

**REQUIREMENTS FOR CHECK CASHER TO  
CASH A CHECK**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill modifies the Check Cashing and Deferred Deposit Lending Registration Act to amend requirements related to the business of cashing checks.

**Highlighted Provisions:**

This bill:

- ▶ amends definition provisions;
- ▶ enacts requirements related to use of valid identification when cashing a check; and
- ▶ makes technical and conforming amendments.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**7-23-102**, as last amended by Laws of Utah 2008, Chapter 96

**7-23-301**, as renumbered and amended by Laws of Utah 2008, Chapter 96

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **7-23-102** is amended to read:



28 **7-23-102. Definitions.**

29 As used in this chapter:

30 (1) "Business of cashing checks" means cashing a check for consideration.

31 (2) "Business of deferred deposit lending" means extending a deferred deposit loan.

32 (3) "Cash" means to exchange a check for money delivered to the presenter at the time  
33 and place of the presentation.

34 [~~3~~] (4) "Check" is as defined in Section 70A-3-104.

35 [~~4~~] (5) "Check cashier" means a person that engages in the business of cashing checks.

36 [~~5~~] (6) "Deferred deposit lender" means a person that engages in the business of  
37 deferred deposit lending.

38 [~~6~~] (7) "Deferred deposit loan" means a transaction where:

39 (a) a person:

40 (i) presents to a deferred deposit lender a check written on that person's account; or

41 (ii) provides written or electronic authorization to a deferred deposit lender to effect a  
42 debit from that person's account using an electronic payment; and

43 (b) the deferred deposit lender:

44 (i) provides the person described in Subsection [~~6~~] (7)(a) an amount of money that is  
45 equal to the face value of the check or the amount of the debit less any fee or interest charged  
46 for the transaction; and

47 (ii) agrees not to cash the check or process the debit until a specific date.

48 [~~7~~] (8) (a) "Electronic payment" means an electronic method by which a person:

49 (i) accepts a payment from another person; or

50 (ii) makes a payment to another person.

51 (b) "Electronic payment" includes a payment made through:

52 (i) an automated clearing house transaction;

53 (ii) an electronic check;

54 (iii) a stored value card; or

55 (iv) an Internet transfer.

56 [~~8~~] (9) "Rollover" means the extension or renewal of the term of a deferred deposit  
57 loan.

58 (10) (a) "Valid identification" means a form of identification issued by a governmental

59 entity that:

60 (i) contains:

61 (A) a numerical identifier; and

62 (B) a photograph of the person identified; and

63 (ii) is valid on the day on which the document is presented for purposes of cashing a  
64 check.

65 (b) "Valid identification" includes:

66 (i) an identification card issued by a state or federal agency;

67 (ii) a state driver license;

68 (iii) a United States military identification card;

69 (iv) a United States passport; or

70 (v) a tribal identification card.

71 Section 2. Section 7-23-301 is amended to read:

72 **7-23-301. Operational requirements for cashing checks.**

73 (1) (a) A check casher shall post a complete schedule of [att] the fees for cashing a  
74 check in a conspicuous location on [its] the check casher's premises that can be viewed by a  
75 person [cashing] presenting the check casher a check for cashing.

76 [~~(2)~~] (b) The schedule of fees required to be posted under this Subsection (1) shall state  
77 [the fees using dollar amounts] a fee using a dollar amount.

78 (2) ~~H~~→ [A] (a) Except as provided in Subsection (2)(b), a ~~H~~ check casher may not cash  
78a a check unless at the time the check is presented for  
79 cashing the check casher in good faith confirms the identity of the person presenting the check  
80 by the person providing the check casher valid identification.

80a ~~H~~→ (b) A check casher may cash a check without requiring the presentation of valid  
80b identification if:

80c (i) the check is cashed in a transaction that is incidental to a retail sale of goods or  
80d services; and

80e (ii) the individual who on behalf of the check casher decides to cash the check is  
80f sufficiently familiar with the individual presenting the check, on the basis of interactions  
80g over a period of time, to eliminate reasonable doubt that the individual has the identity  
80h claimed. ~~H~~

Legislative Review Note  
as of 1-21-10 5:32 PM

Office of Legislative Research and General Counsel

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**H.B. 241 - Requirements for Check Casher to Cash a Check**

**Fiscal Note**

2010 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

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