



House of Representatives

File No. 834

General Assembly

January Session, 2001

(Reprint of File No. 144)

Substitute House Bill No. 5732
As Amended by House Amendment
Schedules "A" and "B"

Approved by the Legislative Commissioner
May 31, 2001

AN ACT CONCERNING IDENTIFICATION REQUIRED FOR CHECK CASHING.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) Each bank, as defined in section 36a-2 of the
2 general statutes, shall cash, at its main office or any of its branch offices
3 within this state, for any person any check payable at such bank or
4 drawn on an account held at the bank in an amount up to and
5 including five hundred dollars, provided the check is presented for
6 payment by the payee of the check, there are sufficient available funds
7 in the account on which the check was drawn to pay the check, and the
8 person cashing the check provides adequate identification, and any
9 information necessary for the bank to meet any reporting or
10 recordkeeping requirements, as required by the bank. The bank may
11 not require more than two forms of identification if the person
12 provides one of the following forms of identification: (1) A current
13 passport issued by the State Department of the United States, (2) a
14 current motor vehicle operator's license issued pursuant to section 14-
15 36 of the general statutes or a current motorcycle operator's license

16 issued pursuant to section 14-40a of the general statutes, or (3) any
17 current identity card issued by the Department of Motor Vehicles in
18 accordance with section 1-1h of the general statutes. Notwithstanding
19 the provisions of this section, the bank may determine that it is
20 reasonably necessary to refuse payment in order to protect its
21 customer or the bank against potential fraud or loss, or to otherwise
22 comply with applicable law.

23 Sec. 2. (NEW) No bank, as defined in section 36a-2 of the general
24 statutes, or person licensed pursuant to section 36a-581 of the general
25 statutes, shall write or cause to be written or printed a credit card
26 number or Social Security number on any check cashed by such
27 person.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Affected Agencies: Department of Banking

Municipal Impact: None

Explanation

State Impact:

The bill requires main and branch offices of Connecticut and federal banks to cash checks up to \$1000 that are payable at the bank or are drawn on an account at the bank. The bill prohibits a bank from requiring more than two standard forms of identification. There is no fiscal impact to the Department of Banking as a result of this bill.

House "A" is technical in nature and has no fiscal impact.

House "B" is technical in nature and has no fiscal impact.

OLR Amended Bill Analysis

sHB 5732 (as amended by House "A" and "B")*

AN ACT CONCERNING IDENTIFICATION REQUIRED FOR CHECK CASHING.**SUMMARY:**

This bill requires the main and branch offices of Connecticut and federal banks to cash checks for up to \$500 that are payable at the bank or are drawn on an account held at the bank. The bank's duty is conditioned on: (1) the check being presented to the bank by the person listed as the payee on the check, (2) there being enough money in the account to pay the check, and (3) the person cashing the check providing sufficient identification and such other information as the bank requires for reporting and recordkeeping. The bill prohibits a bank from requiring more than two forms of identification when the customer provides: (1) a U.S. passport, (2) a driver's license, or (3) an identity card issued by the Department of Motor Vehicles.

The bill allows a bank to disregard these provisions and refuse to pay a check if it determines such action is necessary to protect its customer or itself against potential fraud or loss, or to otherwise comply with applicable law.

The bill prohibits banks and check cashing facilities from writing or printing on a check the credit card or Social Security number of the person cashing it.

*House Amendment "A" replaces the original file, which required banks to cash checks for up to \$1,000 that are payable at the bank or are drawn on an account at the bank. It required the check to be negotiated to the bank and provide the identification that the bank requested. The original file also prohibited a bank or check cashing facility from writing or printing on a check identifying information about the person cashing it, such as the person's driver's license or credit card number.

*House Amendment "B" prohibits banks and check cashing facilities

from writing or printing on a check the credit card or Social Security number of the person cashing it.

EFFECTIVE DATE: October 1, 2001

COMMITTEE ACTION

Banks Committee

Joint Favorable Substitute

Yea 12 Nay 4