
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 14

Session of
1997

INTRODUCED BY THOMAS, BELARDI, MANDERINO, HENNESSEY, KAISER,
YOUNGBLOOD, HERSHEY, PISTELLA, ROBINSON, JOSEPHS, MICHLOVIC
RAMOS, WASHINGTON, TIGUE, CORRIGAN, STEELMAN, HERMAN, DeLUCA,
BATTISTO, LEDERER, STEIL, RUBLEY, FLICK, MELIO, TULLI,
STABACK, CORNELL, BARLEY, D. W. SNYDER, E. Z. TAYLOR, BARD,
SCHRODER and SEYFERT, JANUARY 27, 1997

SENATOR TILGHMAN, APPROPRIATIONS, IN SENATE, RE-REPORTED AS
AMENDED, FEBRUARY 2, 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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18 REGULATING THE CHECK-CASHING INDUSTRY; PROVIDING FOR THE
19 LICENSING OF CHECK CASHERS, FOR ADDITIONAL DUTIES OF THE
20 DEPARTMENT OF BANKING AND FOR CERTAIN TERMS AND CONDITIONS OF
21 THE BUSINESS OF CHECK CASHING; AND PROVIDING PENALTIES FOR
22 MONEY-LAUNDERING ACTIVITIES AND VIOLATIONS OF THE ACT.

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

21 ~~CHAPTER 1~~

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22 ~~GENERAL PROVISIONS~~

23 ~~Section 101. Short title.~~

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

26 ~~Section 102. Purpose.~~

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

1 ~~to obtain from traditional banking institutions. Some customers,~~
2 ~~however, have been charged unreasonable rates by some check~~
3 ~~cashers for these services. Therefore, it is in the public~~
4 ~~interest, convenience and welfare to have the Commonwealth set~~
5 ~~check cashing rates and to regulate the manner in which these~~
6 ~~services are provided.~~

7 ~~Section 103. Definitions.~~

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

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

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

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

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

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

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

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

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

30 ~~Section 104. Authority of department.~~

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

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

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

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

24 ~~CHAPTER 3~~

25 ~~LICENSING PROVISIONS~~

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

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

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

~~Section 303. Issuance of license.~~

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

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

~~Section 304. Conditions for licensing.~~

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

~~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.~~

1 ~~(2) The licensee or applicant has violated any provision~~
2 ~~of this act.~~

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

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

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

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

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

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

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

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

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

29 ~~(b) Multiple license suspension or revocation. The~~
30 ~~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.~~

~~(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~~

1 ~~check or draft:~~

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

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

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

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

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

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

1 ~~checks, drafts or money orders upon the purchase of other goods~~
2 ~~or services.~~

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

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

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

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

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

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

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

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

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

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

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

25 ~~Section 507. Departmental penalty.~~

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

29 ~~Section 508. Criminal penalty.~~

30 ~~Any person, partnership, association or corporation, and any~~

~~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~~

1 ~~of December 22, 1989 (P.L.687, No.90), known as the Mortgage~~
2 ~~Bankers and Brokers Act, in the normal course of business with~~
3 ~~specific relation to lending transactions and when engaged in~~
4 ~~the activities regulated under 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. Effective date.~~

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

23 CHAPTER 1

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24 GENERAL PROVISIONS

25 SECTION 101. SHORT TITLE.

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

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28 SECTION 102. PURPOSE.

29 THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT CHECK
30 CASHES WHICH ENGAGE IN THE BUSINESS OF CASHING CHECKS PROVIDE

1 VITAL FINANCIAL SERVICES WHICH SOME CITIZENS OF THIS
2 COMMONWEALTH FIND UNAVAILABLE OR INCONVENIENT TO OBTAIN FROM
3 TRADITIONAL BANKING INSTITUTIONS AND THAT IT IS IN THE PUBLIC
4 INTEREST, CONVENIENCE AND WELFARE TO:

5 (1) PREVENT THE CHARGING OF UNCONSCIONABLE RATES.

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

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

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

12 SECTION 103. DEFINITIONS.

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

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

19 "CHECK CASHER." A BUSINESS ENTITY, WHETHER OPERATING AS A
20 PROPRIETORSHIP, PARTNERSHIP, ASSOCIATION, LIMITED LIABILITY
21 COMPANY OR CORPORATION ~~ENGAGING~~ THAT ENGAGES IN THE CASHING OF <—
22 CHECKS FOR A FEE.

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

24 "LICENSEE." ~~AN ENTITY~~ A CHECK CASHER LICENSED BY THE <—
25 DEPARTMENT OF BANKING TO ENGAGE IN THE BUSINESS OF CASHING
26 CHECKS AT A FIXED LOCATION OR BY MEANS OF A MOBILE UNIT.

27 "MOBILE UNIT." A VEHICLE OR OTHER MOVABLE MEANS FROM WHICH
28 ~~THE BUSINESS OF CASHING CHECKS IS CONDUCTED.~~ A CHECK CASHER <—
29 CONDUCTS BUSINESS.

30 SECTION 104. AUTHORITY OF DEPARTMENT.

1 THE DEPARTMENT SHALL HAVE THE AUTHORITY TO:

2 (1) ISSUE RULES, REGULATIONS AND ORDERS AS MAY BE
3 NECESSARY FOR THE ADMINISTRATION AND ENFORCEMENT OF THIS ACT. <—

4 ~~AND THE PROPER CONDUCT OF THE BUSINESS OF CHECK CASHING.~~ <—

5 (2) EXAMINE ANY ~~INSTRUMENT~~ CHECK, DOCUMENT, ACCOUNT, <—
6 BOOK, RECORD OR FILE RELATING TO A CHECK CASHER'S BUSINESS OR
7 OPERATION DURING REGULAR BUSINESS HOURS AT THE CHECK CASHER'S <—
8 PRINCIPAL OFFICE OR TO MAKE SUCH OTHER INVESTIGATION AS MAY
9 BE REASONABLY NECESSARY TO ADMINISTER AND ENFORCE THIS ACT. <—

