

**HB**

**516**



THE  
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**Sec. 09.68.115. Bad check civil penalties.**

(a) In an action against a person who issues a check that is dishonored, the plaintiff may recover damages in an amount equal to \$100 or triple the amount of the check, whichever is greater, except that damages recovered under this section may not exceed the amount of the check by more than \$1,000 and may be awarded only if

(1) the plaintiff makes a written demand for payment of the check at least 15 days before beginning the action; and

(2) the defendant fails to tender, before the action begins, an amount equal to at least the amount of the check plus costs incurred by the plaintiff up to a maximum of \$25.

(b) An action under this section may be brought as a small claims action if the amount claimed does not exceed the jurisdictional limits for small claims actions, or may be brought in any other court that has jurisdiction.

(c) After the beginning of an action under this section but before the case is tried, the defendant may satisfy the claim by tendering an amount of money equal to the amount of the check plus court, legal, and service costs incurred by the plaintiff up to a maximum of \$150.

(d) In this section

(1) "check" has the meaning given in AS 11.46.280 ;

(2) "dishonored" means the nonpayment of a check because of

(A) lack of funds;

(B) closure or nonexistence of an account; or

(C) a stop payment order issued without cause;

(3) "written demand" means a written notice to the issuer of a check personally delivered or sent by first class mail to the address shown on the dishonored check, advising the issuer that the check has been dishonored and explaining the civil penalties set out in this section.

# FISCAL NOTE

**STATE OF ALASKA**  
**2004 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: HB 516 (23-LS1788A)  
 ( ) Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Several, see below  
 Title An Act relating to a charge for a bad RDU Various  
check Component Various  
 Sponsor House Finance Committee  
 Requester \_\_\_\_\_ Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
-----------------------------	--	--	--	--	--	--

<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2004) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)  
 This legislation allows holders of NSF checks to assess an additional \$5 (from \$25 to \$30) for handling fees allowable under AS 09.68.115(a). A quick survey of some state agencies accepting over the counter receipts produced the following:  
 >DMV - collect about 550 per year; \$5 increase would yield \$2,750; cost to modify system \$5,000  
 >Occupational Licensing - collect about 150 per year; could yield \$750  
 >Environmental Conservation - about 20 NSFs per year; not charging fees  
 >DOTPF - collected 72 in 2003; \$5 increase would yield \$360  
 Based on this information, the financial impact on state agencies is estimated as an immaterial wash, as shown by zero amounts in the tables above.

Prepared by: Kim Garnero, Director Phone 465-3435  
 Division Division of Finance Date/Time 3/1/04 2:05 PM  
 Approved by: Mike Miller, Commissioner Date 3/1/2004  
 Agency Department of Administration

# Alaska State Legislature

## House Finance Committee

REPRESENTATIVE  
**BILL WILLIAMS**

Co-Chair  
(907) 465-3424  
Fax: (907) 465-3793

INTERIM ADDRESS  
50 Front Street, Suite 203  
Ketchikan, Alaska 99901  
(907) 247-4627  
Fax: (907) 225-7157



State Capitol, Juneau, Alaska 99801-1182

REPRESENTATIVE  
**JOHN HARRIS**

Co-Chair  
(907) 465-4859  
Fax: (907) 465-3799

INTERIM ADDRESS  
State Capitol, Room 507  
Juneau, AK 99801-1182

### Sponsor Statement

#### **HB 516: *An act relating to a charge for a bad check.***

House Bill 516 is an effort to clarify AS 09.68.115, the statute that pertains to "bounced checks" and clarify current law that leaves businesses vulnerable to litigation, which may question the costs for collecting on insufficient-funds checks.

Currently this statute does not allow aggrieved creditors or their agents to assess a *fixed surcharge* on bounced checks. This is problematic, as the plaintiff must first give the check writer an opportunity to "make good" on the bounced check plus the "costs incurred by the plaintiff up to a maximum of \$25." They must also keep a separate ledger to track and defend their costs incurred in the collection procedure.

Many states have statutes that allow creditors to assess a statutory penalty for an insufficient-funds check. These fees go up to as high as \$40 per checks, and some charge an annual interest rate that begins on the date the check was issued.

This bill proposes to impose a flat fee of \$30 for a bounced check, which more accurately reflects the cost of collecting on these bad checks and frees the creditor from the burden of having to document "costs incurred" on each bounced check. Currently, this fee can be up to, but no greater than \$25. It is common practice for banks to assess a flat \$25 fee for bad checks and does not require them to send a letter of notification or make a phone call.

Passage of HB 516 will make it less likely for the statute to be challenged and will put Alaska on par with other states that specify a statutory penalty fee for bad checks. This lessens the burden currently placed on businesses as they attempt to collect payment for goods they have already provided to their customers.

## MERCHANT COSTS – DISHONORED CHECKS

1. Check is dishonored.
2. Bank Fees range from \$2.00 to \$25.00 (Average in Alaska is \$7.37 per dishonored check).
3. Re-Deposit Bank Fees range from \$2.00 to \$25.00 (If check is presented twice, which is customary).
4. Reverse dishonored check from active accounts receivable ledger.
5. Generate a "written demand" for payment of the dishonored check pursuant to A.S. 09.68.115.
6. Mail written demand "first class," or personally deliver pursuant to A.S. 09.68.115.
7. Verify funds with the bank to see if the check can be replaced with a cashiers check. If the check is collected the bank may charge for the replacement cashiers check. *Refer to step 12.*
8. Initiate telephone contact (if phone number provided on check) and make request for payment. If the merchant has a good number, it can easily take two or more contacts with the consumer to receive payment. This does not include the time spent leaving messages or finding a secondary number to telephone the maker during the daytime, or after normal business hours. *If payment is made please refer to step 12.*
9. If no active telephone number, or number is disconnected use either "411" (additional cost) or manual phone book look-up.
10. Attempt the necessary telephone contact to collect the dishonored check. **This may include numerous calls over an extended period of time.**
11. Send out a certified written demand prior to taking any further action, or refer check to a third party agency to commence further collection activity.

## PAYMENT RECEIVED

12. Re-apply payment(s) towards active accounts receivable. (If this is a partial payment this step will be repeated for each payment).
13. Deposit payment with merchant bank.

