



2024 South Dakota Legislature

Senate Bill 38

Introduced by: **Senator Rohl**

1 **An Act to amend the amount a merchant or place of business may assess against**
 2 **returned checks.**

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 **Section 1. That § 57A-3-421 be AMENDED:**

5 **57A-3-421.** If a merchant or place of business conspicuously posts a notice on its
 6 premises or if a merchant or place of business regularly extends credit and prints a notice
 7 on its customer statements of such size and location as to be conspicuous, stating that a
 8 fee will be assessed against returned checks, any person who issues a check or other draft
 9 to the merchant or place of business ~~which~~ that is not honored for any of the following
 10 reasons upon presentment is liable for all reasonable costs and expenses of collection:

- 11 (1) The drawer's account is closed;
- 12 (2) The drawer's account does not have sufficient funds; or
- 13 (3) The drawer does not have sufficient credit with the drawee.

14 The costs and expenses provided for in this section are reasonable if they do not
 15 exceed ~~forty~~ sixty dollars plus any applicable sales tax.