

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH80268-LTf-120 (4/13)

Short Title: Increase Processing Fee for Returned Checks. (Public)

Sponsors: Representatives Wright and Gibson (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE PROCESSING FEE FOR RETURNED CHECKS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 25-3-506 reads as rewritten:

"§ 25-3-506. Collection of processing fee for returned checks.

A person who accepts a check in payment for goods or services or his assignee may charge and collect a processing fee, not to exceed ~~twenty five dollars (\$25.00)~~, thirty dollars (\$30.00), for a check on which payment has been refused by the payor bank because of insufficient funds or because the drawer did not have an account at that bank.

If a collection agency collects or seeks to collect on behalf of its principal a processing fee as specified in this section in addition to the sum payable of a check, the amount of such processing fee must be separately stated on the collection notice. The collection agency shall not collect or seek to collect from the drawer any sum other than the actual amount of the returned check and the specified processing fee."

SECTION 2. This act becomes effective October 1, 2005, and applies to fees charged on or after that date.