SEVENTEENTH GUAM LEGISLATURE 1984 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Bill No. 589, "AN ACT TO IMPOSE DAMAGES AND ATTORNEYS' FEES FOR FAILURE TO MAKE GOOD A BOUNCED CHECK," was on the 18th day of July 1984, duly and regularly passed.

Speaker

Attested:

Senator and Legislative Secretary

This Act was received by the Governor this 23 and day of July 1984, at 3:06 o'clock P.m.

Governor's Office

APPROVED:

RICARDO J. BORDALLO Governor of Quam

Time:

Public Law No. 17-60

SEVENTEENTH GUAM LEGISLATURE 1984 (SECOND) Regular Session

Bill No. 589

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Introduced by:

- J. H. Underwood
- C. T. C. Gutierrez
- E. P. Arriola
- P. C. Lujan
- J. P. Aguon
- A. C. Lamorena III J. F. Quan
- T. S. Nelson
- J. F. Ada
- E. R. Duenas
- F. J. Gutierrez
- M. K. Hartsock
- M. D. A. Manibusan
- F. J. Quitugue
- F. R. Santos T. V. C. Tanaka
- A. R. Unpingco

AN ACT TO IMPOSE DAMAGES AND ATTORNEYS' FEES FOR FAILURE TO MAKE GOOD A BOUNCED CHECK.

BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM: Section 1. New Sections 3443 and 3444 are hereby added to the Civil Code of Guam to read:

"\$3443. Any person who makes, utters, draws or delivers any check, or draft, or order upon any bank of depository, or upon or to any person, or firm, or corporation, for the payment of money, payment of which instrument is refused or dishonored for lack of funds or credit to pay, or because the maker has no account with the drawee under the account number specified in the check, draft or order and who fails to pay to the payee or payee's transferee the amount thereof together with such charges as may be lawfully imposed on account thereof, in cash or other medium satisfactory to the payee or transferee, within thirty (30) days following a written demand therefor delivered personally to the maker, or mailed to the maker by certified mail to the address shown on the check, draft or order or

such other address of the maker as may be actually known by the payee or transferee, shall be liable to the payee or transferee for the amount owing upon such check, draft or order, plus interest or other damages claimed or, at the election of the payee or transferee, damages of treble the face amount of the check, but in no case less than \$50.00 nor more than \$750.00 in respect of any such instrument. It is a condition of the award of treble damages herein provided that the said notice shall contain a statement substantially as follows, in capital, bold or other contrasting type, or in any other manner which the court reasonably determines as conspicuous:

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'YOUR FAILURE TO PAY THE CHECK WITH ANY LAWFUL AMOUNT TOGETHER FOLLOWING CHARGE WITHIN 30 DAYS DELIVERY OR MAILING OF THIS NOTICE COURT JUDGMENT RESULT IN Α FOR **AGAINST** YOU THREE TIMES (CIVIL CODE AMOUNT OF THE CHECK. \$3443.)1

A cause of action under this section may be brought in Small Claims Court if it does not exceed the jurisdiction of that court, or in any other appropriate court. The right to treble damages provided herein shall not accrue, and no action shall be brought therefore, until after the aforesaid 30-day notice period.

\$3444. In any action brought by the payee, or the payee's transferee, after the notice period hereinbelow provided, to collect any sum owing by any person who makes, utters, draws or delivers any check, or draft, or order to or upon any bank or depository, or person, or firm, or corporation, for the payment of money, payment of which instrument is refused or dishonored for lack of funds or credit to pay, or because the maker has no account with the drawee under the account number specified in the instrument, after failure to pay the amount thereof together with such charges as may be lawfully mposed thereupon, in cash or other medium satisfactory to the payee or transferee, within thirty (30) days following a written demand

therefor delivered to the maker personally or mailed to the maker by certified mail to the address shown on the check, draft or order or such other address of the maker as may be actually known by the payee or transferee, and regardless whether the payee has elected the treble damages provided by \$3443 of the Civil Code, the payee or the payee's transferee shall be entitled to reasonable attorneys' fees as awarded by the court, but not less than \$25.00 nor more than \$250.00 in respect of each such check, draft or order. Said notice shall contain a statement substantially as follows, in a conspicuous manner:

'IF YOU HAVE NOT PAID THIS CHECK-AND ALLOWABLE. CHARGES WITHIN 30 DAYS OF DELIVERY OR MAILING OF THIS NOTICE, AND SUIT IS BROUGHT TO COLLECT THE AMOUNTS OWING UNDER THE CHECK, THE COURT MUST AWARD ATTORNEYS' FEES AS PROVIDED IN CIVIL CODE \$3444.'

Attorneys' fees shall be allowed to any plaintiff employing or retaining an attorney in the action, however the limitation on attorneys' fees shall not apply to any post judgment representation. The court may, in its discretion, award the plaintiff additional attorneys' fees in such amount as it deems appropriate for representation in any post judgment collection matter."

Section 2. Section 4 of Public Law 17-24 as repealed and reenacted by Section 44 of Public Law 17-26 and further amended by Section 4 of Public Law 17-50 is further amended to read:

"\$4. No revenue from duties and taxes covered into the Treasury of Guam pursuant to Section 30 of the Organic Act of Guam, as amended, shall be used to pay debts or obligations incurred prior to September 30, 1983, except as hereinafter provided. Section 30 funds may be used for the purposes authorized by Section 7 of Chapter II of Public Law 17-25. One Million Five Hundred Thousand Dollars (\$1,500,000) is appropriated from the General Fund for the purpose of authorizing the payment of all just claimants, specifically including those vendors who provided services or property to the

Government of Guam during Fiscal Year 1983. Such amounts from this appropriation as are necessary to satisfy settlements or judgments arising from claims or suits shall be deposited in the Claims Fund and payments pursuant to these settlements or judgments shall, upon the approval of the Governor, be from that fund."