



FINANCIAL SERVICE CENTERS OF AMERICA, INC.

Summary of State Check Cashing Laws September 2009 Update

STATE	STATUTORY AUTHORITY	PERMISSIBLE CHECK CASHING FEES	LICENSE OR REGISTRATION REQUIRED	NOTABLE EXEMPTIONS TO REGULATION
Arizona	Ariz. Rev. Stat. §44-1361	3% of the face amount of the payment instrument or \$5, whichever is greater, for cashing any payment instrument issued by an agency of the United States or of Arizona or any political subdivision of the United States or of Arizona; no limit otherwise.	A license and registration are not required.	Check casher means any person who engages in the business of cashing payment instruments more than ten times in any calendar year and who receives compensation of at least \$500 during any 30 day period for cashing payment instruments.
Arkansas	Ark. Code. Ann. §23-52-101	5% of the face amount of the check for state public assistance, social security, or a check issued by federal or state entity; 10% for personal checks or money orders; 6% for all other checks; a fee of no more than \$5 to set up an initial customer account and issue an optional identification card for providing check-cashing services.	A permit is required.	Any retail seller primarily engaged in the business of selling consumer or other goods to retail buyers that cash checks or issue money orders for a fee as a service to its customers that is incidental to its main purpose or business so long as revenue from such fees does not exceed 3% of such retail seller's gross revenues.
California	Cal. Civ. Code §1789.30	3% with ID for payroll or government checks, or 3.5% without identification, or \$3, whichever is greater; 12% of the face value of a personal check. Permitted to charge an amount not greater than \$10 to set up an initial account and issue an optional identification card.	A permit is required.	The law does not apply to a retail seller engaged primarily in the business of selling consumer goods, including consumables, to retail buyers that cash checks or issue money orders for a fee not exceeding \$2 as a service to its customers that is incidental to its main purpose or business.
Connecticut	Conn. Gen. Stat. §36a-580	1% for state drawn checks payable within the state to recipients of public assistance; 2% or \$1, whichever is greater, for all other checks.	A license is required.	The law does not apply to businesses that do not charge more than .50¢ for cashing a check, draft or other instrument.
Delaware	Del. Code Ann. Tit. 5 §2701	2%, or \$4, whichever is greater, for cashing a check, draft or money order.	A license is required.	The law does not apply when checks, drafts or money orders are cashed by any person as an incident to the conduct of any other lawful business where not more than 10¢ is charged for cashing each check, draft or money order.
Florida	Fla. Stat Ann. §560.303	5% of the face amount of the payment instrument with identification, or 6% without identification, or \$5, whichever is greater; 3% with identification, or 4% without identification, or \$5, whichever is greater, if payment instrument is for state public assistance or social security; 10% or \$5, whichever is greater, for personal checks or money orders.	Registration is required.	The law does not apply to persons engaged in the cashing of payment instruments that have an aggregate face value of less than \$2,000 per person per day and that are incidental to the retail sale of goods or services whose compensation for cashing payment instruments at each site does not exceed 5% of the total gross income from the retail sale of goods or services by such person during the last 60 days.
Georgia	GA. Code Ann. §7-1-700	5% of the face amount of the check or draft or \$5, whichever is greater; 3% or \$5, whichever is greater, for state public assistance or social security payable to the bearer of the check; 10% or \$5, whichever is greater, for personal checks or money orders.	A license is required.	A business may register (rather than be licensed) as a check casher if it engages in cashing checks, money orders, or other drafts for a fee limited to the greater of \$2 or 2% of the face amount of the check, whichever is greater. A registered casher of checks is not permitted to advertise its check cashing services.
Hawaii	Haw. Rev. Stat. §480F-1	3% of face amount of the check or \$5, whichever is greater, for state public assistance or social security payable to the bearer of the check; 10% or \$5, whichever is greater, for personal checks or money orders; 5% or \$5 of face amount, whichever is greater, for all other checks. Limit of \$10 to set up an initial account and issue an optional membership or identification card.	A license or registration is not required.	The law does not apply to any person who is principally engaged in the bona fide retail sale of goods or services, and who, either as incident to or independent of the retail sale or service, from time to time cashes items for a fee or other consideration, where not more than \$2, or 2% of the amount of the check, whichever is greater, is charged for the service.
