CERTIFICATION OF ENROLLMENT

HOUSE BILL 1771

Chapter 187, Laws of 1995

54th Legislature 1995 Regular Session

DISHONORED CHECKS--PAYMENT OF COSTS AND FEES

EFFECTIVE DATE: 7/23/95

Passed by the House March 14, 1995 Yeas 87 Nays 11

CLYDE BALLARD

Speaker of the
House of Representatives

Passed by the Senate April 11, 1995 Yeas 41 Nays 3

CERTIFICATE

I, Timothy A. Martin, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1771** as passed by the House of Representatives and the Senate on the dates hereon set forth.

JOEL PRITCHARD

TIMOTHY A. MARTIN

President of the Senate

Chief Clerk

Approved May 1, 1995

FILED

May 1, 1995 - 11:29 a.m.

MIKE LOWRY

Governor of the State of Washington

Secretary of State State of Washington

HOUSE BILL 1771

Passed Legislature - 1995 Regular Session

State of Washington 54th Legislature 1995 Regular Session

By Representatives Hickel, Basich, Padden, Kremen, Chappell and Carrell

Read first time 02/08/95. Referred to Committee on Law & Justice.

- AN ACT Relating to dishonored checks; amending RCW 62A.3-515; and
- 2 prescribing penalties.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 62A.3-515 and 1993 c 229 s 67 are each amended to read 5 as follows:
- 6 (a) If a check as defined in RCW 62A.3-104 is dishonored by
- 7 nonacceptance or nonpayment, the payee or holder of the check is
- 8 entitled to collect a reasonable handling fee for each instrument. If
- 9 the check is not paid within fifteen days and after the holder of the
- 10 check sends a notice of dishonor as provided by RCW 62A.3-520 to the
- 11 drawer at the drawer's last known address, and if the instrument does
- 12 not provide for the payment of interest($(\frac{1}{2})$) or collection costs and
- 13 attorneys' fees, the drawer of the instrument is liable for payment of
- 14 interest at the rate of twelve percent per annum from the date of
- 15 dishonor, and cost of collection not to exceed forty dollars or the
- 16 face amount of the check, whichever is less. In addition, in the event
- 17 of court action on the check, the court, after notice and the
- 18 expiration of the fifteen days, shall award ((a)) reasonable attorneys'
- 19 fees, and three times the face amount of the check or three hundred

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- dollars, whichever is less, as part of the damages payable to the holder of the check. This section does not apply to an instrument that is dishonored by reason of a justifiable stop payment order.
- (b)(1) Subsequent to the commencement of an action on the check (subsection (a)) but prior to the hearing, the defendant may tender to the plaintiff as satisfaction of the claim, an amount of money equal to the face amount of the check, a reasonable handling fee, accrued interest, collection costs equal to the face amount of the check not to exceed forty dollars, and the incurred court ((and)) costs, service costs, and statutory attorneys' fees.
- 11 (2) Nothing in this section precludes the right to commence action 12 in a court under chapter 12.40 RCW for small claims.

Passed the House March 14, 1995.
Passed the Senate April 11, 1995.
Approved by the Governor May 1, 1995.
Filed in Office of Secretary of State May 1, 1995.