

1 order was drawn on a closed account or on a nonexistent account when
2 such checks or orders are given:

- 3 1. In exchange for money or property;
- 4 2. In exchange for any benefit or thing of value; or
- 5 3. As a down payment for the purchase of any item of which the
6 purchaser is taking immediate possession, as against the maker or
7 drawer thereof.

8 B. The making, drawing, uttering, or delivering of a check,
9 draft, or order, payment of which is refused by the drawee, shall be
10 prima facie evidence of intent to defraud and the knowledge of
11 insufficient funds in, or credit with, such bank or other
12 depository; provided, such maker or drawer shall not have paid the
13 drawee thereof the amount due thereon, together with the protest
14 fees, within five (5) days from the date the same is presented for
15 payment; and provided, further, that said check or order is
16 presented for payment within thirty (30) days after same is
17 delivered and accepted.

18 C. A check offered for the purchase of goods or livestock that
19 is refused by a drawee shall not be considered to be an extension of
20 credit by the seller of goods or livestock to the maker or drawer of
21 the check.

22 D. A check or order offered to a merchant in payment on an open
23 account of the maker with the merchant shall mean "a check or order
24 given in exchange for a benefit or thing of value", notwithstanding

1 that the merchant may debit the account of the maker or impose other
2 charges pursuant to applicable law in the event the check or order
3 is not honored.

4 SECTION 2. This act shall become effective November 1, 2013.

5
6 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT AND FINANCIAL
7 SERVICES, dated 04/04/2013 - DO PASS, As Coauthored.
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24