

1 5494-S.E AMH JUD H2693.2 (cc)

2 **ESSB 5494** - H COMM AMD **ADOPTED 4-19-91**

3 By Committee on Judiciary

4

5 Strike everything after the enacting clause and insert the
6 following:

7 "Sec. 1. RCW 62A.3-515 and 1986 c 128 s 1 are each amended to read
8 as follows:

9 (1) Whenever a check as defined in RCW 62A.3-104 has been
10 dishonored by nonacceptance or nonpayment the payee or holder of the
11 check is entitled to collect a reasonable handling fee for each such
12 instrument. When such check has not been paid within fifteen days and
13 after the holder of such check sends such notice of dishonor as
14 provided by RCW 62A.3-520 to the drawer at his or her last known
15 address, then if the instrument does not provide for the payment of
16 interest, or collection costs and attorneys fees, the drawer of such
17 instrument shall also be liable for payment of interest at the rate of
18 twelve percent per annum from the date of dishonor and cost of
19 collection not to exceed forty dollars or the face amount of the check,
20 whichever is the lesser. In addition, in the event of court action on
21 the check the court, after such notice and the expiration of said
22 fifteen days, shall award a reasonable attorneys fee, and three times
23 the face amount of the check or ~~((one))~~ three hundred dollars,
24 whichever is less, as part of the damages payable to the holder of the
25 check. This section shall not apply to any instrument which has been
26 dishonored by reason of any justifiable stop payment order.

27 (2)(a) Subsequent to the commencement of the action but prior to
28 the hearing, the defendant may tender to the plaintiff as satisfaction

1 of the claim, an amount of money equal to the sum of the amount of the
2 check, a reasonable handling fee, accrued interest, collection costs
3 equal to the face amount of the check not to exceed forty dollars, and
4 the incurred court and service costs.

5 (b) Nothing in this section precludes the right to commence action
6 in any court under chapter 12.40 RCW for small claims."

7 "Sec. 2. RCW 62A.3-520 and 1986 c 128 s 2 are each amended to read
8 as follows:

9 The notice of dishonor shall be sent by mail to the drawer at his
10 or her last known address, and said notice shall be substantially in
11 the following form:

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NOTICE OF DISHONOR OF CHECK

14 A check drawn by you and made payable by you to in the
15 amount of has not been accepted for payment by,
16 which is the drawee bank designated on your check. This check is dated
17, and it is numbered, No.

18 You are CAUTIONED that unless you pay the amount of this check
19 within fifteen days after the date this letter is postmarked, you may
20 very well have to pay the following additional amounts:

21 (1) Costs of collecting the amount of the check, including an
22 attorney's fee which will be set by the court;

23 (2) Interest on the amount of the check which shall accrue at the
24 rate of twelve percent per annum from the date of dishonor; and

25 (3) (~~One~~) Three hundred dollars or three times the face amount of
26 the check, whichever is less, by award of the court.

27 You are also CAUTIONED that law enforcement agencies may be
28 provided with a copy of this notice of dishonor and the check drawn by

1 you for the possibility of proceeding with criminal charges if you do
2 not pay the amount of this check within fifteen days after the date
3 this letter is postmarked.

4 You are advised to make your payment to at the following
5 address:"

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9 On page 1, line 1 of the title, after "debts;" strike the remainder
10 of the title and insert "and amending RCW 62A.3-515 and 62A.3-520."