

1 HB450
2 157881-3
3 By Representative Hill
4 RFD: Financial Services
5 First Read: 11-FEB-14

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

ENGROSSED

A BILL
TO BE ENTITLED
AN ACT

To amend Section 13A-9-13.1, Code of Alabama 1975, relating to the crime of negotiating a worthless negotiable instrument; to specify that a negotiable instrument includes electronic drafts; and in connection therewith would have as its purpose or effect the requirement of a new or increased expenditure of local funds within the meaning of Amendment 621 of the Constitution of Alabama of 1901, now appearing as Section 111.05 of the Official Recompilation of the Constitution of Alabama of 1901, as amended.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 13A-9-13.1, Code of Alabama 1975, is amended to read as follows:

"§13A-9-13.1.

"(a) A person commits the crime of negotiating a worthless negotiable instrument if the person negotiates or delivers a negotiable instrument for a thing of value and with the intent, knowledge, or expectation that it will not be honored by the drawee.

"(b) For the purposes of this section, it is prima facie evidence that the maker or drawer intended, knew, or

1 expected that the instrument would not be honored in any of
2 the following instances:

3 "(1) The maker or drawer had no account with the
4 drawee at the time the negotiable instrument was negotiated or
5 delivered, as determined according to Section 7-3-503(2).

6 "(2) Payment was refused by the drawee for lack of
7 funds, upon presentation within 30 days after delivery, and
8 the maker or drawer shall not have paid the holder thereof the
9 amount due thereon, together with a service charge of not more
10 than (fill in appropriate amount as provided by law), within
11 10 days after receiving written notice from the holder of the
12 instrument that payment was refused upon the instrument, as
13 provided in Section 13A-9-13.2.

14 "(3) Notice that payment was refused is mailed by
15 certified or registered mail and is returned undelivered to
16 the sender, when the notice is mailed within a reasonable time
17 after dishonor to the address printed on the instrument or
18 given by the maker or drawer at the time of issuance of the
19 instrument.

20 "(c) Negotiating a worthless negotiable instrument
21 is a Class A misdemeanor.

22 "(d) The definition of "negotiable instrument" in
23 Section 7-3-104 applies to this section and Sections
24 13A-9-13.2 and 13A-9-13.3. For the purposes only of this
25 section and Sections 13A-9-13.2 and 13A-9-13.3, the term
26 "negotiable instrument" shall include electronic drafts.

1 "(e) The definition of "negotiation" in Section
2 7-3-202 applies to this section and Sections 13A-9-13.2 and
3 13A-9-13.3.

4 "(f) The definition of "delivery" in Section
5 7-1-201(14) applies to this section and Sections 13A-9-13.2
6 and 13A-9-13.3."

7 Section 2. Although this bill would have as its
8 purpose or effect the requirement of a new or increased
9 expenditure of local funds, the bill is excluded from further
10 requirements and application under Amendment 621, now
11 appearing as Section 111.05 of the Official Recompilation of
12 the Constitution of Alabama of 1901, as amended, because the
13 bill defines a new crime or amends the definition of an
14 existing crime.

15 Section 3. This act shall become effective on the
16 first day of the third month following its passage and
17 approval by the Governor, or its otherwise becoming law.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18

House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Financial Ser-
vices..... 11-FEB-14

Read for the second time and placed
on the calendar 1 amendment 20-FEB-14

Read for the third time and passed
as amended..... 11-MAR-14

Yeas 100, Nays 0, Abstains 0

Jeff Woodard
Clerk