### Incidental Costs

1. Wages to perform all the above tasks.
2. Postage.
3. Long distance charges (if applicable).
4. Supplies.
5. Bank fees above the dishonored check charges (e.g. deposit item fees, deposit cash fees, etc).
6. Merchant collateral costs attributed to issuing checks against the dishonored check.

### Summary

**Bank fees, on average, frequently account for approximately \$15.00 per dishonored check prior to accounting for the greater expense of recovery. Significant additional expenses include labor, postage, long distance charges, supplies, bank reconciliation, and incidental bank fees.**

21 other States that charge \$30 or more as "penalty" for bad checks:

Alabama \$30

Arizona \$25 plus bank fees ( which would almost always be \$30 or more)

Arkansas \$25 plus bank fees (which would almost always be \$30 or more)

California \$25 for first check; \$35 for subsequent checks

Florida \$30 or more once check exceeds \$50

Georgia \$30

Iowa \$30

Kansas \$30

Louisiana \$25 or 5% of check, whichever is greater

Michigan \$25 within 7 days; \$35 after

Minnesota \$30

Mississippi \$30

Missouri \$25 plus bank fees

Montana \$30

Ohio \$30 or 10% of check, whichever is greater

South Carolina \$30

South Dakota \$30

Texas \$30

Virginia \$35

Washington \$40

Wyoming \$30

Some other States use methods which will result in fees of \$30 or greater, but are not included in this list due to complexity .

RECEIVED  
SEP 29 2003

IN THE DISTRICT COURT FOR THE STATE OF ALASKA  
FOURTH JUDICIAL DISTRICT AT FAIRBANKS

CORNERSTONE CREDIT )  
SERVICES, LLC, )  
 )  
Plaintiff(s), )  
 )  
vs. )  
 )  
SHELISSA F. REED d/b/a )  
JACK AND JILL CHRISTIAN )  
NURSERY SCHOOL d/b/a )  
CALEB'S CHRISTIAN SCHOOL, )  
 )  
Defendant(s). )  
\_\_\_\_\_ )

Case No. 4FA-03-502 CI

ORDER GRANTING IN PART AND  
DENYING IN PART  
PLAINTIFF'S MOTION FOR SUMMARY JUDGEMENT

Cornerstone Credit Services moves for summary judgment on a number of counterclaims asserted by Ms. Reed. Based on the briefing of the parties, the court grants some and denies others.

The court denies the motion as to the \$25 surcharge. The court finds that "costs incurred by the plaintiff up to a maximum of 25" requires actual costs. AS 09.68.115(a)(2).

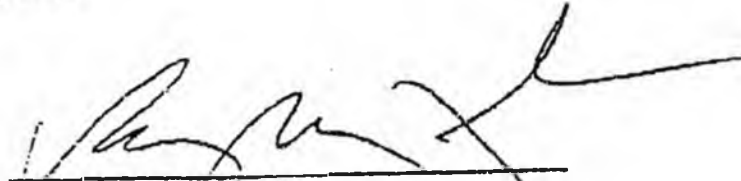
The court grants the motion that claims of FDCPA violations are barred as relating to any communications prior to one year before the filing of the counterclaims filed on March 24, 2003.

The court grants summary judgment as to thirty-day notice requirement in FDCPA.

The court grants summary judgment as to all usury counterclaims except those as to AS 45.45.040.

All other parts of the motion are denied.

Dated this 22<sup>nd</sup> day of December, 2003.

  
\_\_\_\_\_  
RAYMOND M. FUNK  
District Court Judge

CONFIDENTIAL - NOT TO BE REPRODUCED OR DISCLOSED TO ANY OTHER PARTY WITHOUT THE WRITTEN PERMISSION OF THE COURT  
X Fetz  
X Ballovop  
mt Date 12-23-03  
Clerk

# Service Fees for Returned Checks

Revised for November 2003

## INTERNET & CHECK SERVICES PROGRAM

ACA International

Alabama.....\$30 <i>Ala. Code § 8-8-15 (2002).</i>	Idaho.....\$20 or the face amount of the check, whichever is the lesser, plus 12% interest per annum from the date of dishonor <i>Idaho Code § 28-22-105 (2002).</i>
Alaska.....\$25 <i>Alaska Stat. § 09.68.115 (2002).</i>	Illinois.....\$25 or all costs and expenses including reasonable attorney's fees incurred in collection of check, whichever is greater <i>810 Ill. Comp. Stat. 5/3-806 (2002).</i>
Arizona.....\$25, plus any actual charges assessed by the financial institution of the holder, payee or assignee of the holder or payee as a result of the dishonored instrument <i>Ariz. Rev. Stat. § 44-6852 (2003).</i>	Indiana.....An amount not to exceed \$20, plus an amount equal to the actual charge by the depository institution for each returned or dishonored instrument. <i>Ind. Code § 26-1-3.1-502.5 (2002).</i>
Arkansas.....\$25, plus the amount of any fees charged to the holder of the check by any financial institution as a result of the check not being honored <i>Ark. Code Ann. § 4-60-103 (2002).</i>	Iowa.....\$30 <i>Iowa Code § 554.3512 (2003).</i>
California.....\$25 for the first check and a service fee of up to \$35 for each subsequent check to that same payee <i>Cal. Civ. Code § 1719 (2003).</i>	Kansas..... Not to exceed \$30 <i>Kan. Civ. Proc. Code Ann. § 60-2610 (2002).</i>
Colorado.....\$20 posted at point-of-sale and, if the NSF check has been assigned to a licensed collection agency for collection, 20% of the face amount of the check, but not less than \$20 <i>Colo. Rev. Stat. § 13-21-109 (2002).</i>	Kentucky.....\$25 posted at point-of-sale <i>Ky. Rev. Stat. Ann. § 514.040 (2002).</i>
Connecticut.....\$20 <i>Conn. Gen. Stat. § 52-565a (2003).</i>	Louisiana.....\$25 or 5% of face amount, whichever is greater, posted at the point-of-sale <i>La. Rev. Stat. Ann. § 9:2782 (2002).</i>
Delaware.....Undetermined *	Maine.....Undetermined *
District of Columbia...\$15 or fee prescribed by Mayor, but only for dishonored checks in payment of any tax assessment or fees due to the government of the District of Columbia <i>D.C. Code Ann. § 1-333.11 (2002).</i>	Maryland..... Up to \$35. <i>Md. Code Ann., Com. Law § 15-802 (2002).</i>
Florida.....\$25, if the face value does not exceed \$50, \$30, if the face value exceeds \$50 but does not exceed \$300, \$40, if the face value exceeds \$300, or 5% of the face amount of the check, whichever is greater <i>Fla. Stat. ch. 68.065 (2002).</i>	Massachusetts.....Undetermined *
Georgia..... \$30 or 5 percent of the instrument, plus the amount of any fees charged to the holder of the instrument by a bank or financial institution as a result of the instrument not being honored. <i>Ga. Code Ann. § 13-6-15 (2002).</i>	Michigan.....\$25 to be paid within 7 days, excluding weekends & holidays, after notice was mailed. If not paid as requested above, but within 30 days after notice was mailed, the service fee is \$35. <i>Mich. Comp. Laws § 600.2952 (2002).</i>
Hawaii.....\$20. <i>Haw. Rev. Stat. § 490:3-506.5 (2002).</i>	Minnesota.....Not to exceed \$30; posted conspicuously at point-of-sale <i>Minn. Stat. § 604.113 (2002). Renumbered from the former 332.50.</i>
	Mississippi.....\$30 <i>Miss. Code Ann. § 97-19-57 (2002).</i>

