

WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1949

ENROLLED

SENATE BILL No. 140

(By Mr. Eddy.....)

PASSED March 7..... 1949

In Effect 90 days from..... Passage



140

ENROLLED

Senate Bill No. 140

(BY MR. EDDY)

[Passed March 7, 1949; in effect ninety days from passage.]

AN ACT to amend and reenact section three, article four-A, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to the collection, payment and dishonor of demand items by banks and the revocation of credit for, and payment of, such items.

Be it enacted by the Legislature of West Virginia:

That section three, article four-A, chapter thirty-one of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

Section 3. *Within What Time Provisional Credit May*
2 *Be Revoked.*—In any case in which a bank receives, other
3 than for immediate payment over the counter, a demand

4 item payable by, at or through such bank and gives
5 credit therefor before midnight of the day of receipt,
6 such credit shall be provisional and the bank may have
7 until midnight of its next business day after receipt
8 within which to dishonor or refuse payment of such item.
9 Any credit so given together with all related entries on
10 the books of the receiving bank may be revoked by
11 returning the item, or if the item is held for protest or
12 at the time is lost or is not in the possession of the bank,
13 by giving written notice of dishonor, nonpayment, or
14 revocation: *Provided*, That such item or notice is dis-
15 patched in the mails or by other expeditious means not
16 later than midnight of the bank's next business day
17 after the item was received. For the purpose of deter-
18 mining when notice of dishonor must be given or protest
19 made under the law relative to negotiable instruments,
20 an item duly presented, credit for which is revoked as
21 authorized by this section, shall be deemed dishonored
22 on the day the item or notice is dispatched. A bank,
23 revoking credit pursuant to the authority of this sec-
24 tion, shall be entitled to refund of, or credit for, the

25 amount of the item.

26 For the purposes of this section: (a) An item received
27 by a bank on a day other than its business day, or re-
28 ceived on a business day after its regular business hours
29 or during afternoon or evening periods when it has re-
30 opened or remained open for limited functions, shall be
31 deemed to have been received at the opening of its next
32 business day; and (b) The term "credit" includes pay-
33 ment, remittance, advice of credit or authorization to
34 charge and, in cases where the item is received for de-
35 posit as well as for payment, also includes the making of
36 appropriate entries to the receiving bank's general ledger
37 without regard to whether the item is posted to indi-
38 vidual customers' ledgers.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Joseph L. Meyer

Chairman Senate Committee

W. G. Matthews

Chairman House Committee

Originated in the Senate.

Takes effect 90 days from passage.

Howard Meyer
Clerk of the Senate

J. A. Lips
Clerk of the House of Delegates

George H. Roush
President of the Senate

W. E. Starnes
Speaker House of Delegates

The within Approved this the 12th
day of March, 1949.

Okey L. Pattison
Governor.



Filed in the Office of the Secretary of State
of West Virginia

MAR 14 1949
D. PITT O'BRIEN,
SECRETARY OF STATE