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LAW/KR

P.L.2014, CHAPTER 45, *approved September 10, 2014*

Assembly, No. 1153

1 AN ACT concerning electronic funds transfer and amending
2 N.J.S.2C:21-5.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. N.J.S.2C:21-5 is amended to read as follows:

8 2C:21-5. A person who issues or passes a check or similar sight
9 order for the payment of money, or authorizes an electronic funds
10 transfer, knowing that it will not be honored by the drawee,
11 commits an offense as provided for in subsection c. of this section.
12 For the purposes of this section as well as in any prosecution for
13 theft committed by means of a bad check, an issuer is presumed to
14 know that the check **[or]**, money order, or electronic funds transfer
15 (other than a post-dated check **[or]**, money order, or electronic
16 funds transfer) would not be paid, if:

17 a. The issuer had no account with the drawee at the time the
18 check or money order was issued or the electronic funds transfer
19 was made; or

20 b. Payment was refused by the drawee for lack of funds, or due
21 to a closed account, after a deposit by the payee into a bank for
22 collection or after presentation to the drawee within 46 days after
23 issue, and the issuer failed to make good within 10 days after
24 receiving notice of that refusal or after notice has been sent to the
25 issuer's last known address. Notice of refusal may be given to the
26 issuer orally or in writing in any reasonable manner by any person.

27 c. An offense under this section is:

28 (1) a crime of the second degree if the amount of the check
29 **[or]**, money order, or electronic funds transfer is \$75,000.00 or
30 more;

31 (2) a crime of the third degree if the amount of the check **[or]** ,
32 money order, or electronic funds transfer is \$1,000.00 or more but
33 is less than \$75,000.00;

34 (3) a crime of the fourth degree if the amount of the check **[or]** ,
35 money order, or electronic funds transfer is \$200.00 or more but is
36 less than \$1,000.00;

37 (4) a disorderly persons offense if the amount of the check
38 **[or]** , money order , or electronic funds transfer is less than
39 \$200.00.

40 (cf: P.L. 2002, c.65, s.1)

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

A1153

2

1 2. This act shall take effect immediately.

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7

Clarifies that electronic funds transfers are included within the
scope of the statute concerning issuing or passing bad checks.

ASSEMBLY, No. 1153

STATE OF NEW JERSEY

216th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2014 SESSION

Sponsored by:

Assemblyman JACK M. CIATTARELLI

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman GARY S. SCHAER

District 36 (Bergen and Passaic)

Assemblyman JOHN F. MCKEON

District 27 (Essex and Morris)

Assemblyman JAY WEBBER

District 26 (Essex, Morris and Passaic)

Assemblyman TIMOTHY J. EUSTACE

District 38 (Bergen and Passaic)

Co-Sponsored by:

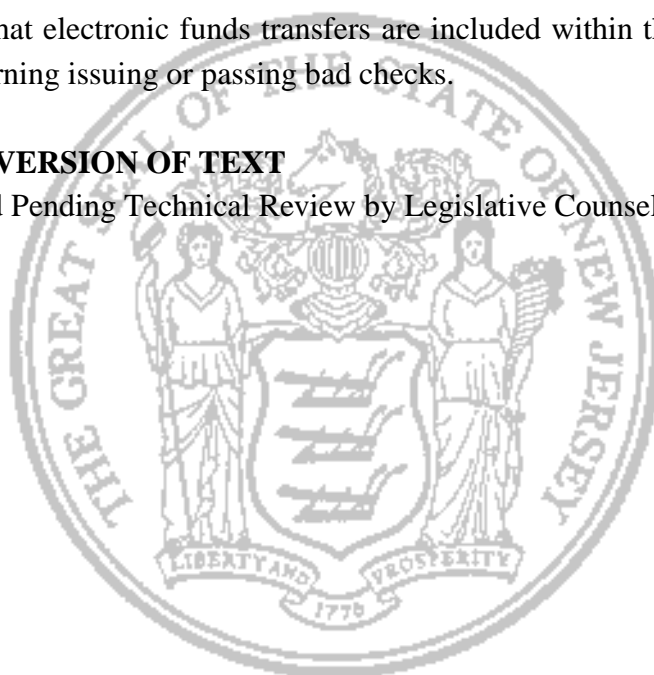
Assemblymen Garcia and Coughlin

SYNOPSIS

Clarifies that electronic funds transfers are included within the scope of the statute concerning issuing or passing bad checks.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



