

1 STATE OF OKLAHOMA

2 2nd Session of the 55th Legislature (2016)

3 HOUSE BILL 2506

By: McBride

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5
6 AS INTRODUCED

7 An Act relating to the Uniform Commercial Code;
8 amending 12A O.S. 2011, Sections 4-403 and 4-404,
9 which relate to bank deposits and collections;
10 increasing time limit for stop-payment order;
11 deleting stop-payment order renewal; prohibiting
12 payment of check presented after specified time; and
13 providing an effective date.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY 12A O.S. 2011, Section 4-403, is
16 amended to read as follows:

17 Section 4-403.

18 CUSTOMER'S RIGHT TO STOP PAYMENT; BURDEN OF PROOF OF LOSS

19 (a) A customer or any person authorized to draw on the account
20 if there is more than one person may stop payment of any item drawn
21 on the customer's account or close the account by an order to the
22 bank describing the item or account with reasonable certainty
23 received at a time and in a manner that affords the bank a
24 reasonable opportunity to act on it before any action by the bank
with respect to the item described in Section 4-303 of this title.

1 If the signature of more than one person is required to draw on an
2 account, any of these persons may stop payment or close the account.

3 (b) A stop-payment order is effective for ~~six (6) months~~ one
4 (1) year, but it lapses after fourteen (14) calendar days if the
5 original order was oral and was not confirmed in a record within
6 that period. ~~A stop-payment order may be renewed for additional~~
7 ~~six-month periods by a record given to the bank within a period~~
8 ~~during which the stop-payment order is effective.~~

9 (c) The burden of establishing the fact and amount of loss
10 resulting from the payment of an item contrary to a stop-payment
11 order or order to close an account is on the customer. The loss
12 from payment of an item contrary to a stop-payment order may include
13 damages for dishonor of subsequent items under Section 4-402 of this
14 title.

15 SECTION 2. AMENDATORY 12A O.S. 2011, Section 4-404, is
16 amended to read as follows:

17 Section 4-404. A bank is under no obligation to a customer
18 having a checking account to pay a check, other than a certified
19 check, which is presented more than six (6) months after its date,
20 but it ~~may~~ shall not charge its customer's account for a ~~payment~~
21 ~~made thereafter in good faith~~ check presented more than one (1) year
22 after its date.

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SECTION 3. This act shall become effective November 1, 2016.

55-2-7597 EK 12/08/15