10 (3) CONDUCT ADMINISTRATIVE HEARINGS ~~OF~~ ON ANY MATTER <—
11 PERTAINING TO THIS ACT, ISSUE SUBPOENAS TO COMPEL THE
12 ATTENDANCE OF WITNESSES AND THE PRODUCTION OF ~~INSTRUMENTS~~ <—
13 CHECKS, DOCUMENTS, ACCOUNTS, BOOKS AND RECORDS AT ANY SUCH <—
14 HEARING, WHICH MAY BE RETAINED BY THE DEPARTMENT UNTIL THE <—
15 ~~COMPLETION OF ALL PROCEEDINGS IN CONNECTION WITH WHICH THEY~~ <—
16 ~~WERE PRODUCED~~ PROCEEDINGS ARE COMPLETED, AND ADMINISTER OATHS <—
17 AND AFFIRMATIONS TO ANY PERSON WHOSE TESTIMONY IS REQUIRED.

18 IN THE EVENT A PERSON FAILS TO COMPLY WITH A SUBPOENA ISSUED
19 BY THE DEPARTMENT OR TO TESTIFY ON ANY MATTER CONCERNING
20 WHICH THAT PERSON MAY BE LAWFULLY INTERROGATED, ON

21 APPLICATION BY THE DEPARTMENT, THE COMMONWEALTH COURT MAY
22 ISSUE AN ORDER REQUIRING THE ~~ATTENDANCE OF SUCH PERSON, THE~~ <—
23 ~~PRODUCTION OF INSTRUMENTS, DOCUMENTS, ACCOUNTS, BOOKS OR~~
24 ~~RECORDS OR THE GIVING OF TESTIMONY OR MAY INSTITUTE CONTEMPT~~
25 ~~OF COURT PENALTIES.~~ ATTENDANCE AND TESTIMONY OF SUCH PERSON <—
26 AND REQUIRING THE PRODUCTION OF CHECKS, DOCUMENTS, ACCOUNTS,
27 BOOKS AND RECORDS OR MAY INSTITUTE CONTEMPT OF COURT
28 PENALTIES.

29 CHAPTER 3

30 LICENSING PROVISIONS

1 SECTION 301. LICENSE REQUIREMENT AND FORM.

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

6 (B) FORM OF APPLICATION.--APPLICATION FOR A LICENSE SHALL BE
7 IN ~~WRITING, UNDER OATH, SHALL BE IN THE~~ A FORM PRESCRIBED BY THE <—
8 DEPARTMENT AND SHALL CONTAIN THE FOLLOWING:

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

10 (2) IF THE APPLICANT IS A PARTNERSHIP OR ASSOCIATION,
11 THE NAME AND ADDRESS OF EVERY MEMBER. ~~AND, IF A CORPORATION,~~ <—
12 ~~OF EACH OFFICER AND DIRECTOR.~~ IF THE APPLICANT IS A <—
13 CORPORATION OR LIMITED LIABILITY COMPANY, THE APPLICATION
14 SHALL CONTAIN THE NAME AND ADDRESS OF EACH OFFICER AND
15 DIRECTOR.

16 (3) THE NAME AND ADDRESS OF THE BUSINESS ~~IF THE BUSINESS~~ <—
17 ~~WILL BE CONDUCTED AT A SPECIFIC ADDRESS~~ OR, IF THE APPLICANT
18 INTENDS TO OPERATE A MOBILE UNIT, THE PENNSYLVANIA
19 REGISTRATION NUMBER OR OTHER IDENTIFICATION OF THE MOBILE
20 UNIT, THE AREA IN WHICH THE APPLICANT PROPOSES TO OPERATE THE
21 MOBILE UNIT AND A STATIONARY PHYSICAL LOCATION WHERE RECORDS
22 SHALL BE MAINTAINED ~~FOR PHYSICAL EXAMINATION.~~ <—

23 (4) A SIGNED STATEMENT BY THE APPLICANT THAT THE
24 APPLICANT HAS COMPLIED WITH ALL APPLICABLE MUNICIPAL AND <—
25 COUNTY ORDINANCES OR REQUIREMENTS FOR DOING BUSINESS. <—

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

29 (6) FOR APPLICANTS DOING BUSINESS ON THE EFFECTIVE DATE
30 OF THIS ACT, THE LENGTH OF TIME THE APPLICANT HAS BEEN

1 ~~ENGAGED IN THE CHECK CASHING BUSINESS~~ A CHECK CASHER AT THE <—
2 LOCATION SPECIFIED IN THE APPLICATION OR ANY OTHER LOCATION.

3 (C) ADDITIONAL INFORMATION.--THE DEPARTMENT MAY REQUEST ANY
4 ADDITIONAL INFORMATION ~~WHICH IT DEEMS NECESSARY TO THE LICENSING~~ <—
5 ~~PROCEDURE, AS WELL AS~~ DEEMED NECESSARY FOR LICENSURE, INCLUDING <—
6 INFORMATION FROM OTHER STATES OR THE FEDERAL GOVERNMENT, WHICH
7 MAY BE EVALUATED FOR LICENSURE PURPOSES. <—

8 SECTION 302. LICENSE TERMS AND FEES.

9 (A) APPLICATION FEES.--AN APPLICANT FOR A ~~LICENSE TO CONDUCT~~ <—
10 ~~A CHECK CASHING BUSINESS FROM EITHER A STATIONARY OR MOBILE UNIT~~
11 ~~LOCATION SHALL BE SUBJECT TO AN APPLICATION FEE OF \$500. CHECK-~~ <—
12 CASHER LICENSE UNDER THIS ACT SHALL BE SUBJECT TO AN INITIAL
13 APPLICATION FEE OF \$500 FOR EACH FIXED LOCATION OR MOBILE UNIT.