(Sponsorship Updated As Of: 2/7/2014)

A1153 CIATTARELLI, SCHAER

2

1 AN ACT concerning electronic funds transfer and amending
2 N.J.S.2C:21-5.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. N.J.S.2C:21-5 is amended to read as follows:

8 2C:21-5. A person who issues or passes a check or similar sight
9 order for the payment of money, or authorizes an electronic funds
10 transfer, knowing that it will not be honored by the drawee,
11 commits an offense as provided for in subsection c. of this section.
12 For the purposes of this section as well as in any prosecution for
13 theft committed by means of a bad check, an issuer is presumed to
14 know that the check **[or]**, money order, or electronic funds transfer
15 (other than a post-dated check **[or]**, money order, or electronic
16 funds transfer) would not be paid, if:

17 a. The issuer had no account with the drawee at the time the
18 check or money order was issued or the electronic funds transfer
19 was made; or

20 b. Payment was refused by the drawee for lack of funds, or due
21 to a closed account, after a deposit by the payee into a bank for
22 collection or after presentation to the drawee within 46 days after
23 issue, and the issuer failed to make good within 10 days after
24 receiving notice of that refusal or after notice has been sent to the
25 issuer's last known address. Notice of refusal may be given to the
26 issuer orally or in writing in any reasonable manner by any person.

27 c. An offense under this section is:

28 (1) a crime of the second degree if the amount of the check
29 **[or]**, money order, or electronic funds transfer is \$75,000.00 or
30 more;

31 (2) a crime of the third degree if the amount of the check **[or]** ,
32 money order, or electronic funds transfer is \$1,000.00 or more but
33 is less than \$75,000.00;

34 (3) a crime of the fourth degree if the amount of the check **[or]** ,
35 money order, or electronic funds transfer is \$200.00 or more but is
36 less than \$1,000.00;

37 (4) a disorderly persons offense if the amount of the check
38 **[or]** , money order , or electronic funds transfer is less than
39 \$200.00.

40 (cf: P.L. 2002, c.65, s.1)

41

42 2. This act shall take effect immediately.

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

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STATEMENT

This bill amends N.J.S.A.2C:21-5 concerning issuing or passing bad checks to clarify that electronic funds transfer are included within the scope of the crime. Currently, a person commits an offense under this section if he issues or passes a check knowing that it will not be honored by the drawee. The bill would clarify that a person commits an offense under this section if he also authorizes an electronic funds transfer knowing that it will not be honored by the drawee.

The grading for this offense would remain the same:

- (a) if the amount of the check, money order or electronic funds transfer is \$75,000.00 or more it would be a crime of the second degree;
- (b) if the amount of the check, money order or electronic funds transfer is \$1,000.00 or more but less than \$75,000.00 it would be a crime of the third degree;
- (c) if the amount of the check, money order or electronic funds transfer is \$200.00 or more but less than \$1,000.00 it would be a crime of the fourth degree; and
- (d) if the amount of the check, money order or electronic funds transfer is \$200.00 it would be a disorderly persons offense.

ASSEMBLY FINANCIAL INSTITUTIONS AND INSURANCE
COMMITTEE

STATEMENT TO
ASSEMBLY, No. 1153

STATE OF NEW JERSEY

DATED: FEBRUARY 6, 2014

The Assembly Financial Institutions and Insurance Committee reports favorably Assembly Bill No. 1153.

This bill amends N.J.S.2C:21-5, a criminal statute which concerns the issuing or passing of bad checks, to clarify that an electronic funds transfer is included within the scope of the offense.

Currently, a person commits an offense under this statute if he issues or passes a check or money order knowing that it will not be honored by the drawee. The bill would clarify that a person also commits an offense under this statute if he authorizes an electronic funds transfer knowing that it will not be honored by the drawee.

The grading for this offense would remain the same:

(1) if the amount of the check, money order, or electronic funds transfer is \$75,000 or more it is a crime of the second degree;

(2) if the amount of the check, money order, or electronic funds transfer is \$1,000 or more, but less than \$75,000, it is a crime of the third degree;

(3) if the amount of the check, money order, or electronic funds transfer is \$200 or more, but less than \$1,000, it is a crime of the fourth degree; and

(4) if the amount of the check, money order, or electronic funds transfer is less than \$200 it is a disorderly persons offense.

