

HOUSE BILL 498

I1

3lr0705

By: **Delegate Braveboy**

Introduced and read first time: January 30, 2013

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Financial Institutions – Automated Teller Machine Check Deposits –**
3 **Mandatory Review**

4 FOR the purpose of requiring that each check deposited into an account through the
5 use of an automated teller machine be reviewed within a certain period of time
6 by an employee of the banking institution or credit union operating the
7 automated teller machine to verify certain information; defining certain terms;
8 and generally relating to the depositing of checks using automated teller
9 machines.

10 BY adding to

11 Article – Financial Institutions

12 Section 5–303 and 6–504

13 Annotated Code of Maryland

14 (2011 Replacement Volume and 2012 Supplement)

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

17 **Article – Financial Institutions**

18 **5–303.**

19 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
20 **MEANINGS INDICATED.**

21 **(2) “AUTOMATED TELLER MACHINE” HAS THE MEANING STATED**
22 **IN § 1–401 OF THIS ARTICLE.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(3) “CHECK” MEANS A DRAFT THAT IS DRAWN ON A BANKING**
2 **INSTITUTION AND PAYABLE ON DEMAND.**

3 **(B) EACH CHECK DEPOSITED INTO AN ACCOUNT THROUGH THE USE OF**
4 **AN AUTOMATED TELLER MACHINE SHALL BE REVIEWED BY AN EMPLOYEE OF**
5 **THE BANKING INSTITUTION OPERATING THE AUTOMATED TELLER MACHINE**
6 **WITHIN 5 BUSINESS DAYS AFTER THE DATE OF DEPOSIT TO VERIFY THAT:**

7 **(1) THE NAME OF THE PAYEE STATED ON THE CHECK MATCHES**
8 **THE NAME OF AT LEAST ONE OF THE ACCOUNT HOLDERS OF THE ACCOUNT IN**
9 **WHICH THE CHECK WAS DEPOSITED; OR**

10 **(2) THE CHECK WAS ENDORSED BY THE PAYEE STATED ON THE**
11 **CHECK.**

12 **6-504.**

13 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE**
14 **MEANINGS INDICATED.**

15 **(2) “AUTOMATED TELLER MACHINE” HAS THE MEANING STATED**
16 **IN § 1-401 OF THIS ARTICLE.**

17 **(3) “CHECK” MEANS A DRAFT THAT IS DRAWN ON A CREDIT**
18 **UNION AND PAYABLE ON DEMAND.**

19 **(B) EACH CHECK DEPOSITED INTO AN ACCOUNT THROUGH THE USE OF**
20 **AN AUTOMATED TELLER MACHINE SHALL BE REVIEWED BY AN EMPLOYEE OF**
21 **THE CREDIT UNION OPERATING THE AUTOMATED TELLER MACHINE WITHIN 5**
22 **BUSINESS DAYS AFTER THE DATE OF DEPOSIT TO VERIFY THAT:**

23 **(1) THE NAME OF THE PAYEE STATED ON THE CHECK MATCHES**
24 **THE NAME OF AT LEAST ONE OF THE ACCOUNT HOLDERS OF THE ACCOUNT IN**
25 **WHICH THE CHECK WAS DEPOSITED; OR**

26 **(2) THE CHECK WAS ENDORSED BY THE PAYEE STATED ON THE**
27 **CHECK.**

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 2013.