Illinois	815 Ill. Comp. Stat. Ann. §315/2; 38 Ill Adm. Code 130.30	1.4% of face amount plus a service charge of \$1 on all checks \$100 or less; 2.25% on checks greater than \$100.	A license is required.	A merchant may offer check cashing services, in the course of such business and only as an incident thereto, and may charge fees for each check cashed provided that the check cashing services are incidental to the main business of the merchant. The merchant cannot charge fees in excess of the greater of .50¢ or 1% of the face value of the check cashed.
Indiana	Ind. Code §28-8-5	10% of the face amount of a personal check or \$10, whichever is greater; 5% of the face amount or \$5, whichever is greater, for all other checks.	A license is required.	The law does not apply to persons engaged in the business of cashing checks if: (1) the transaction is incidental to the retail sale of goods or services; and (2) consideration for cashing checks does not exceed the greater of: (A) 2% of the face amount of the check; or (B) \$2.
Kentucky	Ky. Rev. Stat. Ann. §286.9-010	No limit. Licensee must conspicuously display a schedule of all fees and charges for authorized services.	A license is required.	The law does not apply to any person who cashes checks without receiving, directly or indirectly, any consideration or fee. The law also does not apply to any person principally engaged in the retail sale of goods or services who, either as an incident to or independently of a retail sale, from time to time cash checks for a fee or other consideration.
Louisiana	La. Rev. Stat. Ann. §6:1001	2% of the face amount of the check or \$5, whichever is greater, for public welfare or public assistance of the United States, the State of Louisiana or any political subdivision of the state; 10% of the total amount of the check presented for cashing or \$5, whichever is greater, for all other checks or money orders.	A license is required (a person may engage in business at more than one location with one license).	The law does not apply to a business that cashes a check, draft, money order, or traveler's check, or other commercial paper if the fee charged does not exceed \$2 and the currency exchange is incidental to the primary business.
Maine	Me. Rev. Stat. Ann. tit. 32, §6131	5% of the face amount of the payment instrument with identification, or 6% without identification, or \$5, whichever is greater; 3% with identification, or 4% without identification, or \$5, whichever is greater, if state public assistance or social security; 10% or \$5, whichever is greater, for personal checks and money orders.	Registration is required.	The law does not apply to a person who is primarily engaged in the business of selling tangible personal property or services at retail and does not derive more than 5% of its income from check cashing.
Maryland	Md. Code Ann., Fin. Inst. §12-101	2% of the face amount of the payment instrument or \$3, whichever is greater, for government checks; 10% or \$5 of face amount of the payment instrument, whichever is greater, for personal checks; 4% of face amount of the payment instrument or \$5, whichever is greater, for all other payment instruments. A licensee may charge a one-time membership fee not to exceed \$5.	A license is required.	The law does not apply to check cashing services where a fee of up to 1.5% of the face amount of the payment instrument is charged per payment instrument that are incidental to the retail sale of goods or services by the person that is providing the check cashing services.

Massachusetts	Mass. Gen. Laws Ann. ch. 169A §1	No Limit. A schedule of fees and charges to be charged for the cashing of checks, drafts or money orders must be filed annually by each licensee with the commissioner.	A license is required.	A license is required only if a person engages in cashing checks, drafts or money orders for consideration in excess of \$1 per item.
Minnesota	Minn. Stat. Ann. §53A.01	No Limit. Fees charged at each location for check cashing services must be filed with and approved by the Commissioner of Commerce, except businesses that provide check cashing services incidental to their primary business are not required to file.	A license is required. A license cannot be issued if the proposed place of business is located within one-half mile of another licensed currency exchange business.	The law does not apply to a person who provides check cashing services incidental to the person's primary business if the charge for cashing a check or draft does not exceed \$1 or 1% of the value of the check or draft, whichever is greater.
Mississippi	Miss. Code Ann. §75-67-501 (sunset provision in law effective July 1, 2012)	3% or \$5, whichever is greater, for government checks; 10% or \$5, whichever is greater, for personal checks; 5% or \$5, whichever is greater, for all other checks or money orders.	A license is required.	Any person principally engaged in the retail sale of goods or services who, either as an incident to or independently of a retail sale, may from time to time cash checks for a fee, not exceeding 3% of the face amount of the check or \$10, whichever is greater. The fee must be conspicuously posted for public view.
Nevada	Nev. Admin. Code §604A.010	No limit, but customer must receive and sign written fee notice prior to transaction.	A license is required.	The law does not apply to a person who is primarily engaged in the retail sale of goods or services who: (a) as an incident to or independently of a retail sale or service, from time to time cashes checks for a fee or other consideration of not more than \$2; and (b) does not hold himself out as a check-cashing service.