This bill was pre-filed for introduction in the 2014-2015 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

SENATE COMMERCE COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1153

STATE OF NEW JERSEY

DATED: APRIL 28, 2014

The Senate Commerce Committee reports favorably Assembly Bill No. 1153.

This bill amends N.J.S.A.2C:21-5, a criminal statute concerning issuing or passing bad checks to clarify that electronic funds transfer are included within the scope of the crime.

Currently, a person commits an offense under this section if he issues or passes a check knowing that it will not be honored by the drawee. The bill would clarify that a person also commits an offense under this section if he authorizes an electronic funds transfer knowing that it will not be honored by the drawee.

The grading for this offense would remain the same:

(a) if the amount of the check, money order or electronic funds transfer is \$75,000.00 or more it is a crime of the second degree;

(b) if the amount of the check, money order or electronic funds transfer is \$1,000.00 or more but less than \$75,000.00 it is a crime of the third degree;

(c) if the amount of the check, money order or electronic funds transfer is \$200.00 or more but less than \$1,000.00 it is a crime of the fourth degree; and

(d) if the amount of the check, money order or electronic funds transfer is \$200.00 it is a disorderly persons offense.

SENATE, No. 1859

STATE OF NEW JERSEY
216th LEGISLATURE

INTRODUCED MARCH 24, 2014

Sponsored by:

Senator CHRISTOPHER "KIP" BATEMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

SYNOPSIS

Clarifies that electronic funds transfers are included within the scope of the statute concerning issuing or passing bad checks.

CURRENT VERSION OF TEXT

As introduced.



S1859 BATEMAN

2

1 AN ACT concerning electronic funds transfer and amending
2 N.J.S.2C:21-5.

3

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7 1. N.J.S.2C:21-5 is amended to read as follows:

8 2C:21-5. A person who issues or passes a check or similar sight
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17 a. The issuer had no account with the drawee at the time the
18 check or money order was issued or the electronic funds transfer
19 was made; or

20 b. Payment was refused by the drawee for lack of funds, or due
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22 collection or after presentation to the drawee within 46 days after
23 issue, and the issuer failed to make good within 10 days after
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34 (3) a crime of the fourth degree if the amount of the check **[or]** ,
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37 (4) a disorderly persons offense if the amount of the check
38 **[or]** , money order, or electronic funds transfer is less than
39 \$200.00.

40 (cf: P.L. 2002, c.65, s.1)

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STATEMENT

This bill amends N.J.S.2C:21-5, a criminal statute which concerns the issuing or passing of bad checks, to clarify that an electronic funds transfer is included within the scope of the offense.

Currently, a person commits an offense under this statute if he issues or passes a check or money order knowing that it will not be honored by the drawee. The bill would clarify that a person also commits an offense under this statute if he authorizes an electronic funds transfer knowing that it will not be honored by the drawee.

The grading for this offense would remain the same:

- (1) if the amount of the check, money order, or electronic funds transfer is \$75,000 or more it is a crime of the second degree;
- (2) if the amount of the check, money order, or electronic funds transfer is \$1,000 or more, but less than \$75,000, it is a crime of the third degree;
- (3) if the amount of the check, money order, or electronic funds transfer is \$200 or more, but less than \$1,000, it is a crime of the fourth degree; and
- (4) if the amount of the check, money order, or electronic funds transfer is less than \$200 it is a disorderly persons offense.

SENATE COMMERCE COMMITTEE

STATEMENT TO

SENATE, No. 1859

STATE OF NEW JERSEY

DATED: APRIL 28, 2014

The Senate Commerce Committee reports favorably Senate Bill No. 1859.

This bill amends N.J.S.2C:21-5, a criminal statute which concerns the issuing or passing of bad checks, to clarify that an electronic funds transfer is included within the scope of the offense.

Currently, a person commits an offense under this statute if he issues or passes a check or money order knowing that it will not be honored by the drawee. The bill would clarify that a person also commits an offense under this statute if he authorizes an electronic funds transfer knowing that it will not be honored by the drawee.

The grading for this offense would remain the same:

(1) if the amount of the check, money order, or electronic funds transfer is \$75,000 or more it is a crime of the second degree;

(2) if the amount of the check, money order, or electronic funds transfer is \$1,000 or more, but less than \$75,000, it is a crime of the third degree;

(3) if the amount of the check, money order, or electronic funds transfer is \$200 or more, but less than \$1,000, it is a crime of the fourth degree; and

(4) if the amount of the check, money order, or electronic funds transfer is less than \$200 it is a disorderly persons offense.