14 ~~(B) RENEWAL FEE. ON OR BEFORE MARCH 1, EVERY YEAR, A~~ <—
15 ~~LICENSEE SHALL BE SUBJECT TO A RENEWAL FEE OF \$350. EACH~~
16 ~~LICENSEE SHALL, 90 DAYS PRIOR TO THE DATE OF EXPIRATION, APPLY~~
17 ~~FOR LICENSE RENEWAL ON A FORM PROVIDED BY THE DEPARTMENT. THE~~
18 ~~DEPARTMENT SHALL RENEW THE LICENSE IF THE LICENSE RENEWAL~~
19 ~~APPLICANT IS IN COMPLIANCE WITH THE PROVISIONS OF THIS ACT.~~

20 (B) RENEWAL FEE.--ON OR BEFORE MARCH 1 OF EVERY YEAR, A <—
21 LICENSEE SHALL APPLY FOR LICENSE RENEWAL ON A FORM PROVIDED BY
22 THE DEPARTMENT AND PAY A RENEWAL FEE OF \$350 FOR EACH FIXED
23 LOCATION OR MOBILE UNIT. THE DEPARTMENT SHALL RENEW THE LICENSE
24 IF THE LICENSEE IS IN COMPLIANCE WITH THE PROVISIONS OF THIS
25 ACT.

26 (C) SINGLE APPLICATION.--THE DEPARTMENT SHALL ~~PERMIT~~ PROVIDE <—
27 FOR THE FILING OF A SINGLE APPLICATION FOR ALL APPLICANTS WHO
28 CONDUCT BUSINESS AT MULTIPLE LOCATIONS. A SINGLE APPLICATION
29 SHALL INDICATE THE PRINCIPAL OFFICE OF THE BUSINESS AND A
30 SPECIFIC ADDRESS FOR EACH FIXED LOCATION OR MOBILE UNIT COVERED

1 UNDER THE APPLICATION. THE PRINCIPAL OFFICE SHALL HAVE
2 AVAILABLE ALL PERTINENT RECORDS AND INFORMATION RELATED TO THE
3 BUSINESSES LICENSED. A LICENSE SHALL BE ISSUED FOR EACH LOCATION
4 OR MOBILE UNIT. THE DEPARTMENT MAY ACCEPT THE ~~FILINGS~~ FILING OF <—
5 AN APPLICATION ELECTRONICALLY OR IN COMPUTER FORMAT.

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

9 ~~(E) ADJUSTMENT OF FEE. WHEN, IN THE OPINION OF THE~~ <—
10 ~~DEPARTMENT, THE APPLICATION FEES NEEDED TO ADMINISTER THIS ACT~~
11 ~~ARE IN EXCESS OF THAT NECESSARY AMOUNT, IT MAY REDUCE THE FEE BY~~
12 ~~REGULATION.~~

13 (E) ADJUSTMENT OF FEE.--IN THE EVENT THAT APPLICATION AND <—
14 RENEWAL FEES EXCEED THE AMOUNT NEEDED TO ADMINISTER THIS ACT,
15 THE DEPARTMENT MAY REDUCE THE FEE BY REGULATION.

16 SECTION 303. ISSUANCE OF LICENSE.

17 (A) TIME LIMIT.--~~WITHIN 60 DAYS AFTER~~ EXCEPT AS PROVIDED IN <—
18 SECTION 1104(A), WITHIN 60 DAYS AFTER THE RECEIPT OF A COMPLETE
19 APPLICATION ~~IS RECEIVED~~, THE DEPARTMENT SHALL EITHER ISSUE A <—
20 LICENSE OR REFUSE TO ISSUE OR RENEW A LICENSE AS PROVIDED FOR BY
21 SECTION 501. UPON RECEIPT OF AN APPLICATION FOR LICENSE, THE
22 DEPARTMENT SHALL CONDUCT SUCH INVESTIGATION AS IT DEEMS
23 NECESSARY TO DETERMINE THAT THE APPLICANT AND ITS OFFICERS, <—
24 ~~DIRECTORS AND PRINCIPALS ARE OF GOOD CHARACTER AND ETHICAL~~ <—
25 ~~REPUTATION.~~ PRINCIPALS MEET THE REQUIREMENTS OF SECTION 304. <—

26 (B) APPEAL OF DENIAL.--IF THE DEPARTMENT REFUSES TO ISSUE OR
27 RENEW A LICENSE, IT SHALL NOTIFY THE APPLICANT, IN WRITING, OF
28 THE DENIAL AND THE REASON THEREFOR AND OF THE APPLICANT'S RIGHT
29 ~~TO APPEAL FROM SUCH ACTION TO THE COMMONWEALTH COURT. AN APPEAL~~ <—
30 ~~FROM THE DEPARTMENT'S REFUSAL TO APPROVE OR RENEW AN APPLICATION~~

1 ~~FOR A LICENSE SHALL BE FILED BY THE APPLICANT WITHIN 30 DAYS OF~~
2 ~~NOTICE THEREOF.~~ TO APPEAL THE DENIAL IN ACCORDANCE WITH 2 <—
3 PA.C.S. (RELATING TO ADMINISTRATIVE LAW AND PROCEDURE).

4 SECTION 304. CONDITIONS FOR LICENSING.

5 (A) CONDITIONS FOR LICENSE.--

6 (1) EXCEPT AS PROVIDED IN SUBSECTION (B), IF THE
7 DEPARTMENT FINDS THAT THE FINANCIAL RESPONSIBILITY,
8 EXPERIENCE, CHARACTER AND GENERAL FITNESS OF THE APPLICANT
9 WARRANTS THE CONCLUSION THAT THE BUSINESS WILL BE OPERATED
10 HONESTLY AND FAIRLY WITHIN THE PURPOSE OF THE ACT, THE

11 ~~DEPARTMENT SHALL ISSUE A LICENSE TO PERMIT THE CASHING OF~~ <—
12 ~~CHECKS. FOR PURPOSES OF THIS SECTION, "APPLICANT" MEANS~~
13 ~~MEMBERS OF A PARTNERSHIP OR OFFICERS OF A CORPORATION.~~

14 ~~(2) THE DEPARTMENT SHALL ISSUE A LICENSE TO PERMIT THE~~
15 ~~CASHING OF CHECKS IN ACCORDANCE WITH THIS ACT. THE LICENSE~~
16 DEPARTMENT SHALL ISSUE A CHECK-CASHER LICENSE IN ACCORDANCE <—
17 WITH THIS ACT.