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Missouri.....	A reasonable service charge, not to exceed \$25, plus an amount equal to the actual charge by the depository institution for the return of each unpaid or dishonored instrument. <i>Mo. Rev. Stat. § 570.120 (2003).</i>	South Carolina.....	\$30 <i>S. C. Code Ann. § 34-11-70 (2002).</i>
Montana.....	Up to \$30 <i>Mont. Code Ann. § 27-1-717 (2002).</i>	South Dakota.....	\$30 plus any applicable sales tax, posted conspicuously at point-of-sale <i>S.D. Codified Laws § 57A-3-421 (2001).</i>
Nebraska.....	Undetermined *, but for NSF checks written for the purchase of goods, Neb. Rev. Stat. § 2-710 (2002) provides a seller or a person in the position of the seller, one who has become responsible for the price of the goods on behalf of his principal, may assess a buyer for incidental damages incurred as a result of the buyer's breach. Such incidental damages may include any commercially reasonable charges. <i>See Freyermuth v. Credit Bureau Services, Inc., 248 F.3d 767 (8th Cir. 2001).</i>	Tennessee.....	An amount not to exceed \$20 <i>Tenn. Code Ann. § 47-29-102 (2002).</i>
Nevada.....	Up to \$25 <i>Nev. Rev. Stat. § 597.960 (2002).</i>	Texas.....	\$30 <i>Tex. Bus. &amp; Com. Code Ann. § 3.506 (2001).</i>
New Hampshire.....	Not more than \$25 unless otherwise expressly authorized by written agreement with the consumer <i>N.H. Rev. Stat. Ann. § 358-C:5 (2002).</i>	Utah.....	\$20 <i>Utah Code Ann. § 7-15-1 (2002).</i>
New Jersey.....	Undetermined *	Vermont.....	Undetermined *
New Mexico.....	Undetermined *	Virginia.....	\$35, plus legal interest from the date of the check and the bad check return fee charged to the holder by his bank <i>Va. Code Ann. § 8.01-27.1 (2003).</i>
New York.....	The lesser of the amount agreed upon, if contracted for, or \$20 <i>N.Y. Gen. Oblig. Law § 5-328 (2003).</i>	Washington.....	Reasonable handling fee; when not paid within 15 days, a collection cost not to exceed \$40 or face amount of check, whichever is less and interest at 12% per year from date of dishonor <i>Wash. Rev. Code § 62A.3-515 (2003).</i>
North Carolina.....	\$25 <i>N.C. Gen. Stat. § 25-3-506 (2003).</i>	West Virginia.....	\$25 <i>W. Va. Code § 61-3-39e (2003).</i>
North Dakota.....	\$25 <i>N.D. Cent. Code § 6-08-16.2 (2001).</i>	Wisconsin.....	All reasonable costs and expenses in connection with the collection of the amount for which the check or draft was written <i>Wis. Stat. § 403.414 (2003).</i>
Ohio.....	\$30 or 10% of the face amount of the instrument, whichever is greater, plus the amount of any fees charged to the holder of the check by any financial institution as a result of the check not being honored <i>Ohio Rev. Code Ann. § 1319.16 (2003).</i>	Wyoming.....	\$30 <i>Wyo. Stat. Ann. § 1-1-115 (2002).</i>
Oklahoma.....	Undetermined *	<p>*Undetermined means that a specific service charge has not been set by state statute. See the full state's statutes for remedies by civil action or criminal penalties which may allow a civil penalty assessment.</p> <p>It is suggested that service fees be posted at the point-of-sale in all states. ACA cannot be responsible for recent changes in the law regarding service charges and civil penalties. Remember to check with your attorney before establishing any procedures based upon this information.</p> <p>© 2003 ACA International. All rights reserved. No reprinting.</p> <p>For more information on each state's check laws, including criminal penalties, contact ACA Member Services for purchase and update information on the <i>ICSP Statutory Penalties Guide</i>.</p>	
Oregon.....	\$25 <i>Or. Rev. Stat. § 30.701 (2001).</i>		
Pennsylvania.....	Undetermined *		
Rhode Island.....	\$25 <i>R.I. Gen. Laws. § 6-42-3 (2002).</i>		

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ALASKA

## **National Federation of Independent Business**

### **Statement of Support for SB 299**

#### **Bad Check Fee**

**February 16, 2004**

The Alaska Chapter of the National Federation of Independent Business has 2,500 members, making it the largest small-business advocacy group in the state.

NFIB supports SB299 to remove language from the current law that has been interpreted to require a business to document the costs of collecting bad checks. The proposed legislation simply states that the amount of the check plus \$30 can be collected for bad checks. The language referring to "costs incurred" has been removed.

