

AN ACT concerning

Commercial Law - Checks and Other Instruments - Dishonor

FOR the purpose of authorizing the holder of a dishonored check or other instrument to recover certain amounts from the maker or drawer under certain conditions; clarifying language; providing for certain exceptions; providing for a certain procedure for recovery under this Act; providing for certain defenses; altering the form for a certain notice to the maker or drawer of a dishonored check or other instrument; altering the period of time after a certain notice of a dishonored check or other instrument within which a maker or drawer may avoid certain liabilities and criminal prosecutions; providing for the application of this Act; making stylistic changes; and generally relating to the presentment and dishonor of commercial paper.

BY repealing and reenacting, with amendments,

Article - Commercial Law
Section 3-512, 3-513, and 3-514
Annotated Code of Maryland
(1975 Volume and 1986 Supplement)

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

Article - Commercial Law

3-512.

(1) When a check or other instrument has been dishonored by nonacceptance or nonpayment and has not been paid within 10 days, the holder to whom the check or other instrument was issued may send a notice of dishonor to the maker or drawer as provided under this section.

(2) [The] IF A CHECK OR OTHER INSTRUMENT HAS NOT BEEN PAID WITHIN 30 DAYS AFTER THE HOLDER HAS SENT A NOTICE OF DISHONOR TO THE MAKER OR DRAWER, THE maker or drawer of a check or other instrument that has been dishonored [shall] MAY be liable for [a collection fee of \$25.]:

(A) THE AMOUNT OF THE CHECK OR INSTRUMENT;

(B) A COLLECTION FEE OF \$25; AND