18 (2) A LICENSE SHALL BE ISSUED FOR THE BUSINESS LOCATION
19 SPECIFIED IN THE APPLICATION ONLY AND FOR MOBILE UNITS TO THE
20 SITE OR SITES SPECIFIED. ~~THE APPLICANT SHALL SUBMIT A~~ <—
21 ~~COMPLETED APPLICATION FULLY DISCLOSING THE NATURE AND~~
22 ~~OPERATION OF THE BUSINESS.~~

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

28 (1) THE APPLICANT SHALL PUBLISH NOTICE, WITHIN TEN DAYS
29 AFTER BEING NOTIFIED BY THE DEPARTMENT, THAT THE APPLICATION
30 IS COMPLETED. NOTICE SHALL BE PUBLISHED IN A NEWSPAPER HAVING

1 GENERAL CIRCULATION IN THE COMMUNITY IN WHICH THE APPLICANT
2 INTENDS TO LOCATE.

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

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

13 (4) WITHIN 30 DAYS OF THE DATE OF PUBLICATION OF NOTICE,
14 ~~ANYONE MAY FILE A COMMUNICATION~~ ANY PERSON MAY FILE A NOTICE <—
15 IN PROTEST OR IN FAVOR OF THE APPLICATION BY SUBMITTING TWO
16 COPIES TO THE DEPARTMENT.

17 (5) THE APPLICANT MAY REQUEST A COPY OF ~~SUCH~~ <—
18 ~~COMMUNICATION~~ THE NOTICE AND MAY FILE AN ANSWER TO ANY <—
19 PROTEST ~~UNTIL~~ WITHIN TEN DAYS ~~AFTER~~ FROM THE LAST DATE FOR <—
20 FILING ~~OF COMMUNICATION~~ A NOTICE UNDER PARAGRAPH (4) BY <—
21 SUBMITTING TWO COPIES TO THE DEPARTMENT.

22 (6) THE DEPARTMENT SHALL CONSIDER ALL SUCH ~~COMMUNICATION~~ <—
23 PUBLIC COMMENT IN ITS EVALUATION OF THE APPLICATION. <—

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

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

OF THIS ACT.

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

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

(4) WHETHER THE APPLICANT HAS SUFFICIENT BUSINESS EXPERIENCE TO QUALIFY THE APPLICANT TO ~~COMPETENTLY CONDUCT,~~ <—
~~OPERATE OR BECOME ASSOCIATED WITH A CHECK CASHING BUSINESS.~~

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

~~(E)~~ ACT OR OPERATE AS A CHECK CASHER. <—

(D) NUMBER OF LICENSES.--~~NO MORE THAN ONE~~ ONE LICENSE SHALL <—
BE ISSUED FOR EACH PLACE OF BUSINESS OR ~~MORE THAN ONE~~ MOBILE <—
UNIT ~~SHALL BE MAINTAINED UNDER THE SAME LICENSE. HOWEVER, MORE.~~ <—
MORE THAN ONE LICENSE MAY BE ISSUED TO THE SAME LICENSEE UPON
COMPLIANCE WITH THIS ACT FOR EACH ~~NEW LICENSE~~ LOCATION OR MOBILE <—
UNIT.

~~(F)~~ (E) FELONY CONVICTION.--THE DEPARTMENT MAY DECLINE TO <—
ISSUE A LICENSE IF IT FINDS THAT THE APPLICANT HAS BEEN
CONVICTED OF OR PLED GUILTY OR NOLO CONTENDERE TO A FELONY WHICH
WOULD WARRANT SUCH A DENIAL. THE DEPARTMENT SHALL CONSIDER THE
YEAR OF THE CONVICTION, THE NATURE OF THE OFFENSE AND THE
POTENTIAL IMPACT ON THE CHECK-CASHING BUSINESS OR THE COMMUNITY
PRIOR TO DECLINING TO ISSUE A LICENSE PURSUANT TO THIS
SUBSECTION. THE DEPARTMENT SHALL MAKE SPECIFIC WRITTEN FINDINGS

1 REGARDING ITS DECISION TO DENY ~~AT THE TIME OF THE ISSUANCE~~ <—
2 WITHIN 30 DAYS OF THE DENIAL. <—
3 ~~(G)~~ (F) INFORMATION ON LICENSE.--THE LICENSE ISSUED UNDER <—
4 THIS SECTION SHALL STATE:
5 (1) THE NAME AND SPECIFIC ADDRESS OF THE LICENSEE.
6 (2) THE NAME AND SPECIFIC ADDRESS OF THE BUSINESS AND
7 ~~THE LICENSEE'S PERMITTED UNIT LOCATIONS IN THE CASE OF A~~ <—
8 LOCATION OF ANY MOBILE UNIT. <—
9 (3) ANY OTHER INFORMATION DEEMED NECESSARY BY THE
10 DEPARTMENT.
11 ~~(H)~~ (G) LICENSE NOT TRANSFERABLE.--THE LICENSE SHALL ~~NEITHER~~ <—
12 NOT BE TRANSFERABLE OR ASSIGNABLE ~~NOR MAY OWNERSHIP~~. OWNERSHIP <—
13 SHALL NOT BE CHANGED UNDER THE EXISTING LICENSE.
14 ~~(I)~~ (H) POSTING.--THE LICENSE SHALL BE CONSPICUOUSLY POSTED <—
15 IN THE PLACE OF BUSINESS OF THE LICENSEE OR, IN THE CASE OF A
16 MOBILE UNIT, UPON A WINDOW OF THE MOBILE UNIT.
17 ~~(J)~~ (I) EFFECT OF LICENSE.--THE LICENSE SHALL REMAIN IN FULL <—
18 FORCE AND EFFECT UNTIL IT EXPIRES ~~OR~~, IS SURRENDERED BY THE <—
19 LICENSEE OR IS REVOKED OR SUSPENDED AS PROVIDED IN THIS ACT. <—

