

By: McCall

H.B. No. 936

A BILL TO BE ENTITLED

AN ACT

relating to a fee charged in connection with collection of a dishonored check.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 3.506(a), Business & Commerce Code, is amended to read as follows:

(a) On return of a check to the holder following dishonor of the check by a payor, the holder, the holder's assignee, agent, or representative, or any other person retained by the holder to seek collection of the face value of the dishonored check may charge the drawer or endorser a reasonable processing fee of not more than \$30 [~~\$25~~].

SECTION 2. The change in law made by this Act applies only to a check issued on or after the effective date of this Act. A check issued before the effective date of this Act is covered by the law in effect when the check was issued, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2003.