

## CHAPTER 332

COLLECTION AGENCIES; AIDS TO  
LIQUIDATION OF DEBTS

332.50 Civil liability for issuance of worthless check.

**332.50 CIVIL LIABILITY FOR ISSUANCE OF WORTHLESS CHECK.**

Subdivision 1. **Definitions.** "Check" means a check, draft, order of withdrawal, or similar negotiable or nonnegotiable instrument.

"Credit" means an arrangement or understanding with the drawee for the payment of the check.

Subd. 2. **Acts constituting.** Whoever issues any check that is dishonored and is not paid within 30 days after mailing a notice of dishonor and a copy of sections 332.50 and 609.535 in compliance with subdivision 3, is liable to the holder for the amount of the check plus a civil penalty of up to \$100, interest at the rate payable on judgments pursuant to section 549.09 on the face amount of the check from the date of dishonor, reasonable attorney fees if the amount of the check is over \$1,250, and a service charge not exceeding \$15 if written notice of the service charge was conspicuously displayed on the premises when the check was issued.

This subdivision prevails over any provision of law limiting, prohibiting, or otherwise regulating service charges authorized by this subdivision.

Subd. 3. **Notice of dishonor required.** Notice of nonpayment or dishonor and a copy of sections 332.50 and 609.535 shall be sent by the payee or holder of the check to the drawer by certified mail, return receipt requested, or by regular mail, supported by an affidavit of service by mailing, to the address printed or written on the check. The issuance of a check with an address printed or written on it is a representation by the drawer that the address is the correct address for receipt of mail concerning the check. Failure of the drawer to receive a regular or certified mail notice sent to that address is not a defense to liability under this section, if the drawer has had actual notice for 30 days that the check has been dishonored.

An affidavit of service by mailing shall be retained by the payee or holder of the check.

Subd. 4. **Proof of identity.** The check is prima facie evidence of the identity of the drawer if the person receiving the check:

(a) records the following information about the drawer on the check, unless it is printed on the face of the check:

- (1) name;
- (2) home or work address;
- (3) home or work telephone number; and
- (4) identification number issued pursuant to section 171.07;

(b) compares the drawer's physical appearance, signature, and the personal information recorded on the check with the drawer's identification card issued pursuant to section 171.07; and

(c) initials the check to indicate compliance with these requirements.

Subd. 5. **Defenses.** Any defense otherwise available to the drawer also applies to liability under this section.

**History:** 1983 c 225 s 6