20 CHAPTER 5

21 ENFORCEMENT

22 SECTION 501. SUSPENSION AND REVOCATION OF LICENSE AND CIVIL
23 PENALTIES.

24 (A) ACTS OF LICENSEE.--THE DEPARTMENT, UPON 60 DAYS' WRITTEN
25 NOTICE TO THE LICENSEE AND CONSISTENT WITH 2 PA.C.S. (RELATING
26 TO ADMINISTRATIVE LAW AND PROCEDURE), MAY REVOKE ~~OR SUSPEND~~, <—
27 SUSPEND OR DECLINE TO RENEW A LICENSE IF IT FINDS THAT THE
28 LICENSEE:

29 (1) HAS MADE ANY MATERIAL MISSTATEMENT IN THE
30 APPLICATION FOR LICENSE;

1 (2) HAS VIOLATED ANY PROVISION OF THIS ACT OR ANY ORDER,
2 RULE OR REGULATION OF THE DEPARTMENT ISSUED UNDER THIS ACT;

3 (3) HAS FAILED TO COMPLY WITH A SUBPOENA ISSUED UNDER
4 AUTHORITY OF THIS ACT;

5 (4) HAS FAILED TO MAINTAIN RECORDS AS REQUIRED UNDER <—
6 THIS ACT OR AS PRESCRIBED BY THE DEPARTMENT;

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

9 (6) ~~REFUSES OR~~ HAS REFUSED TO PERMIT THE DEPARTMENT OR <—
10 ITS DESIGNATED REPRESENTATIVE TO MAKE EXAMINATIONS OR
11 INVESTIGATIONS AUTHORIZED UNDER THIS ACT;

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

14 (8) HAS BEEN CONVICTED OF OR PLED GUILTY OR NOLO
15 CONTENDERE TO, OR HAS OTHERWISE BEEN ADJUDGED IN A FINAL <—
16 JUDGMENT BY A COURT OF COMPETENT JURISDICTION TO HAVE
17 COMMITTED, ANY OF THE FOLLOWING ACTS: <—

18 (I) A VIOLATION OF 18 PA.C.S. (RELATING TO CRIMES
19 AND OFFENSES) ~~DEALING WITH~~ REGARDING THEFT OR FRAUD TO <—
20 INVOLVING A CUSTOMER; <—

21 (II) A VIOLATION OF FEDERAL OR STATE LAW ~~CONCERNING~~ <—
22 REGARDING THE REPORTING OF CURRENCY TRANSACTIONS, <—
23 INCLUDING ~~SECTION 411 OF THE NATIONAL HOUSING ACT (48~~ <—
24 ~~STAT. 1246, 12 U.S.C. § 1730D)~~, SECTION 21 OF THE FEDERAL
25 DEPOSIT INSURANCE CORPORATION ACT (64 STAT. 873, 12
26 U.S.C. § 1829B) AND SECTIONS 121 THROUGH 124 OF THE ACT
27 OF OCTOBER 26, 1970 (PUBLIC LAW 91-508, 12 U.S.C. §§ 1951
28 THROUGH 1954);

29 (III) A VIOLATION OF 18 PA.C.S. § 5111 (RELATING TO
30 DEALING IN PROCEEDS OF UNLAWFUL ACTIVITIES) OR ANY <—

1 FEDERAL CRIMINAL STATUTE, RELATED TO MONEY LAUNDERING OR
2 CONSPIRACY TO LAUNDER MONEY; OR
3 (IV) ANY OTHER FELONY AS DETERMINED IN ACCORDANCE
4 WITH SECTION ~~304(F)~~. 304(E); OR <—
5 ~~(9) HAS FAILED TO REPORT TO THE DEPARTMENT ANY CHANGE IN~~ <—
6 ~~OWNERSHIP AT LEAST TEN DAYS PRIOR TO THE EFFECTIVE DATE OF~~
7 ~~THE OWNERSHIP CHANGE;~~
8 ~~(10) HAS ENGAGED IN AN ACTIVITY PROHIBITED BY SECTION~~
9 ~~304(F); OR~~
10 ~~(11)~~ (9) HAS COMMITTED ANY ACT, THE FACT OR CONDITION OF <—
11 WHICH EXISTS OR IS DISCOVERED TO EXIST WHICH, IF IT HAD
12 EXISTED OR HAD BEEN DISCOVERED TO EXIST AT THE TIME OF FILING
13 OF THE APPLICATION FOR THE A LICENSE, WOULD HAVE BEEN GROUNDS <—
14 FOR THE DEPARTMENT TO REFUSE TO ISSUE THE LICENSE.
15 (B) NONCOMPLIANCE NOTICE.--THE DEPARTMENT SHALL PROVIDE TO A
16 LICENSEE NOTICE OF NONCOMPLIANCE WITH OR A VIOLATION OF THIS
17 ACT. THE DEPARTMENT SHALL PERMIT THE LICENSEE A REASONABLE TIME
18 TO COMPLY WITH THIS ACT OR TO CORRECT THE VIOLATION. IF THE
19 LICENSEE FAILS TO COMPLY OR CORRECT THE VIOLATION, THE
20 DEPARTMENT MAY ORDER THAT CIVIL PENALTIES BE LEVIED AGAINST A
21 LICENSEE.
22 (C) MULTIPLE LICENSE SUSPENSION OR REVOCATION.--THE
23 DEPARTMENT MAY REVOKE ~~OR SUSPEND~~, SUSPEND OR NONRENEW ONLY THE <—
24 PARTICULAR LICENSE ~~WITH RESPECT TO WHICH GROUNDS FOR REVOCATION~~ <—
25 ~~FOR WHICH GROUNDS TO DO SO MAY OCCUR OR EXIST, BUT IF IT FINDS~~ <—
26 ~~THAT GROUNDS FOR REVOCATION~~ SUCH GROUNDS ARE OF GENERAL <—
27 APPLICATION TO ALL PLACES OF BUSINESS OR TO MORE THAN ONE PLACE
28 OF BUSINESS OPERATED BY A LICENSEE, IT MAY REVOKE ~~ALL~~, SUSPEND <—
29 OR NONRENEW ALL OR SOME OF THE LICENSES ISSUED TO ~~SUCH LICENSEE~~ <—
30 ~~OR THOSE LICENSES TO WHICH GROUNDS FOR REVOCATION APPLY, AS THE~~

