

CHAPTER 767

(House Bill 914)

AN ACT concerning

Commercial Law - Return of Checks

FOR the purpose of providing that a seller, lender, or credit grantor shall return a discharged check to the buyer or borrower under certain circumstances; prohibiting a certain act under certain circumstances; defining certain terms; providing that failure of a seller, lender, or credit grantor to comply with this Act shall make the seller, lender, or credit grantor liable for certain charges and damages; and generally relating to the handling of discharged checks by sellers, lenders, or credit grantors.

BY adding to

Article - Commercial Law
Section 14-1312
Annotated Code of Maryland
(1983 Replacement Volume and 1984 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Commercial Law

14-1312.

(A) (1) IN THIS SECTION, THE FOLLOWING TERMS HAVE THE MEANINGS INDICATED.

(2) "ACCEPTOR" MEANS A SELLER, LENDER, OR CREDIT GRANTOR TO WHOM A DISCHARGED CHECK WAS ORIGINALLY ISSUED.

(3) "DISCHARGED CHECK" MEANS A CHECK OR OTHER INSTRUMENT THAT HAS BEEN:

(I) ISSUED TO A SELLER, LENDER, OR CREDIT GRANTOR BY A BUYER OR BORROWER IN FULL OR PARTIAL SATISFACTION OF AN UNDERLYING OBLIGATION; AND

(II) REACQUIRED BY THE BUYER OR BORROWER IN HIS OWN RIGHT.

(B) (1) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, IF AN ACCEPTOR REQUIRES A BUYER OR BORROWER TO SUBMIT TO