

CHAPTER 332

COLLECTION AGENCIES; AIDS TO
LIQUIDATION OF DEBTS

332.50 Civil liability for issuance of worthless check.

332.50 CIVIL LIABILITY FOR ISSUANCE OF WORTHLESS CHECK.*[For text of subd 1, see M.S.1984]*

Subd. 2. **Acts constituting.** Whoever issues any check that is dishonored and is not paid within 30 days after mailing a notice of dishonor that includes a citation to this section and section 609.535, and a description of the penalties contained in these sections, in compliance with subdivision 3, is liable to the holder for the amount of the check plus a civil penalty of up to \$100, interest at the rate payable on judgments pursuant to section 549.09 on the face amount of the check from the date of dishonor, and reasonable attorney fees if the amount of the check is over \$1,250.

A service charge not exceeding \$15 may be imposed immediately on any dishonored check, regardless of mailing a notice of dishonor, if written notice of the service charge was conspicuously displayed on the premises when the check was issued.

This subdivision prevails over any provision of law limiting, prohibiting, or otherwise regulating service charges authorized by this subdivision, but does not nullify charges for dishonored checks, which do not exceed \$15 or the actual cost of collection but in no case more than \$30, or terms or conditions for imposing the charges which have been agreed to by the parties to an express contract.

Subd. 3. **Notice of dishonor required.** Notice of nonpayment or dishonor that includes a citation to this section and section 609.535, and a description of the penalties contained in these sections, shall be sent by the payee or holder of the check to the drawer by certified mail, return receipt requested, or by regular mail, supported by an affidavit of service by mailing, to the address printed or written on the check. The issuance of a check with an address printed or written on it is a representation by the drawer that the address is the correct address for receipt of mail concerning the check. Failure of the drawer to receive a regular or certified mail notice sent to that address is not a defense to liability under this section, if the drawer has had actual notice for 30 days that the check has been dishonored.

An affidavit of service by mailing shall be retained by the payee or holder of the check.

*[For text of subds 4 and 5, see M.S.1984]***History:** 1985 c 140 s 1,2