1 ~~CASE MAY BE.~~ THE CHECK CASHER. <—

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

6 (E) APPEALS.--~~APPEALS MAY BE TAKEN FROM THE ACTION OF THE~~ <—
7 ~~DEPARTMENT IN SUSPENDING AND REVOKING LICENSES~~ A LICENSEE MAY <—
8 APPEAL THE DEPARTMENT'S SUSPENSION, REVOCATION OR NONRENEWAL OF
9 A LICENSE IN ACCORDANCE WITH THE PROCEDURES OF 2 PA.C.S.
10 (RELATING TO ADMINISTRATIVE LAW AND PROCEDURE).

11 SECTION 502. CHANGE OF STATUS.

12 (A) NOTICE TO DEPARTMENT.--A LICENSEE SHALL SEND WRITTEN
13 NOTICE TO THE DEPARTMENT ON ANY CHANGE IN STATUS INCLUDING
14 ADDRESS CHANGE, CHANGE OF DIRECTORS, OWNERS OR OFFICERS BY <—
15 ~~STATING~~, INCLUDING THE REASON FOR THE PROPOSED CHANGE. <—

16 (B) APPROVAL FOR SALE OR TRANSFER OF LICENSE.--A LICENSEE
17 SHALL NOT ~~BE PERMITTED TO SELL~~, TRANSFER OR ASSIGN ~~A LICENSE OF~~ <—
18 ~~THE BUSINESS~~ ITS CHECK-CASHER LICENSE, WITHOUT THE ~~APPROVAL~~ <—
19 ISSUANCE BY THE DEPARTMENT OF ~~THE~~ A NEW ~~LICENSEE~~ LICENSE. IN THE <—
20 EVENT A LICENSE IS TERMINATED, THE FORMER LICENSEE SHALL
21 SURRENDER IT TO THE DEPARTMENT.

22 SECTION 503. FEES AND CHARGES.

23 (A) ALLOWABLE FEES.--THE LICENSEE MAY COLLECT ~~IN FEES~~ THE <—
24 FOLLOWING FEES FOR CASHING A CHECK:

25 (1) ~~FOR CASHING A GOVERNMENT ASSISTANCE CHECK A SUM OR~~ <—
26 ~~SUMS~~ A SUM NOT EXCEEDING 2.5% OF THE FACE AMOUNT OF ~~THE~~ A <—
27 GOVERNMENT ASSISTANCE CHECK, PROVIDED THE PAYEE SUBMITS VALID
28 IDENTIFICATION IN THE FORM OF A DRIVER'S LICENSE, AN
29 IDENTIFICATION CARD ISSUED BY THE DEPARTMENT OF
30 TRANSPORTATION OR THE EQUIVALENT; OR

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

3 (3) A SUM NOT ~~TO EXCEED~~ EXCEEDING 10% OF THE FACE AMOUNT <—
4 OF A PERSONAL CHECK.

5 (B) NEW CUSTOMER FEE.--NOTWITHSTANDING ANYTHING IN THIS
6 SECTION TO THE CONTRARY, THE LICENSEE MAY CHARGE AN INITIAL FEE
7 NOT ~~EXCEEDING~~ TO EXCEED \$10 TO A NEW CUSTOMER TO COVER THE COST <—
8 OF INVESTIGATING THE CUSTOMER'S CREDIT.

9 (C) RECEIPT OF TRANSACTION.--THE LICENSEE SHALL PROVIDE A
10 RECEIPT OF THE TRANSACTION.

11 (D) OTHER GOODS AND SERVICES.--

12 (1) THE LICENSEE SHALL NOT REQUIRE CONSUMERS TO PURCHASE
13 OTHER GOODS OR SERVICES IN ORDER TO CASH ~~CHECKS~~ A CHECK. <—

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

16 (D) DEFINITION.--AS USED IN THIS SECTION, THE TERM
17 "GOVERNMENT ASSISTANCE CHECK" MEANS A CHECK ISSUED ON A
18 CONTINUING PERIODIC BASIS BY A GOVERNMENT AGENCY FOR PAYMENT TO
19 THE RECIPIENT PAYEE OF FEDERAL OR STATE ASSISTANCE, SOCIAL
20 SECURITY, WORKERS' COMPENSATION, UNEMPLOYMENT COMPENSATION,
21 RAILROAD RETIREMENT BENEFITS OR ~~VETERANS~~ VETERANS' DISABILITY. <—
22 SECTION 504. ENDORSEMENT OF CHECKS.

