

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Introduced

House Bill 4170

By Delegates Kump and Crouse

[Introduced January 14, 2026; referred to the

Committee on Finance]

1 A BILL to amend and reenact §32A-3-1 of the Code of West Virginia, 1931, as amended, relating
2 to prohibiting fees by merchants to cash a check issued by a governmental entity.

Be it enacted by the Legislature of West Virginia:

ARTICLE	3.	CHECK	CASHING.
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§32A-3-1. Check cashing permitted.

1 (a) A merchant primarily in the business of making retail consumer sales may offer check
2 cashing services at its stores to accommodate its customers in the course of said business, and
3 may collect a fee for the service, if the check cashing service and any fees charged are incidental
4 to the main business of the merchant. Except as set forth in subsection (b) of this section, the term
5 "check cashing services" does not include a transaction where a customer presents a check for
6 the exact amount of a purchase. Fees charged in connection with check cashing services may not
7 exceed the greater of \$1, or one percent of the face value of the check cashed: Provided, That a
8 merchant may not charge a fee to cash a check issued by a state or federal governmental entity.

9 (b) Merchants may not, in connection with providing check cashing services, agree to hold
10 checks submitted to them for deposit at a later date for the purpose of providing a loan of money
11 and deriving profit therefrom.

12 (c) No license is required as a condition for a merchant providing check cashing services in
13 conformity with subsections (a) and (b) of this section.

14 (d) Where a merchant derives more than five percent of his or her gross revenues from
15 cashing checks, the check cashing services are not considered incidental to the main business of
16 the merchant, and the merchant is required to be licensed under article two of this chapter.

17 (e) Persons holding a license pursuant to article two of this chapter may in conjunction with
18 their licensed business, or other lawful business, engage in the business of check cashing in West
19 Virginia. Fees charged for check cashing services by a licensee under article two of this chapter
20 shall be posted and conform to those permitted merchants under this section. No licensee may in
21 connection with providing check cashing services agree to hold checks submitted to it for deposit

22 at a later date for the purpose of providing a loan of money and deriving profit therefrom.

23 (f) Federally-insured depository institutions, foreign bank agencies, and governmental
24 entities exempt from licensure as money transmitters under this chapter are exempt from the
25 provisions of this article. Other financial institutions licensed by and under the jurisdiction of the
26 commissioner of banking may upon written approval engage in the check cashing business
27 permitted merchants under this article.

28 (g) Except as provided or allowed by this article, no person may engage in the check
29 cashing business. As used in this article the term "check cashing business" means any person
30 who engages in the business of cashing checks, including drafts, money orders, or other
31 instruments for the transmission or payment of money for a fee. However, the term "check" as
32 used in this article does not include a travelers check or a foreign denomination check.

NOTE: The purpose of this bill is to prohibit merchants from charging fees to cash a check issued by a governmental entity.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.