

CERTIFICATION OF ENROLLMENT

ENGROSSED HOUSE BILL 2609

Chapter 215, Laws of 2000

56th Legislature
2000 Regular Session

DISHONORED CHECKS

EFFECTIVE DATE: 6/8/00

Passed by the House March 6, 2000
Yeas 98 Nays 0

CLYDE BALLARD
Speaker of the House of Representatives

FRANK CHOPP
Speaker of the House of Representatives

Passed by the Senate March 3, 2000
Yeas 45 Nays 0

BRAD OWEN
President of the Senate

Approved March 30, 2000

GARY LOCKE
Governor of the State of Washington

CERTIFICATE

We, Timothy A. Martin and Cynthia Zehnder, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED HOUSE BILL 2609** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER
Chief Clerk

TIMOTHY A. MARTIN
Chief Clerk

FILED

March 30, 2000 - 2:18 p.m.

**Secretary of State
State of Washington**

ENGROSSED HOUSE BILL 2609

Passed Legislature - 2000 Regular Session

AS AMENDED BY THE SENATE

State of Washington 56th Legislature 2000 Regular Session

By Representatives Carrell, Constantine, Mulliken and G. Chandler

Read first time 01/18/2000. Referred to Committee on Judiciary.

1 AN ACT Relating to notices of dishonored checks; amending RCW
2 62A.3-515, 62A.3-522, and 62A.3-525; and adding a new section to
3 chapter 26.23 RCW.

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

5 **Sec. 1.** RCW 62A.3-515 and 1995 c 187 s 1 are each amended to read
6 as follows:

7 (a) If a check as defined in RCW 62A.3-104 is dishonored by
8 nonacceptance or nonpayment, the payee or ~~((holder of the check is~~
9 ~~entitled to))~~ person entitled to enforce the check under RCW 62A.3-301
10 may collect a reasonable handling fee for each instrument. If the
11 check is not paid within fifteen days and after the ~~((holder of the~~
12 ~~check))~~ person entitled to enforce the check or the person's agent
13 sends a notice of dishonor as provided by RCW 62A.3-520 to the drawer
14 at the drawer's last known address, and if the instrument does not
15 provide for the payment of interest or collection costs and attorneys'
16 fees, the drawer of the instrument is liable for payment of interest at
17 the rate of twelve percent per annum from the date of dishonor, and
18 cost of collection not to exceed forty dollars or the face amount of
19 the check, whichever is less, payable to the person entitled to enforce

1 the check. In addition, in the event of court action on the check, the
2 court, after notice and the expiration of the fifteen days, shall award
3 reasonable attorneys' fees, and three times the face amount of the
4 check or three hundred dollars, whichever is less, as part of the
5 damages payable to the (~~holder of~~) person enforcing the check. This
6 section does not apply to an instrument that is dishonored by reason of
7 a justifiable stop payment order.

8 (b)(1) Subsequent to the commencement of an action on the check
9 (subsection (a)) but prior to the hearing, the defendant may tender to
10 the plaintiff as satisfaction of the claim, an amount of money equal to
11 the face amount of the check, a reasonable handling fee, accrued
12 interest, collection costs equal to the face amount of the check not to
13 exceed forty dollars, and the incurred court costs, service costs, and
14 statutory attorneys' fees.

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

17 **Sec. 2.** RCW 62A.3-522 and 1993 c 229 s 69 are each amended to read
18 as follows:

19 In addition to sending a notice of dishonor to the drawer of the
20 check under RCW 62A.3-520, the (~~holder of the check~~) person sending
21 notice shall execute an affidavit certifying service of the notice by
22 mail. The affidavit of service by mail must be attached to a copy of
23 the notice of dishonor and must be substantially in the following form:

24 AFFIDAVIT OF SERVICE BY MAIL

25 I,, hereby certify that on the day of
26, (~~19~~) 20., a copy of the foregoing Notice was served
27 on by mailing via the United States Postal Service, postage
28 prepaid, at, Washington.

29 Dated:

30 (Signature)

31 The (~~holder~~) person enforcing the check shall retain the
32 affidavit with the check but shall file a copy of the affidavit with
33 the clerk of the court in which an action on the check is commenced.

34 **Sec. 3.** RCW 62A.3-525 and 1993 c 229 s 70 are each amended to read
35 as follows:

1 No interest, collection costs, and attorneys' fees, except handling
2 fees, are recoverable on any dishonored check under the provisions of
3 RCW 62A.3-515 where (~~the holder of the check or~~) a person entitled to
4 such recovery or any agent, employee, or assign (~~of the holder~~) has
5 demanded:

6 (1) Interest or collection costs in excess of that provided by RCW
7 62A.3-515; or

8 (2) Interest or collection costs prior to the expiration of fifteen
9 days after the mailing of notice of dishonor, as provided by RCW 62A.3-
10 515 and 62A.3-520; or

11 (3) Attorneys' fees either without having the fees set by the
12 court, or prior to the expiration of fifteen days after the mailing of
13 notice of dishonor, as provided by RCW 62A.3-515 and 62A.3-520.

14 NEW SECTION. Sec. 4. A new section is added to chapter 26.23 RCW
15 to read as follows:

16 For any payment made by a check as defined in RCW 62A.3-104, if the
17 instrument is dishonored under RCW 62A.3-515, the costs and fees
18 authorized under RCW 62A.3-515 apply. The department may establish
19 procedures and adopt rules to enforce this section.

Passed the House March 6, 2000.

Passed the Senate March 3, 2000.

Approved by the Governor March 30, 2000.

Filed in Office of Secretary of State March 30, 2000.