23 BEFORE A CHECK CASHER DEPOSITS A CHECK WITH ANY BANKING <—
24 INSTITUTION ~~A CHECK, THE SAME MUST~~, THE CHECK SHALL BE ENDORSED <—
25 WITH THE ACTUAL NAME UNDER WHICH ~~SUCH~~ THE CHECK CASHER IS DOING <—
26 BUSINESS AND ~~MUST~~ SHALL HAVE THE WORDS "LICENSED ~~CASHER OF~~ <—
27 ~~CHECKS~~" CHECK CASHER" LEGIBLY WRITTEN OR STAMPED IMMEDIATELY <—
28 AFTER OR BELOW SUCH NAME.

29 SECTION 505. RESTRICTIONS ON BUSINESS OF LICENSEE.

30 (A) ADVANCEMENT OF MONEYS.--NO LICENSEE SHALL AT ANY TIME

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

6 (B) REPORT OF CERTAIN TRANSACTIONS.--A LICENSEE SHALL REPORT
7 TO THE DEPARTMENT EACH TRANSACTION INVOLVING A CHECK DRAWN ON
8 THE PERSONAL ACCOUNT OF THE MAKER WHICH IS ALSO PAYABLE TO THE
9 MAKER ~~IF IT EXCEEDS \$2,500~~ IN ACCORDANCE WITH THE REQUIREMENTS <—
10 OF 31 UNITED STATES CODE § 5316 (RELATING TO REPORTS ON
11 EXPORTING AND IMPORTING MONETARY INSTRUMENTS). THE REPORT SHALL
12 BE FORWARDED TO THE ~~SECRETARY~~ DEPARTMENT WITHIN TEN DAYS OF THE <—
13 TRANSACTION AND SHALL INCLUDE THE NAME AND ADDRESS OF THE PERSON
14 ON WHOSE ACCOUNT THE CHECK WAS DRAWN AND THE DATE OF THE
15 TRANSACTION.

16 SECTION 506. BOOKS, ACCOUNTS AND RECORDS.

17 (A) ~~KEEPING~~ MAINTENANCE AND USE OF INFORMATION.--EACH CHECK <—
18 CASHER SHALL ~~KEEP~~ MAINTAIN AND USE ~~IN THE BUSINESS, IN A FORM~~ <—
19 ~~SATISFACTORY TO THE DEPARTMENT,~~ SUCH BOOKS, ACCOUNTS AND RECORDS
20 AS WILL ENABLE THE DEPARTMENT TO DETERMINE WHETHER THE CHECK
21 CASHER IS COMPLYING WITH THE PROVISIONS OF THIS ACT AND THE
22 RULES AND REGULATIONS ADOPTED UNDER THIS ACT. ~~EVERY~~ A CHECK <—
23 CASHER SHALL MAINTAIN RECORDS IN A FORM PRESCRIBED BY THE <—
24 DEPARTMENT AND SHALL PRESERVE SUCH BOOKS, ACCOUNTS AND RECORDS
25 FOR FIVE YEARS.

26 ~~(B) FILING OF INFORMATION. EVERY CHECK CASHER SHALL~~ <—
27 ~~ANNUALLY, ON OR BEFORE SEPTEMBER 1, FILE A REPORT WITH THE~~
28 ~~DEPARTMENT GIVING SUCH INFORMATION AS THE DEPARTMENT MAY REQUIRE~~
29 ~~CONCERNING THE BUSINESS AND OPERATIONS OF THE LICENSEE DURING~~
30 ~~THE PRECEDING CALENDAR YEAR. IN ADDITION TO THE ANNUAL REPORT,~~

1 ~~THE DEPARTMENT MAY REQUIRE SUCH ADDITIONAL REGULAR OR SPECIAL~~
2 ~~REPORTS DEEMED NECESSARY TO THE PROPER OPERATION AND ENFORCEMENT~~
3 ~~OF THIS ACT. THESE REPORTS SHALL BE MADE UNDER OATH OR~~
4 ~~AFFIRMATION AND SHALL BE IN THE FORM PRESCRIBED BY THE~~
5 ~~DEPARTMENT WHICH SHALL MAKE AND PUBLISH ANNUALLY AN ANALYSIS OF~~
6 ~~THESE REPORTS.~~

7 ~~(C)~~ (B) EXAMINATION AND COST OF INFORMATION.--THE DEPARTMENT <—
8 MAY EXAMINE THE AFFAIRS, BUSINESS, RECORDS, BOOKS, DOCUMENTS,
9 ACCOUNTS AND PAPERS OF ANY LICENSEE. THE ACTUAL COST OF THESE
10 EXAMINATIONS SHALL BE PAID TO THE DEPARTMENT BY THE LICENSEE
11 EXAMINED, AND THE DEPARTMENT MAY BRING AN ACTION FOR THE
12 RECOVERY OF THESE COSTS IN ANY COURT OF COMPETENT JURISDICTION.
13 SECTION 507. CIVIL PENALTY.

14 ANY PERSON WHO IS SUBJECT TO THE PROVISIONS OF THIS ACT WHO
15 VIOLATES ANY OF THE PROVISIONS OF THIS ACT SHALL BE SUBJECT TO A
16 CIVIL PENALTY LEVIED BY THE DEPARTMENT OF UP TO \$2,000 FOR EACH
17 VIOLATION. THE CIVIL PENALTY SHALL SPECIFICALLY APPLY TO
18 LICENSED AND UNLICENSED ACTIVITY UNDER THIS ACT. THE DEPARTMENT
19 MAY ALSO RECOVER THE COST OF INVESTIGATING ALLEGED VIOLATIONS.
20 SECTION 508. CRIMINAL PENALTY.

21 IT SHALL BE A MISDEMEANOR OF THE THIRD DEGREE FOR ANY PERSON
22 TO OPERATE AS A CHECK CASHER WITHOUT OBTAINING A LICENSE UNDER
23 SECTION 304 OR ~~WHO VIOLATES~~ TO VIOLATE SECTION 501(A)(5) OR (6) <—
24 OR 503.