Bad checks are a real problem for many businesses and they should not be burdened with additional paperwork in order to charge a fee for these checks. We encourage your quick action in passing this legislation.

**Vote YES on SB 299**

Submitted by Thyes Shaub on behalf of NFIB/Alaska.

Northern Lights Avionics



OS #CWR115M

900 Merrill Field Drive  
Anchorage, Alaska 99501  
(907) 277-4811 (907) 278-6651 fax

www.NLAvionics.com

March 3, 2004

Representative Bruce Weyrauch  
Chairman, House State Affairs  
Re: House Bill 516  
Fax: (907) 465-2273

Dear Representative Weyrauch,

I am writing on behalf of Northern Lights Avionics, Inc. to request your support for the passage of House Bill 516. 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 all Alaskan businesses, I strongly urge you to support HB 516 to make this simple change.

Sincerely,

Gary R. Bennett  
President  
Northern Lights Avionics, Inc.

sk



**ELECTRICAL SUPPLY CO., INC.**

365 Industrial Way  
Anchorage, Alaska 99501  
(907) 272-2259  
Fax (907) 279-7495

March 2, 2003

Dear Legislator:

I support the passage of House Bill 516 and Senate Bill 299. The changes in Section 1. AS 09.68.115(a)

from: (2) the defendant fails to tender, before the action begins, an amount equal to at least the amount of the check plus costs incurred by the plaintiff up to a maximum of \$25

to: (2) the defendant fails to tender, before the action begins, an amount equal to the amount of the check plus \$30

would help clarify the current statute. It would further relieve businesses of the work involved in tracking all costs associated with the recovery of funds from dishonored checks. This legislation would help business keep the acceptance of checks from our customers as a sound and viable choice.

Sincerely,

Leon T. Brown, Jr.  
Vice President

LTB/ns

**Robin Thompson**

Owner,

450 Ridgecrest Drive  
P.O. Box 1347 #100  
Bethel, AK 99559  
907.543.3719 Tel  
907.543.3721 Fax



RE: House Bill 516

Dear Representative Mary Kapsner:

I am writing this letter to request your support for the passage of H.B. 516. 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.

I strongly urge to support HB 516 to make this simple change.

Sincerely,

Robin Thompson  
Owner, The UPS Store

Mar 03 04 11:54a

ALYESKA RESORT

S077542140

p.2

Amanda Hawes  
Director of Accounting  
Alyeska Resort  
PO Box 249  
Girdwood, AK 99587-0249

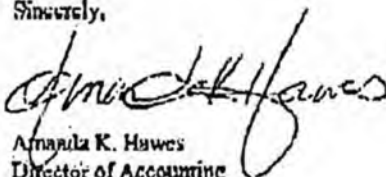
March 3, 2004

Attn: Rep. Bruce Weybrauch  
Chairman House State Affairs  
Re: House Bill 516

Dear Legislator,

I support the passage of House Bill 516. It helps clarify the current statute and relieves businesses of the burden of attempting to track all costs associated with collecting dishonored checks. Please help businesses retain the payment option of accepting checks from customers by passing this legislation.

Sincerely,



Amanda K. Hawes  
Director of Accounting  
Alyeska Resort



ALYESKA RESORT

P.O. BOX 249  
GIRDWOOD, ALASKA 99587  
TELEPHONE (907) 754-1131  
FAX (907) 754-2200



**INDEPENDENCE PARK MEDICAL SERVICES, INC.**  
9500 INDEPENDENCE DRIVE, SUITE 900, ANCHORAGE, ALASKA 99507-4800  
(907) 522-1341

March 2, 2004

Representative Bruce Weyhrauch  
Chairman House State Affairs  
Fax: 907-465-2273

Re: House bill 516

Dear Representative Weyhrauch:

We support the passage of House bill 516 and Senate Bill 299. It helps clarify the current statute and relieves businesses of the burden of attempting to track all costs associated with receiving dishonored checks. Please help businesses retain the payment option of accepting checks from customers by passing this legislation.

Sincerely,



Helen Spencer  
Clinic Manager  
Independence Park Medical Services Inc.



# Internal Medicine Associates

2841 DeBarr Road  
Suite 50  
Anchorage, Alaska  
99508

Telephone  
(907) 278-2811  
1-888-935-2811

Fax  
(907) 258-8590

**GASTROENTEROLOGY**

Richard F.  
BUCHANAN, M.D.

William H.  
MCCRAY, JR., M.D.

David E.  
PEACH, M.D., FACP

Geny  
SAHAGUN, M.D.

Charles R.  
SHANNON, M.D.

Eric R.  
TOMPKINS, M.D.

**PULMONARY**

Beth A.  
BAKER, M.D.,  
FCCP, FACP

Gregory D.  
GERBOTH, M.D.,  
FCCP, FACP

**ENDOCRINOLOGY**

Janice A.  
KOVAL, M.D.

Representative Bruce Weyhraugh, Chairman House State Affairs  
Re: House Bill 516

Dear Legislator:

We support the passage of House Bill 516 and Senate Bill 299. It helps clarify the current statute and relieves businesses of the burden of attempting to track all costs associated with receiving dishonored checks. Please help businesses retain the payment option of accepting checks from customers by passing this legislation.

Sincerely,

Tamara Barker  
Practice Manager

FEB-27-2004 05:12P FROM:

TO: 19077708150

P:3

COURTNEY'S AUTO & DIESEL REPAIR  
P.O. BOX 1127  
BETHEL, AK 99559

February 27, 2004

Dear Senator Lyman Hoffmann

I want to go on record as a small business owner to support the passage of Senate Bill 299/JR 516. Our current statute allows us to collect up to \$25.00 in cover "costs incurred" for collecting to bad checks. The proposed change will set reasonable handling fees that is not subjected in challenge.

Sincerely,

  
Signature



F. LELAND JONES, M.D.  
KENNETH S. LAUFER, M.D.  
R. MATSON WHITE, JR., M.D.  
RICHARD R. TAYLOR JR., M.D.  
CHARLES L. AARONS, M.D.

