

2712

2009-2010 Regular Sessions

I N S E N A T E

February 27, 2009

Introduced by Sens. MORAHAN, LARKIN -- read twice and ordered printed,  
and when printed to be committed to the Committee on Judiciary

AN ACT to amend the general obligations law, in relation to processing  
fees charged by holders of dishonored checks

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY,  
DO ENACT AS FOLLOWS:

1 Section 1. Paragraph (a) of subdivision 2 of section 5-328 of the  
2 general obligations law, as amended by chapter 15 of the laws of 1991,  
3 is amended to read as follows:

4 (a) The holder of a dishonored check given in payment for a consumer  
5 transaction or an account may collect from, charge, or add to the  
6 outstanding balance of the account of, the person from whom such check  
7 was received or to whom such credit was extended, a dishonored check  
8 charge of not more than the lesser of the amount agreed upon, if  
9 contracted for, or [twenty] THIRTY dollars.

10 S 2. Subdivision 3 of section 5-328 of the general obligations law, as  
11 added by chapter 529 of the laws of 1995, is amended to read as follows:

12 3. Notwithstanding any other provision of law, any person to whom a  
13 check, draft or like instrument, other than a money order, bank cash-  
14 ier's check or certified check, is tendered for any transaction, other  
15 than a consumer transaction, may, if such instrument is dishonored  
16 charge or collect from the maker or drawer the amount of [twenty] THIRTY  
17 dollars for the return of such unpaid or dishonored instrument.

18 S 3. This act shall take effect immediately.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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