
By: **Delegate Heller (Joint Committee on the Management of Public Funds)**
and Delegates Aumann, Conway, and Marriott

Introduced and read first time: February 4, 2004

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Treasury - Unpresented Checks Fund**

3 FOR the purpose of altering the procedures the Treasurer must follow in asking the
4 Comptroller to credit the amount of certain unpresented checks to the
5 Unpresented Checks Fund; altering the procedures for transferring a certain
6 portion of the balance of the Fund to the General Fund; removing a prohibition
7 on reissuing checks after a certain period; specifying the procedures to be
8 followed in voiding an unpresented check; exempting unpresented checks
9 credited to the Fund from certain statutory provisions; and generally relating to
10 the Unpresented Checks Fund.

11 BY repealing and reenacting, with amendments,
12 Article - State Finance and Procurement
13 Section 7-230
14 Annotated Code of Maryland
15 (2001 Replacement Volume and 2003 Supplement)

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

18 **Article - State Finance and Procurement**

19 7-230.

- 20 (a) In this section, "Fund" means the Unpresented Checks Fund.
- 21 (b) There is an Unpresented Checks Fund.
- 22 (c) At the end of each fiscal year, the Treasurer shall:
- 23 (1) identify each check that:
- 24 (i) has been issued against the money of the State; and
- 25 (ii) has remained unpresented for 2 years;

1 (2) [certify to the Comptroller for each check:
2 (i) the amount;
3 (ii) the date of issue;
4 (iii) the number;
5 (iv) the name of the payor bank; and
6 (v) the name of the payee; and
7 (3) ask the Comptroller to:
8 (i) certify the amount of the check; and
9 (ii) credit that amount to the Fund] REQUEST THE COMPTROLLER
10 TO CREDIT THE AGGREGATE AMOUNT OF THE CHECKS TO THE FUND.

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

12 (1) determine a reasonable minimum balance TO RETAIN IN THE FUND
13 that will be needed to honor each check that is presented after its amount has been
14 credited to the Fund; and

15 (2) [obtain a warrant] REQUEST THE COMPTROLLER to transfer the
16 balance in the Fund to the General Fund of the State.

17 (e) After the amount of a check has been credited to the Fund, on a warrant
18 charged against the Fund, the Treasurer, the Chief Deputy Treasurer, or a deputy
19 treasurer [shall] MAY reissue a check that is presented [within 7 years after the date
20 of issue] FOR PAYMENT.

21 (f) [A check that remains unrepresented for 7 years after the date of issue is
22 void and the Treasurer, the Chief Deputy Treasurer, or a deputy treasurer may not
23 reissue the check] AS REQUIRED BY STATE OR FEDERAL LAW, OR AS CONSIDERED
24 PROPER BY THE TREASURER, THE TREASURER, THE CHIEF DEPUTY TREASURER, OR A
25 DEPUTY TREASURER SHALL:

26 (1) VOID AN UNPRESENTED CHECK; AND

27 (2) REQUEST THE COMPTROLLER TO TRANSFER THE AMOUNT OF THE
28 VOIDED CHECK TO:

29 (I) THE ORIGINAL SOURCE OF THE MONEY; OR

30 (II) ANOTHER FUND OR ACCOUNT.

31 (G) UNPRESENTED CHECKS CREDITED TO THE FUND ARE NOT SUBJECT TO
32 TITLE 17 OF THE COMMERCIAL LAW ARTICLE.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2004.