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HOUSE BILL NO. 1683

House Amendments in [] - January 26, 2009

A *BILL to amend and reenact § 8.01-27.1 of the Code of Virginia, relating to checks; stop payment; civil actions.*

Patron Prior to Engrossment—Delegate Ware, O.

Referred to Committee for Courts of Justice**Be it enacted by the General Assembly of Virginia:****1. That § 8.01-27.1 of the Code of Virginia is amended and reenacted as follows:**

§ 8.01-27.1. Additional recovery in certain civil actions concerning checks.

A. Except as otherwise provided in Chapter 13 (§ 55-217 et seq.) or Chapter 13.2 (§ 55-248.2 et seq.) of Title 55, in any civil claim or action made or brought against the drawer of a check, draft or order, payment of which has been refused by the drawee depository because of lack of funds in or credit with such drawee depository, *or because such check, draft or order was returned because of a stop-payment order placed [in bad faith] on the check [~~in bad faith~~]*, draft or order by the drawer, the holder or his agent shall be entitled to claim, in addition to the face amount of the check (i) legal interest from the date of the check, (ii) the protest or bad check return fee, if any, charged to the holder by his bank or other depository, (iii) a processing charge of \$50, and (iv) reasonable attorney's fees if awarded by the court.

B. Except as otherwise provided in Chapter 13 (§ 55-217 et seq.) or Chapter 13.2 (§ 55-248.2 et seq.) of Title 55, any holder of a check, draft or order, payment of which has been refused by the drawee for insufficient funds or credit *or because of a stop-payment order placed in bad faith*, who charges the drawer amounts in excess of those authorized in subsection A on account of payment being so refused shall, upon demand, be liable to the drawer for the lesser of (i) \$50 plus the excess of the authorized amount or (ii) twice the amount charged in excess of the authorized amount.

ENGROSSED

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