SENATE BILL 579

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CF HB 813

By: **Senator Jones (Chair, Joint Committee on the Management of Public Funds) and Senators Currie, Forehand, and Haines**
Introduced and read first time: February 6, 2009
Assigned to: Budget and Taxation

Committee Report: Favorable with amendments
Senate action: Adopted
Read second time: March 4, 2009

CHAPTER _____

AN ACT concerning

State Checks – Electronic Publication of Payee Names

FOR the purpose of authorizing the Treasurer of the State to electronically publish the names of certain payees under certain circumstances for a certain period of time; and generally relating to electronic publication of payee names ~~and~~, the Undeliverable Checks Fund, and the Unpresented Checks Fund.

BY repealing and reenacting, with amendments,
Article – State Finance and Procurement
Section 7–229 and 7–230
Annotated Code of Maryland
(2006 Replacement Volume and 2008 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – State Finance and Procurement

7–229.

(a) In this section, "Fund" means the Undeliverable Checks Fund.

(b) There is an Undeliverable Checks Fund.

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW**.
[Brackets**]** indicate matter deleted from existing law.
Underlining indicates amendments to bill.
~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

(c) If a check that the Treasurer, the Chief Deputy Treasurer, or a deputy treasurer issues is returned to the Comptroller as undeliverable, the Comptroller:

(1) shall keep the check for a period of not more than 30 days;

(2) during that period, shall try diligently to find the correct address of the payee and to deliver the check; and

(3) if unable to deliver the check during that period, shall send the check to the Treasurer.

(d) Whenever the Comptroller returns a check as undeliverable, the Treasurer shall:

(1) cancel the check; and

(2) request the Comptroller to credit the amount of the canceled check to the Fund.

(e) On a warrant charged against the Fund, the Treasurer, the Chief Deputy Treasurer, or a deputy treasurer may issue a check to replace a check canceled under this section.

(f) As required by State or federal law, or as considered proper by the Treasurer, the Treasurer, the Chief Deputy Treasurer, or a deputy treasurer shall:

(1) on a warrant charged against the Fund, disburse to the original source any money in the Fund required to be returned to the source; or

(2) request the Comptroller to transfer any money in the Fund to another fund or account.

(g) At the end of each fiscal year, the Treasurer:

(1) shall identify the checks that have been credited to the Fund and remain unclaimed for 2 years;

(2) determine a reasonable balance to retain in the Fund that will be needed to honor each replacement check that may be issued on a warrant charged against the Fund; and

(3) request the Comptroller to transfer the balance in the Fund, after subtraction of the amount determined as provided in item (2) of this subsection, to the General Fund of the State.

(h) Undeliverable checks credited to the Fund are not subject to Title 17 of the Commercial Law Article.

(I) NOTWITHSTANDING § 10–617 OF THE STATE GOVERNMENT ARTICLE, AT THE END OF EACH FISCAL YEAR, THE TREASURER MAY ELECTRONICALLY PUBLISH ON THE TREASURER'S WEBSITE THE NAMES OF PAYEES OF CHECKS THAT HAVE REMAINED UNCLAIMED FOR 2 YEARS OR MORE.

7–230.

(a) In this section, "Fund" means the Unpresented Checks Fund.

(b) There is an Unpresented Checks Fund.

(c) At the end of each fiscal year, the Treasurer shall:

(1) identify each check that:

(i) has been issued against the money of the State; and

(ii) has remained unpresented for 2 years;

(2) request the Comptroller to credit the aggregate amount of the checks to the Fund.

(d) At the end of each fiscal year, the Treasurer shall:

(1) determine a reasonable minimum balance to retain in the Fund that will be needed to honor each check that is presented after its amount has been credited to the Fund; and

(2) request the Comptroller to transfer the balance in the Fund to the General Fund of the State.

(e) After the amount of a check has been credited to the Fund, on a warrant charged against the Fund, the Treasurer, the Chief Deputy Treasurer, or a deputy treasurer may reissue a check that is presented for payment.

(f) As required by State or federal law, or as considered proper by the Treasurer, the Treasurer, the Chief Deputy Treasurer, or a deputy treasurer shall:

(1) void an unpresented check; and

(2) request the Comptroller to transfer the amount of the voided check to:

(i) the original source of the money; or

(ii) another fund or account.

(g) Unpresented checks credited to the Fund are not subject to Title 17 of the Commercial Law Article.

(H) NOTWITHSTANDING § 10–617 OF THE STATE GOVERNMENT ARTICLE, AT THE END OF EACH FISCAL YEAR, THE TREASURER MAY ELECTRONICALLY PUBLISH ON THE TREASURER'S WEBSITE THE NAMES OF PAYEES OF CHECKS THAT HAVE REMAINED UNPRESENTED FOR 2 YEARS OR MORE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2009.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.