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## **Check-cashing regulations take effect Jan. 1**

*New law limits fees consumers pay to cash checks*

(Salem) — Oregonians who use cash-cashing services will pay lower fees starting Jan. 1, 2008, thanks to the Oregon Check-Cashing Act, passed by the 2007 Legislature.

The new law limits check-cashing fees to the greater of 2 percent or \$5 for checks issued by the U.S. Government, State of Oregon, or the municipality where the check is cashed; the greater of 3 percent or \$5 for payroll checks and all other government checks; and the greater of \$5 or 10 percent for personal checks. The total fee for cashing any check cannot exceed \$100. Before the new law, consumers were paying up to 8 percent to cash low-risk government or payroll checks.

“Many Oregonians do not have bank accounts, and using a check-cashing service may be the only feasible way to cash a check,” said Cory Streisinger, director of the Department of Consumer and Business Services. “This new law ensures they do not have to pay a high fee just to access their own money.”

In addition to capping the fees, the new law requires check-cashing businesses to be licensed by the Department of Consumer and Business Services (DCBS) and to conspicuously post their license and fee schedule. It prohibits check-cashing businesses from disseminating misleading or deceptive information or operating their business at unlicensed locations.

DCBS can issue civil penalties for violations of the new law and order restitution of excess fees.

For more information on the new regulations, visit DCBS' Division of Finance and Corporate Securities Web site at [www.dfcs.oregon.gov](http://www.dfcs.oregon.gov).

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The Department of Consumer and Business Services is Oregon's largest business regulatory and consumer protection agency. For more information, visit [www.dcbs.oregon.gov](http://www.dcbs.oregon.gov).