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TIMOTHY COALWELL, M.D.  
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DARREN B. LEWIS, M.D.  
TIMOTHY NOAH LAUFER, M.D.

"Prompt, Thorough, Concerned"

Diplomates American Board of Family Practice

2211 EAST NORTHERN LIGHTS BOULEVARD, ANCHORAGE ALASKA 99508

March 2, 2004

To: Representative Bruce Weyhrauch, Chairman House State Affairs  
Representative Les Gara  
Senator Johnny Ellis

Re: House Bill 516 and Senate Bill 299

Dear Legislator:

I support the passage of House Bill 516 and Senate Bill 299. It helps clarify the current statute and relieves businesses of the burden of attempting to track all costs associated with receiving dishonored checks. Please help businesses retain the payment option of accepting checks from customers by passing this legislation.

Sincerely,  
Medical Park Family Care, Inc.

Laurie K. Boom, CPA  
Finance Director

**Subject:** [Fwd: House Bill 516]  
**Date:** Tue, 02 Mar 2004 10:54:59 -0900  
**From:** Bruce Weyhrauch <Representative\_Bruce\_Weyhrauch@Legis.state.ak.us>  
**Organization:** Alaska State Legislature  
**To:** Ginny Austerman <Ginny\_Austerman@legis.state.ak.us>

bill file

---

**Subject:** House Bill 516  
**Date:** Mon, 01 Mar 2004 16:44:10 -0900  
**From:** Rzeszut <rzeszut@chugach.net>  
**To:** Bruce Weyhrauch <Representative\_Bruce\_Weyhrauch@legis.state.ak.us>

Dear Representative Weyhrauch,

I would like to enlist your support for passage of House Bill 516. The current statute creates an accounting burden on businesses to track and record all costs incurred with collecting on NSF checks. A fixed penalty of \$30 per bad check would simplify the process and enable businesses to continue accepting checks as a method of payment.

Please support passage of this bill and encourage your colleagues to do the same.

Yours truly,

Jeanne E. Rzeszut

Feb-17-04 11:52am From-UA SW PROCUREMENT

8074745921

T-436 P.02/02 F-152

Randy L. Weaver, CPA  
Controller  
Phone: (907) 474-7711  
Fax: (907) 474-5921  
randy.weaver@alaska.edu

209 Butrovich Building  
910 Yukon Drive, Suite 209  
PO Box 755120  
Fairbanks, AK 99775-5120



UNIVERSITY  
of ALASKA  
.....  
*Many Traditions One Alaska*

February 17, 2004

RE: Senate Bill 299

Senator Con Bunde, Chairman  
Senate Labor and Commerce Committee  
Alaska State Capitol, Rm. 506  
Juneau, AK 99801

Dear Senator Bunde:

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 business officers, I strongly urge you to support SB299 to make this simple change.

Sincerely,

A handwritten signature in cursive script, appearing to read "Randy L. Weaver".

Randy L. Weaver, CPA  
Controller

Sent via fax (907-465-3871)

FAXED  
5:21 PM

February 16, 2004

Senator Con Bunde  
Alaska State Capitol Room 508  
Juneau, AK 99801  
VIA FACSIMILE: 907-465-3871

RE: Senate Bill 299

Senator Bunde,

I would like to go on record supporting the passage of Senate Bill 299. Our current bad check statute allows us to collect up to \$25.00 to cover "costs incurred" for collecting the bad check. The problem is that this creates an accounting burden for businesses to track and record all costs instead of assigning a fixed penalty. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge. That's the way many other state deal with the same problem.

Alaska's businesses should not have additional burdens placed upon them by having to document costs incurred while trying to collect their bad checks.

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

Respectfully Submitted,

Spenard Builders Supply, Inc.

Jill Jaeckel  
Legal Assistant  
907-261-9165  
FAX 907-261-9141

e-mail: [jjaeckel@sbsalaska.com](mailto:jjaeckel@sbsalaska.com)

FROM : D OF AKINC

FAX NO. : 9073382690

Feb. 16 2004 04:21PM P3

# D.of Alaska Inc

1345 RUDAKOF CIRCLE SUITE 102 ANCHORAGE, ALASKA 99508  
PHONE: 333-6776 FAX: 338-2690

February 16, 2004

Senator Con Bunde  
Alaska State Capitol, Rm 506  
Juneau, AK 99801

RE: Senate Bill 299

Senator Bunde:

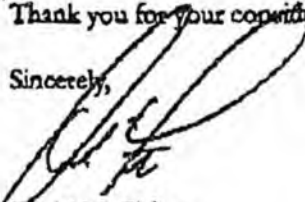
As the owner of Denny's Restaurant in the State of Alaska, I want to go on record supporting the passage of Senate Bill 299. Our current bad check statute allows us to collect up to \$25 to cover "costs incurred" for collecting the bad check. The problem is that this creates an accounting burden for businesses to track and record all costs instead of assigning a fixed penalty. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge. That's the way many other states deal with the same problem.

Alaska's businesses should not have additional burdens placed upon them by having to document costs incurred to collect their bad checks.

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

Thank you for your consideration in this matter.

Sincerely,



David M. Ficks,  
President

cc: Shelly Ryan  
Corner Stone Credit Services



*Copy to: Shelly Ryan  
Comptroller of Public Accounts*

February 16, 2004

Senator Con Bunde  
Alaska State Capitol, Room 506  
Juneau, AK 99801

RE: SENATE BILL 299

Dear Senator Bunde:

I want to go on record as supporting the passage of Senate Bill 299. Our current bad check statute allows us to collect up to \$25 to cover "costs incurred" for collecting the bad check. The problem is that this creates an accounting burden for businesses to track and record all costs incurred instead of assigning a fixed penalty. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge. That's the way many other states deal with the same problem.

Alaska's businesses should not have additional burdens placed upon them by having to document costs incurred to collect their bad checks.

