

(ii) credit that amount] CREDIT THE AMOUNT OF THE CANCELED CHECK to the Fund.

(e) [(1) Subject to the limitation in paragraph (2) of this subsection, on] ON a warrant charged against the Fund, the Treasurer, the Chief Deputy Treasurer, or a deputy treasurer may issue a check to replace a check canceled under this section.

[(2) A check may not be issued to replace a check that has not been claimed within 7 years after the date of issue.]

(f) [On a warrant charged against the Fund,] AS REQUIRED BY STATE OR FEDERAL LAW, OR AS CONSIDERED PROPER BY THE TREASURER, the Treasurer, the Chief Deputy Treasurer, or a deputy treasurer shall:

(1) ON A WARRANT CHARGED AGAINST THE FUND, disburse to the original source any money in the Fund [that federal or State law requires] REQUIRED to be returned to the source; [or that the Treasurer considers proper to return to the source]; OR

(2) REQUEST THE COMPTROLLER TO TRANSFER ANY MONEY IN THE FUND TO ANOTHER FUND OR ACCOUNT.

(g) At the end of each fiscal year, the Treasurer:

(1) shall identify the checks that have been credited to the Fund AND REMAIN UNCLAIMED for [7] 2 years; [and]

(2) [subject to subsection (f) of this section, shall obtain a warrant to transfer the amount of those checks to the General Fund of the State] DETERMINE A REASONABLE BALANCE TO RETAIN IN THE FUND THAT WILL BE NEEDED TO HONOR EACH REPLACEMENT CHECK THAT MAY BE ISSUED ON A WARRANT CHARGED AGAINST THE FUND; AND

(3) REQUEST THE COMPTROLLER TO TRANSFER THE BALANCE IN THE FUND, AFTER SUBTRACTION OF THE AMOUNT DETERMINED AS PROVIDED IN ITEM (2) OF THIS SUBSECTION, TO THE GENERAL FUND OF THE STATE.

(H) UNDELIVERABLE CHECKS CREDITED TO THE FUND ARE NOT SUBJECT TO TITLE 17 OF THE COMMERCIAL LAW ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2004.

May 26, 2004

The Honorable Michael E. Busch
Speaker of the House
State House
Annapolis, MD 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today