

Ordinance Concerning "Bounced" Checks

Town of Vinalhaven

1. Purpose and Authority

The purpose of this ordinance is to protect the financial integrity of the Town and the safety and welfare of its residents by discouraging payment for Town services and goods with a personal check which is not backed by sufficient funds in the checking account. This ordinance is adopted pursuant to the Home Rule powers contained in the Maine Constitution and in 30-A M.R.S.A. § 3001 et seq.

2. Definitions

'Person' means an individual, association, corporation, trust, partnership or other entity.

'Personal check' is a draft, other than a documentary draft, payable on demand and drawn on a bank, but does not include a cashier's check, bank check, teller's check, traveler's check or money order.

3. Prohibition

No person shall pay for Town goods or services by personal check unless said check is backed by sufficient funds in the checking account at the time the check is presented for payment.

[NOTE: A check which is not backed by sufficient funds when presented for payment is commonly called a "bounced" check].

4. Penalties and Enforcement

Any person who violates Section 3 of this Ordinance shall be charged by the Town Treasurer a penalty in the amount of \$25.00 for each violation. If said penalty is not paid to the Treasurer within 10 days after oral or written notice from the Treasurer, the Treasurer is authorized to file an action in small claims court on behalf of the Town to collect the penalty. In that event, the violator shall be responsible for all court costs and service fees.

In addition to the above penalty, the Treasurer in his or her discretion may also refuse to accept personal checks from the violator in future transactions, but instead require that payment be made in cash, by money order, cashier's check, teller's check or bank check. Before implementing this Penalty, the Treasurer shall notify the violator by delivering or mailing (regular 1st class mail) a statement to that effect, to the violator's last known address.

5. Effective date and Severability

This ordinance shall become effective when adopted by the majority of voters at any town meeting. In the event that any provision of this ordinance is found to be unenforceable, the remaining provisions continue in full force and effect.

Adopted September 21, 2006