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

Very truly yours,

Ada P. Bower  
Comptroller





**WILLIAMS EXPRESS INC.**

February 12, 2004

Senator Con Bunde  
Alaska State Capitol, Rm 506  
Juneau, Ak 99801

Re: Senate Bill 299

Dear Senator Bunde,

It is time for us to make a change in the way our statutes address handling fees for bad checks. Alaska statute allows businesses to charge up to \$25.00 to cover "costs incurred" vs. other states assigning a reasonable handling fee that is not up to challenge. Our system creates the unnecessary accounting burden of tracking, recording and documenting costs incurred in order to collect on bad checks.

I want to go on record supporting the passage of Senate Bill 299 and I strongly urge you to support this change.

Respectfully

Ernest B. Madsen  
Director - Williams Express - Alaska  
3201 C. Street, #700  
Anchorage, Alaska 99503  
(907) 273-3300

Feb 16 04 01:45p

Michael R. Davidson

FEB 16 2004  
907-561-6075

P. 1



Davidson Enterprises  
P.O. Box 241528  
Anchorage, Alaska 99524  
907-561-6036  
Fax 907-561-6075

Senator Bunde:

I want to go on record supporting the passage of Senate Bill 299. Our current bad check statute allows us to collect up to \$25 to cover "costs incurred" for collecting the bad check. The problem is that this creates an accounting burden for businesses to track and record all costs instead of assigning a fixed penalty. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge. That's the way many other states deal with the same problem.

Alaska's businesses should not have additional burdens placed upon them by having to document costs incurred to collect their bad checks.

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

Sincerely, Michael Davidson

02/16/2004 11:59 19072833068

THREE BEARS KENAI



**L & J ENTERPRISES INC. dba/THREE BEARS**  
10575 Kenai Spur Hwy. Kenai, AK. 99611 Ph. (907) 283-6577 Fax (907) 283-6576

February 16, 2004

Senator Bunde:

I would like to go on record supporting the passage of Senate Bill 299. Our current bad check statute allows us to collect up to \$25 to cover "costs incurred" for collecting the bad check. The problem is that this creates an accounting burden for businesses to track and record all costs instead of assigning a fixed penalty. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge. That's the way many other states deal with the same problem.

Alaska's businesses should not have the additional burdens placed upon them by having to document costs incurred to collect their bad checks.

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

Sincerely,

David A Weisz  
Senior VP



**Anchorage  
Fracture &  
Orthopedic  
Clinic**

3260 PROVIDENCE DR., SUITE 200  
ANCHORAGE, ALASKA 99508  
(907) 563-3145 • FAX 561-3967

- DECLAN R. NOLAN, M.D.
- RICHARD W. GARNER, M.D.
- THOMAS P. VASILEFF, M.D.
- RICHARD D. MCEVOY, M.D.
- ADRIAN B. RYAN, M.D.
- DAVIS C. PETERSON, M.D.
- STEPHEN S. TOWER, M.D.
- LESLIE P. DEAN, M.D.
- GEORGE D. RHYNEER, M.D.
- UPSHLUR M. SPENCER, M.D.

- Diplomates American Board of Orthopaedic Surgery
- Fellows American Academy of Orthopaedic Surgeons

February 12, 2004

Senator Con Bunde  
Alaska State Capitol, Rm 506  
Juneau, AK 99801

FAXED 907-465-3871

RE: Senate Bill 299

Dear Senator Bunde:

Our clinic would like to go on record in support of Senate Bill 299. Alaska's current bad check statute allows us to collect up to \$25 to cover "costs incurred" for collecting the bad check. The problem is that this creates an accounting burden for businesses to track and record all costs instead of assigning a fixed penalty. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge. That is the way many other states deal with the same problem.

Due to regulatory and compliance issues medical offices have dramatically increasing costs that are combined with steadily diminishing reimbursements. It is growing more and more difficult to collect payment for our services, and we feel that we, as well as other Alaska businesses, should not have additional burdens placed upon us by having to document costs incurred to collect bad checks.

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

Sincerely,

Beth A. Balca, FACMPE  
Administrator  
907-261-7135

Attn: Shelley  
Ryan



**THE ALASKA CLUB**

February 12, 2004

Senator Con Bunde  
Alaska State Capitol, Room 506  
Juneau, Alaska 99801

Re: Senate Bill 299

Dear Senator Bunde:

I want to go on record supporting the passage of Senate Bill 299. Our current bad check statute allows us to collect up to \$25.00 to cover "costs incurred" for collecting the bad check. The problem is that this creates an accounting burden for businesses to track and record all costs instead of assigning a fixed penalty. The proposed change in statute would set a reasonable handling fee that is not subject to challenge. That's the way many other states deal with the same problem.

Alaska's businesses should not have additional burdens placed upon them by having to document costs incurred to collect their bad checks.

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

Sincerely,

John Marchetti  
Vice President of Administration & Finance  
The Alaska Club

02/12/2004

16:54

SAGAYA CORP ACCTS → 7728158



February 12, 2004

Senator Con Bunde  
Alaska State Capitol, Room 506  
Juneau, AK 99801  
Re: Senate Bill 299

Dear Senator Bundy,

We would like to go on record supporting 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. The problem is that this creates an accounting burden for businesses to track and record all costs instead of assigning a fixed penalty. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge. This is the same way that many other states deal with this problem.

Alaska's businesses should not have additional burdens placed upon them by having to document costs incurred to collect their bad checks.

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

Sincerely,

Ted M. Wells, Controller  
Sagaya Corporation



GOLDEN VALLEY ELECTRIC ASSOCIATION INC. PO Box 71249 • Fairbanks, Alaska 99707-1249 • 907-452-1151 • www.gvea.com

February 12, 2004

Senator Gary Wilkin  
Alaska State Capital  
Juneau, AK 99801  
Fax: 907-465-4714

Re: Senate Bill 299

Dear Senator Bunde:

I want to go on record supporting the passage of Senate Bill 299. Our current bad check statute allows us to collect up to \$25 to cover "costs incurred" for collecting the bad check. The problem is that this creates an accounting burden for businesses to track and record all costs instead of assigning a fixed penalty. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge. That's the way many other states deal with the same problem.

Golden Valley Electric Association has been in business in Alaska since 1947 and we don't feel the vast majority of our member's should have to shoulder the burden of costs incurred to collect on bad checks written by the very few.

We strongly urge you to support SB 299 to make the simple change.