New Jersey	N.J. Stat. Ann. §17:15A-31	2% or 90¢, whichever is greater, of the face amount for checks drawn on a depository institution or other financial entity; 1% or 90¢, whichever is greater, for public assistance checks; 1.5% or 90¢, whichever is greater, for social security checks. A fee application is currently pending. It is expected that the fee will increase to 2.21% in early 2010 and the minimum check cashing fee will increase to \$1.	A license is required. No office or mobile office can be located within 2,500 feet of an existing licensee.	No.
New York	N.Y. McKinney's Bank Law §366; 3 NY ADC 400.12	1.82% of the amount of the check, draft or money order, or (b) \$1, whichever is greater (fee is subject to annual adjustment based on increase in regional consumer price index); there is no fee limitation for the cashing of commercial checks.	A license is required. No license shall be issued to an applicant for a license, at a location to be licensed which is closer than one thousand five hundred eighty-four feet (three-tenths of a mile) from an existing licensee.	The law does not apply when checks, drafts or money orders are cashed, other than by a licensee, without a consideration or charge; nor when checks, drafts or money orders are cashed, other than by a licensee, as an incident to the conduct of any other lawful business where not more than \$1 is charged for cashing each check.
North Carolina	N.C. Gen. Stat. §53-275	3% of the face amount or \$5, whichever is greater, for all government checks; 10% or \$5, whichever is greater, for personal checks; 5% or \$5, whichever is greater, for all other checks or money orders.	A license is required.	The law does not apply to any person or entity principally engaged in the bona fide retail sale of goods or services, who either as an incident to or independently of a retail sale or service and not holding itself out to be a check-cashing service, from time to time cashes checks, drafts, or money orders for a fee or other consideration, where not more than \$2 is charged for the service.
Ohio	Ohio Rev. Code Ann. §1315.21	3% of the face amount for state and federal government checks; no limit otherwise.	A license is required.	The law does not apply to a business that is primarily engaged in the business of selling tangible personal property or services at retail and does not derive more than 5% of the person's gross income from the cashing of checks.
Oregon	OR. St. Ann. 7697.500	\$5 or 2% of the face value of the payment instrument, whichever is greater, for federal/state government checks if the person cashing the payment instrument provides valid government-issued identification; \$5 or 2-1/2% of the face value of the payment instrument without valid government-issued identification; \$5 or 3% of the face value of the payment instrument, whichever is greater, for a government payment instrument or payroll check with valid government-issued identification; \$5 or 3-1/2% of the face value of the payment instrument, whichever is greater, if without valid government-issued identification. For any other payment instrument, \$5 or 10% of the face value of the payment instrument, whichever is greater. The total amount charged for cashing any check cannot be more than \$100.	A license is required.	The law does not apply to a person engaged in the bona fide retail sale of goods or services and not purporting to be a check-cashing business that, as an incident of or independent of a retail sale or service, from time to time cashes payment instruments for a fee, service charge or other consideration but does not charge more than \$2 or 2% of the face value of the payment instrument, whichever is greater.
Pennsylvania	Pa. Stat Ann. Tit. 63, § 2301	2.5% of the face amount of government assistance checks, if the payee submits valid identification; 3% for payroll checks; 10% for personal checks. A fee not to exceed \$10 is permitted to cover the cost of investigating a new customer's credit.	A license is required.	None
Rhode Island	R.I. Gen. Laws §19-14.4-1	3% of the face amount of the check or \$5, whichever is greater, for state public assistance or social security checks; 10% or \$5, whichever is greater, for personal checks; 5% or \$5, whichever is greater, on all other checks.	A license is required.	The law does not apply to persons engaged in the business of cashing checks where that business is incidental to the person's retail sale of goods or services and the person charges not more than .50¢ per check cashed.
South Carolina	S.C. Code Ann. §34-41-10	2% of the face amount of the check or \$3, whichever is greater, for government or electronically printed payroll checks; 7% or \$5, whichever is greater, for all other checks, including handwritten payroll checks and money orders.	A license is required (two levels: Level I and II). Level II cannot engage in payday advance transactions.	The law does not apply to any person or entity principally engaged in the bona fide retail sale of goods or services, who either as an incident to or independently of a retail sale or service and not holding itself out to be a Level I or Level II check-cashing service, from time to time cashes checks, drafts, or money orders without a fee or other consideration.

