

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

House Bill 1248
Judiciary

(Delegate Rzepkowski)

Crimes - Bad Checks - Interest

This bill authorizes a court to order a defendant to pay interest after conviction of unlawfully obtaining property or services by issuing or passing a bad check. To the extent that the property is not restored or compensation has not been provided for the services, the court may order restitution of the value of the property or the services obtained, together with interest, to be paid to any person with a property interest in the property or to the person who provided the services. The interest shall accrue on the unpaid amount of the check at the legal rate of interest starting on the thirty-first day after the notice of dishonor is mailed.

Fiscal Summary

State Effect: This bill is not expected to materially affect governmental operations or finances.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A person may not obtain property or services by issuing a check with the knowledge that there are insufficient funds to cover the check, with the intent to stop payment, or with the intent that payment be refused. A person may not obtain property or services by passing a check with the knowledge that the drawer has insufficient funds, that payment has been stopped, or that the check will be dishonored.

A person who obtains property or services with a value of \$500 or more with one bad check is guilty of a felony and on conviction is subject to imprisonment for up to 15 years, or a maximum fine of \$1,000, or both. The same penalty applies to a person who obtains property or services by issuing or passing more than one bad check if each check is issued for less than \$500, is issued to the same person within a 30-day period, and the cumulative value of the property is \$500 or more.

A person who obtains property or services with a value of less than \$500 by issuing or passing a bad check is guilty of a misdemeanor and is subject to imprisonment for up to 18 months or a maximum fine of \$100, or both.

In addition to the above-mentioned penalties, the court may order restoration of the property to any person with a property interest, if the property has been recovered or is in the defendant's possession. To the extent that the property has not been restored or compensation has not been provided for services, the court may order restitution of the value of the property to be paid to any person with a property interest in the property or the person who provided the services. The court may also order the defendant to pay a maximum collection fee of \$35 for each check to any person with a property interest in the property or the person who provided the services.

The legal rate of interest is 10% annually on the amount of a judgment.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Judiciary (Administrative Office of the Courts), Department of Public Safety and Correctional Services, Department of Legislative Services

Fiscal Note History: First Reader - March 11, 2002
mam/cer

Analysis by: Karen D. Morgan

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510

