

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 529
HOUSE BILL 723

AN ACT TO SPECIFY WHEN A PROCESSING FEE MAY BE CHARGED FOR
CHECKS SENT BY MAIL AND WHEN A COLLECTION AGENCY MAY
COLLECT A PROCESSING FEE FOR RETURNED CHECKS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 25-3-512 is amended by deleting the second, third, and fourth sentences, and inserting the following language in lieu thereof:

"When the drawer sends a check by mail for payment of a debt and the check is dishonored and returned, the processing fee may be collected if the drawer was given prior written notice that a fee would be charged for returned checks. Any document that clearly and conspicuously states the amount of the fee that will be charged for returned checks and is delivered to the drawer or his agent, or is mailed first class mail to the drawer at his last known address as part of any document requesting payment of a debt satisfies this notice requirement for that payment only.

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."

Sec. 2. This act shall become effective July 1, 1983, and shall apply to checks written on or after that date.

In the General Assembly read three times and ratified, this the 15th day of June, 1983.