

SAM—CASH

DISHONORED CHECK CHARGE

8043.1

(Revised 9/93)

Section 6157 of the Government Code authorizes the State to assess a charge for dishonored checks. Agencies may assess a dishonored check charge for a reasonable amount not to exceed the actual costs incurred for the processing and collection costs. Agencies may refrain from issuing licenses, permits, etc., or withhold services until the original charge plus the dishonored check charge is paid.

If the license, permit, etc., has been issued or the service rendered, the charge, if assessed, will be applied to the payer's account. If the payer has no account, a new account will be established for the amount of the original charge plus the dishonored check charge.

As the result of a check being dishonored, the payer may also be required to pay a penalty because the replacement payment was received after the date penalty became applicable. If a payer pays the amount of the license, permit, service, etc., plus penalty but neglects to pay the dishonored check charge, agencies need not pursue collection of such charge.

The amount received from the dishonored check charge will be accounted as miscellaneous revenue for the fund from which the majority of the support of the cashiering and accounts receivable sections is appropriated.