25 SECTION 509. PRIVATE REMEDY.

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

1 (B) RECOVERY OF COSTS.--IN THE CASE OF ANY SUCCESSFUL ACTION
2 TO ENFORCE ~~THE~~ LIABILITY UNDER SUBSECTION (A), THE CONSUMER <—
3 SHALL RECOVER FROM THE LICENSEE THE COSTS OF THE ACTION,
4 TOGETHER WITH A REASONABLE ATTORNEY FEE AS DETERMINED BY THE
5 COURT.

6 CHAPTER 11

7 MISCELLANEOUS PROVISIONS

8 SECTION 1101. APPLICABILITY.

9 THIS ACT SHALL NOT APPLY TO ANY INSURED DEPOSITORY
10 INSTITUTION OR AFFILIATE OR SERVICE CORPORATION OF ANY
11 DEPOSITORY INSTITUTION SUPERVISED OR REGULATED BY THE DEPARTMENT
12 OF BANKING, THE NATIONAL CREDIT UNION ADMINISTRATION, THE OFFICE
13 OF THRIFT SUPERVISION, THE FEDERAL DEPOSIT INSURANCE
14 CORPORATION, THE COMPTROLLER OF THE CURRENCY OR THE BOARD OF
15 GOVERNORS OF THE FEDERAL RESERVE OR THE FEDERAL RESERVE BANKS.
16 IT ALSO SHALL NOT APPLY TO COMPANIES LICENSED BY THE DEPARTMENT
17 OF BANKING UNDER THE ACT OF APRIL 8, 1937 (P.L.262, NO.66),
18 KNOWN AS THE CONSUMER DISCOUNT COMPANY ACT, THE ACT OF SEPTEMBER <—
19 2, 1965 (P.L.490, NO.249), REFERRED TO AS THE MONEY TRANSMISSION
20 BUSINESS LICENSING LAW, UNLESS CONDUCTING ACTIVITIES REGULATED
21 BY THIS ACT, THE ACT OF DECEMBER 12, 1980 (P.L.1179, NO.219),
22 KNOWN AS THE SECONDARY MORTGAGE LOAN ACT, AND THE ACT OF
23 DECEMBER 22, 1989 (P.L.687, NO.90), KNOWN AS THE MORTGAGE
24 BANKERS AND BROKERS ACT, IN THE NORMAL COURSE OF BUSINESS WITH
25 SPECIFIC RELATION TO LENDING TRANSACTIONS AND WHEN ENGAGED IN
26 THE ACTIVITIES REGULATED UNDER THESE ACTS.

27 SECTION 1102. REPORT TO GENERAL ASSEMBLY.

28 THREE YEARS FROM THE EFFECTIVE DATE OF THIS ACT, THE
29 DEPARTMENT SHALL PROVIDE A WRITTEN REPORT TO THE GENERAL
30 ASSEMBLY SUMMARIZING CONSUMER COMPLAINTS RECEIVED BY THE

1 DEPARTMENT RELATING TO CHECK CASHING ACTIVITIES AND THE METHODS
2 BY WHICH THE COMPLAINTS WERE ADDRESSED. THE DEPARTMENT SHALL
3 ALSO MAKE RECOMMENDATIONS TO THE GENERAL ASSEMBLY REGARDING
4 IMPROVEMENTS TO THIS ACT AND THE CONTINUANCE OF A LICENSING
5 PROGRAM.

6 SECTION 1103. DISPOSITION OF FUNDS.

7 ALL MONEYS RECEIVED BY THE TREASURY DEPARTMENT FROM THE
8 DEPARTMENT OF BANKING FROM FEES, FINES, ASSESSMENTS, CHARGES AND
9 PENALTIES, COLLECTED OR RECOVERED FROM ~~PERSONS, FIRMS,~~ <—
10 ~~CORPORATIONS OR ASSOCIATIONS, UNDER THE SUPERVISION OF THE~~
11 ~~DEPARTMENT OF BANKING~~ CHECK CASHERS PURSUANT TO THE PROVISIONS <—
12 OF THIS ACT SHALL BE DEPOSITED IN THE BANKING DEPARTMENT FUND.

13 SECTION 1104. TRANSITION PROVISIONS.

14 (A) NEW LICENSE AND LOCATION.--NOTWITHSTANDING THE
15 ~~PROVISIONS OF SECTION 304(D), UNTIL JANUARY 1, 1999, THE~~ <—
16 ~~DEPARTMENT SHALL ACT UPON AN APPLICATION FOR A NEW LICENSE OR~~
17 ~~NEW LOCATION, WITHIN SIX MONTHS OF RECEIPT OF THE COMPLETED~~
18 ~~APPLICATION.~~ PROVISIONS OF SECTION 303(A), THE DEPARTMENT SHALL <—
19 HAVE SIX MONTHS TO GRANT OR DENY AN APPLICATION FOR A NEW
20 LICENSE OR NEW LOCATION. THIS SUBSECTION SHALL EXPIRE ON JANUARY
21 1, 1999.

22 (B) CURRENT OPERATION.--AN APPLICATION FOR A LICENSE BY
23 ~~CHECK CASHING BUSINESSES~~ A CHECK CASHER OPERATING ON THE <—
24 EFFECTIVE DATE OF THIS ACT SHALL BE FILED WITHIN ONE YEAR FROM
25 THE EFFECTIVE DATE OF THIS ACT. ~~AND SHALL BE SUBJECT TO THE~~ <—
26 ~~PROVISIONS OF SECTION 304(D).~~

27 ~~SECTION 1105. EFFECTIVE DATE.~~

28 ~~THIS ACT SHALL TAKE EFFECT IMMEDIATELY.~~

29 SECTION 1105. EFFECTIVE DATE. <—

30 THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

1 (1) SECTION 1104(A) OF THIS ACT AND THIS SECTION SHALL
2 TAKE EFFECT IMMEDIATELY.

3 (2) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
4 DAYS.