Sincerely,

Scott Peters  
Consumer Accounting Manager  
Golden Valley Electric Association



**TESORO**

Tesoro Northstar  
P.O. Box 190970  
Anchorage, Alaska 99519-3970  
907 563 2711 Phone  
907 261 7283 Fax

February 17, 2004

Senator Con Bunde  
Alaska State Capitol, Rm 506  
Juneau, AK 99801

Re: Senate Bill 299

Senator Bunde:

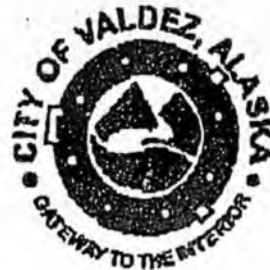
I want to go on record supporting the passage of Senate Bill 299. Our current bad check statute allows our check processing contractor to collect up to \$25 to cover "costs incurred" for collecting a bad check. This creates an accounting burden for businesses to track and record all costs involved in check collection instead of assigning a fixed amount. The proposed change in the statute would set a reasonable handling fee, in the same manner in which many other states deal with the same situation.

Alaska's businesses should not have additional burdens placed upon them by having to document every cost incurred to collect bad checks, costs which we will have to pass along to the consumer.

I strongly urge you to support SB 299 to make this change.

Sincerely,

Richard T. Bucy  
Regional Manager



February 13, 2004

Senator Gene Theriault  
Alaska State Capitol  
Juneau, AK 99801  
VIA Fax: 907-465-3884

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

Senator Theriault:

As Finance Director of the City of Valdez, I support 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 taxpayers 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.

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

*Christine A. Sasse*

Christine A. Sasse  
Finance Director

cc: Dave Dengel, City Manager

Post-it® FAX Note	7871	Date	2/13/04	PAGE	1
To	Shelly Ryan	From	Christine Sasse		
Company	Prindstone	Co.	City of Valdez		
Phone #		Phone #			
Fax #	907-770-8150	Fax #			

*I sent an identical letter to Com Bundy*



Go Home Happy

Border Entertainment, LLC  
dba Blockbuster Video

206 E. Northern Lights Blvd.  
Anchorage, Alaska 99503

Phone (907) 277-8525  
Facsimile (907) 277-8532

February 12, 2004

Senator Johnny Ellis  
Alaska State Capitol, Room 9  
Juneau, Alaska 99801

Re: Senate Bill 299

Dear Senator Ellis:

I want to go on record supporting the passage of Senate Bill 299. Our current bad check statute allows us to collect up to \$25 to cover "costs incurred" for collecting bad checks. The problem is that this creates an accounting burden for businesses to track and record all costs instead of assigning a fixed penalty. The proposed change in the statute would set a reasonable handling fee that is not subject to challenge. That's the way many other states deal with the same problem.

Alaska's businesses should not have additional burdens placed upon them by having to document costs incurred to collect their bad checks.

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

Respectfully yours,

Craig Cobb  
Vice President

Anchorage  
Fairbanks  
Juneau  
Kenai  
Wasilla  
Soldotna  
Eagle River  
Kodiak  
North Pole



**Durrell Law Group P.C.**  
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Anchorage, Alaska 99503

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Fax: 907 258.3229  
[www.durrell.com](http://www.durrell.com)

BRIAN W. DURRELL  
Direct: 907 258.3225  
[bdurrell@durrell.com](mailto:bdurrell@durrell.com)

February 27, 2004

VIA FACSIMILE (907) 465-3766

Representative Max Gruenberg  
House of Representatives  
Mail Stop 3100, State Capitol  
Juneau, Alaska 99801-1182

VIA FACSIMILE (907) 465-3799

Representative John Harris  
House of Representatives  
Mail Stop 3100, State Capitol  
Juneau, Alaska 99801-1182

Rc: SB 299/HB516

Dear Representatives Harris and Gruenberg:

I want to go on record supporting the passage of SB 299/HB 516. Our current bad check statute allows merchants and financial institutions in Alaska to collect up to \$25 to cover "costs incurred" for collecting the bad check. This creates an unnecessary accounting burden for businesses to track and record collection costs. A fixed penalty would be a simpler, more efficient remedy, and would add certainty to an otherwise ambiguous statute. The proposed change in the statute would set a reasonable handling fee that would not be subject to challenge. Many other states deal with this issue in the same simple, concrete manner.

My law office represents businesses, financial institutions, and credit and collection agencies that would benefit from this legislation. Alaska businesses should not have unnecessary burdens placed upon them. They should not have to keep track of the actual costs incurred to collect their bad checks. We strongly urge you to support SB 299/HB 516.

Very truly yours,

DURRELL LAW GROUP, P.C.

Brian W. Durrell

BWD:jk

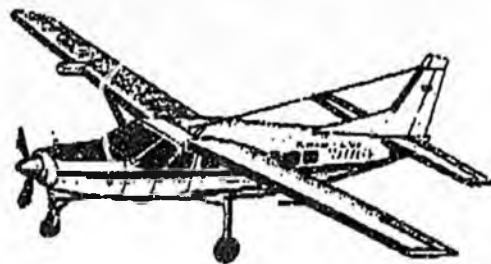
**Hageland Aviation Services, Inc.**

4700 W. International Airport Rd., Ste. 202A

P.O. Box 220610

Anchorage, AK 99522-0610

Tel. 1-907-245-0119



Mar. 4, 2004

RE: House Bill 516

Dear Representative Bruce Weyhrauch, Chairman House State Affairs:

I am writing on behalf of Hageland Aviation Services, Inc. to request your support for passage of House Bill 516. 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 all Alaska businesses, I strongly urge you to support HB 516 to make this simple change.

Sincerely,

Bruce Tweto  
VP

3/04/04

RE: House Bill 516

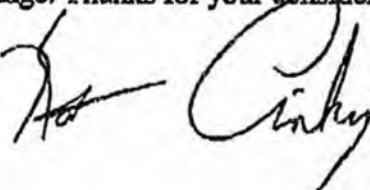
Dear Representative Bruce Weyhrauch;

I am writing on behalf of Tom Kat Cinko Inc. to request your support for the passage of House Bill 516. The current bad check statute allows us to collect up to \$25.00 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 been successful in eliminating this administrative burden, by assigning a fixed penalty.

