

SB

229



UNIVERSITY of ALASKA ANCHORAGE

Office of the Vice Chancellor for Administrative Services

February 19, 2004

Regarding: Senate Bill 229

The Honorable Lesil McGuire
House of Representatives
Alaska State Capital, Room 118
Juneau, AK 99801-1182

Dear Representative McGuire:

I am writing on behalf of the University of Alaska to request your support for the passage of Senate Bill 299. The current bad check statute allows us to collect up to \$25 to cover "costs incurred" for collecting a bad check. This creates an accounting burden on businesses to track and record costs of collection, instead of assigning a fixed penalty to the person writing the bad check. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge.

Please help Alaska businesses by eliminating the requirement to document the costs of collecting bad checks. Many other states have removed this administrative burden by simply assigning a fixed penalty.

On behalf of University of Alaska business officers, I strongly urge you to support SB299 to make this simple change.

Sincerely,

Cynthia Matson
Vice Chancellor for Administrative Services

Ok
~~for~~ Vanessa
for when
it comes
up in
court.

March 26, 2004

Committee Chairperson

RE: Senate Bill 299: Relating to a charge for a bad check

Chairperson:

The City of Valdez supports the passage of Senate Bill 299. The current bad check statute requires that to collect up to \$25 to cover "costs incurred" for collecting bad checks, we must account for our time and expenses for every bad check. There is a considerable burden and expense just in the accounting for the costs of a bad check collection, much less the indirect costs of lost cash flow. For a municipality, which is undergoing fiscal stress, this is a waste of taxpayer's resources.

The proposed change in the statute would set a reasonable handling fee that is fixed, and requires a much simpler approach to the problem.

We urge you to support SB 299 to make this change.

Meg Weaver
Accounts Receivable Manager