

2013 -- H 5128

=====
LC00343
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

A N A C T

RELATING TO FINANCIAL INSTITUTIONS - CHECK CASHING

Introduced By: Representatives Baldelli-Hunt, Trillo, Diaz, Marcello, and Edwards

Date Introduced: January 23, 2013

Referred To: House Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 19-14.4-4 of the General Laws in Chapter 19-14.4 entitled "Check
2 Cashing" is hereby amended to read as follows:

3 **19-14.4-4. Fees for services.** -- No licensee shall:

4 (1) Charge check-cashing fees in excess of three percent (3%) of the face amount of the
5 check, or five dollars (\$5.00), whichever is greater, if the check is the payment of any kind of
6 state public assistance or federal social security benefit;

7 (2) Charge check-cashing fees for personal checks in excess of ten percent (10%) of the
8 face amount of the personal check or five dollars (\$5.00), whichever is greater; or

9 (3) Charge check-cashing fees in excess of five percent (5%) of the face amount of the
10 check or five dollars (\$5.00), whichever is greater, for all other checks.

11 (4) Charge deferred deposit transaction fees in excess of ~~ten percent (10%)~~ five percent
12 (5%) of the amount of funds advanced, which is the equivalent of an annual percentage rate of
13 one hundred thirty percent (130%).

14 SECTION 2. This act shall take effect upon passage.

=====
LC00343
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO FINANCIAL INSTITUTIONS - CHECK CASHING

- 1 This act would reduce the amount a check cashing business can charge for deferred
- 2 deposit transaction fees from ten percent (10%) to five percent (5%) of the funds advanced.
- 3 This act would take effect upon passage.

=====
LC00343
=====