

Introduced: 3/18/86  
Referred: Labor and Commerce  
and Judiciary

BY THE LABOR AND  
COMMERCE COMMITTEE

1 IN THE SENATE

2

SENATE BILL NO. 465

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to dishonored checks; and providing  
7 for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 09.65.115(a) is amended to read:

10 (a) In an action against a person who issues a check that is  
11 dishonored, the plaintiff may recover, in addition to the amount of  
12 the check, a returned check charge, court costs, attorney's fees, and  
13 process service costs, plus damages in an amount equal to \$100 or  
14 triple the amount of the check, whichever is greater. For the pur-  
15 poses of this section a returned check charge may not be more than \$25  
16 and does not require a specific cost justification. Damages [, EXCEPT  
17 THAT DAMAGES] recovered under this subsection for each dishonored  
18 check [SECTION] may not exceed the amount of the check by more than  
19 \$1,000 and may be awarded only if

20 (1) the plaintiff makes a written demand for payment of the  
21 check at least 15 days before beginning the action; and

22 (2) the defendant fails to tender, before the action be-  
23 gins, an amount equal to at least the amount of the check, plus a  
24 returned check charge [COSTS INCURRED BY THE PLAINTIFF UP TO A MAXIMUM  
25 OF \$25].

26 \* Sec. 2. AS 09.65.115(c) is amended to read:

27 (c) After the beginning of an action under this section but  
28 before the case is tried, the defendant may satisfy the claim by  
29 tendering an amount of money equal to the amount of the check, [PLUS]

1 a returned check charge, attorney's fees, and court [, LEGAL,] and  
2 process service costs incurred by the plaintiff up to a maximum of  
3 \$150 in costs for each dishonored check.

4 \* Sec. 3. AS 09.65.115(d) is amended to read:

5 (d) In this section

6 (1) "check" has the meaning given in AS 11.46.280;

7 (2) "dishonored" means the nonpayment of a check because of

8 (A) lack of funds;

9 (B) closure or nonexistence of an account; or

10 (C) a stop payment order issued without cause;

11 (3) "written demand" means a written notice to the issuer  
12 of a dishonored check personally delivered or sent by first class mail  
13 to the address shown on the dishonored check unless a better address  
14 is known by the person giving notice, advising the issuer that the  
15 check has been dishonored and explaining the civil penalties set out  
16 in this section.

17 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.-  
18 10.070(c).