

on request of a customer with a certain truncated account, to return to the customer, on a regular basis and at no additional cost to the customer, certain check facsimiles under certain circumstances; defining certain terms; making stylistic changes; providing for a delayed effective date; and generally relating to truncated accounts offered by banking institutions to their customers.

BY repealing and reenacting, with amendments,

Article - Financial Institutions

Section 5-513

Annotated Code of Maryland

(1998 Replacement Volume and 2002 Supplement)

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

**Article - Financial Institutions**

5-513.

[(a) A banking institution offering truncated checking accounts shall also offer customers a checking account plan that provides for the return of canceled checks on a monthly basis.

(b) When a customer opens a truncated checking account, the banking institution shall inform the customer of the length of time the banking institution intends to keep the original canceled checks.]

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

(2) "CHECK" MEANS A DRAFT THAT IS DRAWN ON A BANKING INSTITUTION AND PAYABLE ON DEMAND.

(3) "CHECK FACSIMILE" MEANS A COPY OF AN ORIGINAL CHECK REPRODUCED THROUGH PHOTOGRAPHIC, PHOTOSTATIC, MICROFILM, MICROCARD, MINIATURE PHOTOGRAPHIC, OPTICAL IMAGING, ELECTRONIC, DIGITAL, MAGNETIC, WIRELESS, ELECTROMAGNETIC, OR OTHER PROCESS THAT ACCURATELY REPRODUCES OR FORMS A DURABLE MEDIUM FOR REPRODUCING THE ORIGINAL CHECK.

(4) "DRAFT" HAS THE MEANING STATED IN § 3-104 OF THE COMMERCIAL LAW ARTICLE.

(5) "TRUNCATED ACCOUNT" MEANS A CHECKING, NEGOTIABLE ORDER OF WITHDRAWAL, OR SIMILAR DEPOSIT ACCOUNT FOR WHICH THE ORIGINAL CHECKS DRAWN ON THE ACCOUNT ARE NOT RETURNED TO THE CUSTOMER ON A REGULAR BASIS.

[(c)] (B) (1) (I) [When a customer elects not to receive canceled checks on a regular basis, the banking institution shall, upon the customer's request,] ON ~~WRITTEN~~ REQUEST OF A CUSTOMER WITH A TRUNCATED ACCOUNT, A BANKING INSTITUTION SHALL return any check [or check facsimile] the customer requires for