

HOUSE BILL 959

I1

71r2147

By: **Delegate Valderrama**

Introduced and read first time: February 9, 2007

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Banking Institutions – Dishonored Checks – Fees**

3 FOR the purpose of prohibiting certain banking institutions from charging a fee to a
4 customer for an overdraft on the customer's checking account that results from
5 the customer's reasonable reliance on a certain representation made by an
6 employee or agent of the banking institution; and generally relating to fees
7 charged by banking institutions.

8 BY adding to

9 Article – Financial Institutions

10 Section 5–514

11 Annotated Code of Maryland

12 (2003 Replacement Volume and 2006 Supplement)

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

15 **Article – Financial Institutions**

16 **5–514.**

17 **A BANKING INSTITUTION MAY NOT CHARGE A FEE TO A CUSTOMER FOR AN**
18 **OVERDRAFT ON THE CUSTOMER'S CHECKING ACCOUNT THAT RESULTS FROM**
19 **THE CUSTOMER'S REASONABLE RELIANCE ON A REPRESENTATION MADE BY AN**
20 **EMPLOYEE OR AGENT OF THE BANKING INSTITUTION THAT THE CUSTOMER HAS**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **OVERDRAFT PROTECTION THROUGH A LINE OF CREDIT OR OTHER ACCOUNT**
2 **WITH THE BANKING INSTITUTION.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2007.