

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

SESSION LAW 2019-77  
SENATE BILL 529

AN ACT TO INCREASE THE MAXIMUM PROCESSING FEE FOR RETURNED CHECKS.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 25-3-506 reads as rewritten:

"§ 25-3-506. **Collection of processing fee for returned checks.**

A person who accepts a check in payment for goods or services or ~~his~~ the person's assignee may charge and collect a processing fee, not to exceed ~~twenty-five dollars (\$25.00), thirty-five dollars (\$35.00),~~ for a check on which payment has been refused by the payor bank because of insufficient funds or because the drawer did not have an account at that bank.

If a collection agency collects or seeks to collect on behalf of its principal a processing fee as specified in this section in addition to the sum payable of a check, the amount of ~~such~~ the processing fee ~~must~~ shall be separately stated on the collection notice. The collection agency shall not collect or seek to collect from the drawer any sum other than the actual amount of the returned check and the specified processing fee."

**SECTION 1.(b)** This act becomes effective October 1, 2019, and applies to checks dated on or after that date.

In the General Assembly read three times and ratified this the 21<sup>st</sup> day of June, 2019.

s/ Bill Rabon  
Presiding Officer of the Senate

s/ David R. Lewis  
Presiding Officer of the House of Representatives

This bill having been presented to the Governor for signature on the 24<sup>th</sup> day of June, 2019 and the Governor having failed to approve it within the time prescribed by law, the same is hereby declared to have become a law. This 5<sup>th</sup> day of July, 2019.

s/ Karen Jenkins  
Enrolling Clerk

