



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF BANKING  
HARRISBURG

THE SECRETARY

June 11, 2003

TO ALL LICENSEES AND REGISTERED ENTITIES UNDER THE CHECK CASHER  
LICENSING ACT:

In response to public concern regarding the amounts that licensees and registrants under the Check Casher Licensing Act ("check cashers") charge consumers who cash checks issued by federal and state government entities, such as tax refund checks, the Department of Banking ("Department") is asking all check cashers to voluntarily adopt a policy of cashing all government-issued checks ("government checks") at the rate authorized for "government assistance checks" in Section 503(a)(1) of the Check Casher Licensing Act ("CCLA"), 63 P.S. § 2323(a)(1).

In other words, the Department is asking all check cashers to voluntarily adopt a policy of not charging consumers more than 2.5% of the face amount of a government check when cashing such a check. The Department believes that such a policy is a public benefit that will help to curb abusive check-cashing practices that are perpetrated on Pennsylvania's most vulnerable consumers, those who utilize the financial services of check cashers because they find such services unavailable or inconvenient to obtain from traditional banking institutions.

Furthermore, the Department is asking all check cashers that adopt such policies to confirm to the Department in writing that the check casher has adopted such a policy. The Department will then post on its website, and provide to consumer groups and consumers, the names of all check cashers who have adopted such a policy so that the public will be able to locate and transact business with check cashers who recognize the public benefit of adopting such a policy.

The Department thanks in advance all check cashers who voluntarily adopt such a policy and who recognize that charging high rates to consumers in order to cash government checks is a practice in the check-cashing industry that is harmful to Pennsylvania's most vulnerable consumers.

Sincerely,

/s/

A. William Schenck III  
Secretary of Banking