TITLE 7: CIVIL PROCEDURE DIVISION 2: ACTIONS AND SPECIAL PROCEEDINGS

§ 2442. Bounced Checks: Treble Damage and Attorney's Fees.

(a) Any person, who makes, utters, draws or delivers any check, payment of which is refused or dishonored due to lack of funds or credit to pay, or is refused or dishonored because the maker has no account with the drawee bank under the account number specified in the check, and who fails to pay to the payee the amount thereof together with such charges as may be lawfully imposed by the bank within 30 days following a written demand delivered personally to the maker, or mailed to the maker by certified mail to the maker's address shown on the check, or mailed to such other address of the maker as may be actually known by the payee, shall be liable to the payee for the amount owing upon such check plus interest at the rate of 12 percent per annum or other damages claimed or, at the election of the payee, damages of treble the face amount of the check; provided that in no case such damages be less than \$50 nor more than \$750 in respect of any such instrument. As a condition of the award of treble damages, the written demand of the payee or transferee to the maker shall have a conspicuous notice containing a statement substantially as follows:

YOUR FAILURE TO PAY THE CHECK AMOUNT TOGETHER WITH ANY LAWFUL CHARGES WITHIN 30 DAYS FOLLOWING DELIVERY OR MAILING OF THIS NOTICE MAY RESULT IN A COURT JUDGMENT AGAINST YOU FOR THREE TIMES THE AMOUNT OF THIS CHECK.

A cause of action under this section may be brought in small claims court or in any other appropriate court. The right to treble damages shall not accrue, and no action shall be brought therefore, until 30 days have passed from the mailing or personal delivery of the written demand of the payee containing the notice.

(b) In any action brought by the payee after the notice period required to collect any sum pursuant to subsection (a) of this section and regardless of whether the payee has elected the treble damage option provided in that subsection, the payee shall be entitled to reasonable attorney's fees as the court may deem satisfactory; provided that attorney's fees awarded in respect of each such check shall be not less than \$125 nor more than \$250 with respect to each instrument. The written demand of the payee to the maker shall have a conspicuous notice containing a statement substantially as follows:

IF YOU FAIL TO PAY THE CHECK AMOUNT TOGETHER WITH ANY LAWFUL CHARGES WITHIN THIRTY (30) DAYS OF DELIVERY OR MAILING OF THIS WRITTEN DEMAND AND THEREAFTER SUIT IS BROUGHT TO COLLECT THE AMOUNTS OWING, THE COURT SHALL AWARD ATTORNEY'S FEES, AS PROVIDED BY LAW.

(c) Attorney's fees shall be allowed to any plaintiff retaining an attorney to collect the amount owing. The limitation on attorney's fees provided in subsection (a) of this section shall apply only to prejudgment representation; the court may, in its discretion, award the plaintiff additional attorney's fees for further representation after judgment has been entered.

Source: PL 4-35, § 3.