

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE SENATE BILL 5494

Chapter 168, Laws of 1991

52nd Legislature
1991 Regular Session

DISHONORED CHECKS--REVISED COLLECTION PROCEDURES

EFFECTIVE DATE: 7/28/91

Passed by the Senate April 22, 1991
Yeas 42 Nays 2

JOEL PRITCHARD
President of the Senate

Passed by the House April 19, 1991
Yeas 94 Nays 3

JOE KING
**Speaker of the
House of Representatives**

Approved May 15, 1991

BOOTH GARDNER
Governor of the State of Washington

CERTIFICATE

I, Gordon Golob, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE SENATE BILL 5494** as passed by the Senate and the House of Representatives on the dates hereon set forth.

GORDON A. GOLOB
Secretary

FILED

May 15, 1991 - 11:14 a.m.

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE SENATE BILL 5494

AS AMENDED BY THE HOUSE

Passed Legislature - 1991 Regular Session

State of Washington 52nd Legislature 1991 Regular Session

By Senate Committee on Financial Institutions & Insurance (originally sponsored by Senators von Reichbauer, Pelz, Johnson, Owen, Thorsness, Vognild, Sellar and Moore).

Read first time March 6, 1991.

1 AN ACT Relating to collection of debts; and amending RCW 62A.3-515
2 and 62A.3-520.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 62A.3-515 and 1986 c 128 s 1 are each amended to read
5 as follows:

6 (1) Whenever a check as defined in RCW 62A.3-104 has been
7 dishonored by nonacceptance or nonpayment the payee or holder of the
8 check is entitled to collect a reasonable handling fee for each such
9 instrument. When such check has not been paid within fifteen days and
10 after the holder of such check sends such notice of dishonor as
11 provided by RCW 62A.3-520 to the drawer at his or her last known
12 address, then if the instrument does not provide for the payment of
13 interest, or collection costs and attorneys fees, the drawer of such
14 instrument shall also be liable for payment of interest at the rate of
15 twelve percent per annum from the date of dishonor and cost of

1 collection not to exceed forty dollars or the face amount of the check,
2 whichever is the lesser. In addition, in the event of court action on
3 the check the court, after such notice and the expiration of said
4 fifteen days, shall award a reasonable attorneys fee, and three times
5 the face amount of the check or ((one)) three hundred dollars,
6 whichever is less, as part of the damages payable to the holder of the
7 check. This section shall not apply to any instrument which has been
8 dishonored by reason of any justifiable stop payment order.

9 (2)(a) Subsequent to the commencement of the action but prior to
10 the hearing, the defendant may tender to the plaintiff as satisfaction
11 of the claim, an amount of money equal to the sum of the amount of the
12 check, a reasonable handling fee, accrued interest, collection costs
13 equal to the face amount of the check not to exceed forty dollars, and
14 the incurred court and service costs.

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

17 **Sec. 2.** RCW 62A.3-520 and 1986 c 128 s 2 are each amended to read
18 as follows:

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

22

23

NOTICE OF DISHONOR OF CHECK

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

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

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

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

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

10 You are also CAUTIONED that law enforcement agencies may be
11 provided with a copy of this notice of dishonor and the check drawn by
12 you for the possibility of proceeding with criminal charges if you do
13 not pay the amount of this check within fifteen days after the date
14 this letter is postmarked.

15 You are advised to make your payment to at the following
16 address:

Passed the Senate April 22, 1991.
Passed the House April 19, 1991.
Approved by the Governor May 15, 1991.
Filed in Office of Secretary of State May 15, 1991.