

MAR 7 2003
Place On Calendar

Dithelbrown
3/24/03

HOUSE FILE 483
BY COMMITTEE ON COMMERCE,
REGULATION AND LABOR

(SUCCESSOR TO HSB 50)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the surcharge for certain dishonored
2 negotiable instruments.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

HF 483

1 Section 1. Section 554.3512, subsection 1, Code 2003, is
2 amended by striking the subsection and inserting in lieu
3 thereof the following:

4 1. The holder of a dishonored check, draft, or order may
5 assess against the maker of that check, draft, or order a
6 surcharge not to exceed thirty dollars.

7 EXPLANATION

8 This bill amends Code section 554.3512 in Article 3 of the
9 Uniform Commercial Code regulating negotiable instruments
10 (providing a promise to pay an amount of money payable to the
11 bearer upon demand or at some definite time). The bill
12 increases the surcharge that may be assessed against checks,
13 drafts, or orders which are dishonored from \$20 to \$30.

14 The bill eliminates a provision that the amount of the
15 surcharge could also equal 5 percent of the face value of the
16 instrument, which could be above the \$20 surcharge amount in
17 current law. Finally, the bill eliminates a provision that if
18 the financial instrument was presented twice or the maker does
19 not have an account with the drawee, the amount of the
20 surcharge could increase to \$50.

21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

Watts, Chair
Jacobs
Ford

Si 0483' HSB 50
COMMERCE, REGULATION & LABOR

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
COMMERCE, REGULATION AND
LABOR BILL BY CHAIRPERSON
HANSEN)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act increasing the surcharge for certain dishonored negotiable
2 instruments.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22

1 Section 1. Section 554.3512, subsection 1, Code 2003, is
2 amended to read as follows:

3 1. The holder of a dishonored check, draft, or order may
4 assess against the maker of that check, draft, or order a
5 surcharge of not more than the greater of twenty thirty
6 dollars or five percent of the face value of the check.
7 However, the amount of the surcharge shall not exceed twenty
8 thirty dollars unless the check, draft, or order was presented
9 twice or the maker does not have an account with the drawee.
10 If the check, draft, or order was presented twice or the maker
11 does not have an account with the drawee, the amount of the
12 surcharge shall not exceed fifty dollars.

13 EXPLANATION

14 This bill amends Code section 554.3512 in Article 3 of the
15 Uniform Commercial Code regulating negotiable instruments
16 (providing a promise to pay an amount of money payable to the
17 bearer upon demand or at some definite time). The bill
18 increases the surcharge that may be assessed against checks,
19 drafts, or orders which are dishonored from \$20 to \$30.

20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35