

By: Browning (By Request)

To: Business and
Financial
Institutions

SENATE BILL NO. 2574

1 AN ACT TO REQUIRE ANY BANK, SAVINGS AND LOAN ASSOCIATION, OR
2 SAVINGS BANK WHICH COMMUNICATES TO A BUSINESS OWNER OR OPERATOR
3 THAT AN ACCOUNT HAS SUFFICIENT FUNDS TO COVER THE AMOUNT OF A
4 CHECK WRITTEN ON THE ACCOUNT TO PAY THAT CHECK WHEN PRESENTED FOR
5 PAYMENT BY THE BUSINESS OWNER OR OPERATOR; AND FOR RELATED
6 PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

8 SECTION 1. Any bank which communicates to a business owner
9 or operator that an account has sufficient funds to cover the
10 amount of a check written on the account shall not accept a stop
11 payment order from the accountholder on that check, and shall be
12 required to pay that check when presented for payment by the
13 business owner or operator regardless of whether there are
14 sufficient funds in the account at the time of presentation for
15 payment.

16 SECTION 2. Any savings and loan association which
17 communicates to a business owner or operator that an account has
18 sufficient funds to cover the amount of a check written on the
19 account shall not accept a stop payment order from the
20 accountholder on that check, and shall be required to pay that
21 check when presented for payment by the business owner or operator
22 regardless of whether there are sufficient funds in the account at
23 the time of presentation for payment.

24 SECTION 3. Any savings bank which communicates to a business
25 owner or operator that an account has sufficient funds to cover
26 the amount of a check written on the account shall not accept a
27 stop payment order from the accountholder on that check, and shall
28 be required to pay that check when presented for payment by the
29 business owner or operator regardless of whether there are
30 sufficient funds in the account at the time of presentation for
31 payment.

32 SECTION 2. This act shall take effect and be in force from
33 and after July 1, 2000.