GENERAL ASSEMBLY.

6 THREE YEARS FROM THE EFFECTIVE DATE OF THIS ACT, THE
7 DEPARTMENT SHALL PROVIDE A WRITTEN REPORT TO THE GENERAL
8 ASSEMBLY SUMMARIZING CONSUMER COMPLAINTS RECEIVED BY THE
9 DEPARTMENT RELATING TO CHECK CASHING ACTIVITIES AND THE METHODS
10 BY WHICH THE COMPLAINTS WERE ADDRESSED. THE DEPARTMENT SHALL
11 ALSO MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY REGARDING
12 IMPROVEMENTS TO THIS ACT AND THE CONTINUANCE OF A LICENSING
13 PROGRAM.

14 SECTION 1103. DISPOSITION OF FUNDS.

15 ALL MONEYS RECEIVED BY THE TREASURY DEPARTMENT FROM THE
16 DEPARTMENT OF BANKING FROM FEES, FINES, ASSESSMENTS, CHARGES AND
17 PENALTIES, COLLECTED OR RECOVERED FROM PERSONS, FIRMS,
18 CORPORATIONS OR ASSOCIATIONS, UNDER THE SUPERVISION OF THE
19 DEPARTMENT OF BANKING PURSUANT TO THE PROVISIONS OF THIS ACT
20 SHALL BE DEPOSITED IN THE BANKING DEPARTMENT FUND.

21 SECTION 1104. TRANSITION PROVISIONS.

22 (A) NEW LICENSE AND LOCATION.--NOTWITHSTANDING THE
23 PROVISIONS OF SECTION 304(D), UNTIL JANUARY 1, 1999, THE
24 DEPARTMENT SHALL ACT UPON AN APPLICATION FOR A NEW LICENSE OR
25 NEW LOCATION, WITHIN SIX MONTHS OF RECEIPT OF THE COMPLETED
26 APPLICATION.

27 (B) CURRENT OPERATION.--AN APPLICATION FOR A LICENSE BY
28 CHECK-CASHING BUSINESSES OPERATING ON THE EFFECTIVE DATE OF THIS
29 ACT SHALL BE FILED WITHIN ONE YEAR FROM THE EFFECTIVE DATE OF
30 THIS ACT AND SHALL BE SUBJECT TO THE PROVISIONS OF SECTION

1 304(D) .

2 SECTION 1105. EFFECTIVE DATE.

3 THIS ACT SHALL TAKE EFFECT IMMEDIATELY.