

**HB 2411 -2 STAFF MEASURE SUMMARY**

**House Committee On Business and Labor**

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**Prepared By:** Jan Nordlund, LPRO Analyst

**Meeting Dates:** 2/11

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**WHAT THE MEASURE DOES:**

Allows financial institution to swipe driver license or identification card with person's permission for purpose of establishing or maintaining a contract or account.

**ISSUES DISCUSSED:**

**EFFECT OF AMENDMENT:**

-2 Limits swiping of card by financial institution for the purpose of processing application for deposit account or loan. Deletes proposed authority for financial institution to swipe license or card, for any purpose, with person's permission .

**BACKGROUND:**

"Swiping" a driver license or identification card means passing the card through a device that deciphers the information encoded in a magnetic strip or bar code. Private entities are prohibited from swiping an individual's driver license or identification card except for four purposes: to verify authenticity of document or identity of person in a non-cash, return, or refund transaction; to verify age of person buying an age-restricted good or service; to prevent fraud through use of a fraud prevention service company or system; and to transmit information to a check services company for approval of check, electronic funds transfer, or similar method of payment. Those with authority to swipe a card may be restricted in what information from the card they are allowed to store or share