On behalf of all Alaska businesses, I strongly urge you to support HB 516 to make this simple change. Thanks for your consideration.

Sincerely,



Kathi Cinkosky  
Owner Operator



2700 W. Commodore Way  
Seattle, WA 98199  
(800) 528-0191  
(206) 270-9609  
(206) 213-0103 Fax

Dear Representative Bruce Weyharauch  
Chairman House State Affairs  
Fax: 807 465 2273

RE: House Bill 516

Dear Representative Weyhrauch:

I am writing on behalf of Delta Western, Inc., which is actively engaged in business in Alaska, to request your support for the passage of House Bill 516. The current bad check statute allows us to collect up to \$25.00 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 all Alaska businesses, I strongly urge you to support HB 516 to make this simple change.

Sincerely,

  
Ronald Bean

Chief Financial Officer

The UPS Store #2050  
 1830 E Parks Hwy, Suite A-113  
 Wasilla, AK 99654  
 907.376.6245 (MAIL) Tel  
 907.373.2329 (2FAX) Fax  
 Hours of Operation M-F 8-8, Sat 10-5  
 Sun 12-4



The UPS Store

## Fax Cover

**To:** Honorable Bruce Weyrauch

**Fax #:** (907) 465-2273

**Date:** March 3, 2004

**# of Pages (Including cover Sheet):** 1

**From:** Carole Coppock

**Phone #:** (907) 376-6245

**Subject:** House Bill 516

Dear Representative Weyrauch:

My husband and I own four businesses in Alaska. Three are retail business services stores and we accept checks from the public as payment every day. We have a number of checks returned to us for NSF. For several years I attempted to collect on these bad checks myself. It often required several phone calls to the customer and then if they did not come in voluntarily, I had to go to their bank with the check and my business license and hope to catch their account with some money in it. Often I went more than once. This was extremely tedious and there were checks that were never honored because I never did find any money in the account.

It is not worth the time and trouble for me to do this any longer, my time and trouble were often worth far more than the dollar amount of the check. How do you quantify time and trouble? I do not work for an hourly rate so I cannot say it took me 1 and 1/2 hours to get my money. My merchandise is already gone and I have to restock it without having been paid, but maybe I will be paid at some point in the future when the price is different. How do you quantify that? The law that is presently in force requires me to be able to document the costs I have incurred to collect on the NSF check if the customer wants me to. This is very burdensome and nearly impossible for a store owner to do. Although I was unaware I was supposed to do this, keeping all these records would take quite a lot of my time at some undefined hourly cost. We are told in our business training that an owner's time ought to be worth \$100 an hour because an owner ought to be marketing, budgeting, planning, etc. all things that an hourly associate cannot do but that are of the highest financial benefit to a business.

We feel it is fair and equitable to set a flat fee of \$30.00 for check collection service. This would not be something I would HAVE to charge if I did not wish to in case a good long-time customer made a mistake. But it has been my experience that frequently customers know they are writing short checks and do it more than once. I have had as many as three short checks from the same person in hand. A flat fee for collection service would be consistent in all stores, the customers would know up front that it was going to be pretty costly to write a bad check, and there would be no tedious requirement for me to prove how much I had to spend to collect.

Please support HB 516 to accomplish this.

Sincerely yours, *Carole R. Coppock*

Carole R. Coppock, owner The UPS Store 2050, 3191, 2852, and AK 103

**New Name.**

**New Low UPS Rates.**

**Same Helpful Services.**

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---

---

Northern Lights Avionics



CRS #CL4R115M

900 Merrill Field Drive  
Anchorage, Alaska 99501  
(907) 277-4811 (907) 278-6651 fax

[www.NLAvionics.com](http://www.NLAvionics.com)

---

---

March 3, 2004

Representative Bruce Weyrauch  
Chairman, House State Affairs  
Re: House Bill 516  
Fax: (907) 465-2273

Dear Representative Weyrauch,

I am writing on behalf of Northern Lights Avionics, Inc. to request your support for the passage of House Bill 516. 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 all Alaskan businesses, I strongly urge you to support HB 516 to make this simple change.

Sincerely,



Gary R. Bennett  
President  
Northern Lights Avionics, Inc.

sk

**BROWN'S**  
**ELECTRICAL SUPPLY CO., INC.**

365 Industrial Way  
Anchorage, Alaska 99501  
(907) 272-2259  
Fax (907) 279-7495

March 2, 2003

Dear Legislator:

I support the passage of House Bill 516 and Senate Bill 299. The changes in Section 1. AS 09.68.115(a)

from: (2) the defendant fails to tender, before the action begins, an amount equal to at least the amount of the check plus costs incurred by the plaintiff up to a maximum of \$25

to: (2) the defendant fails to tender, before the action begins, an amount equal to the amount of the check plus \$30

would help clarify the current statute. It would further relieve businesses of the work involved in tracking all costs associated with the recovery of funds from dishonored checks. This legislation would help business keep the acceptance of checks from our customers as a sound and viable choice.

Sincerely,



Leon T. Brown, Jr.  
Vice President

LTB/ns

SAMPLE LETTER

RE: House Bill 516

Dear Representative (Name i Arby's)

I am writing on behalf of Arby's to request your support for the passage of House Bill 516. 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 all Alaska businesses, I strongly urge you to support HB 516 to make this simple change.

Sincerely,

*Theodore J. Navame*

(signature)

Printed Name

Title

*Theodore J. Navame*

*Ops*

*Zan Inc. DBA Arby's*

**CONTACT INFORMATION:**

Please fax your letter on company letterhead to:

Representative Bruce Weyhrauch, Chairman House State Affairs

Re: House Bill 516

FAX: 907-465-2273

\*\*\*\*\*

Please fax a copy of your letter to:

Shelly Ryan

Cornerstone Credit Services

FAX: 907-770-8147

Amanda Hawes  
Director of Accounting  
Alyeska Resort  
PO Box 249  
Girdwood, AK 99587-0249

March 3, 2004

Attn: Rep. Bruce Weybrauch  
Chairman House State Affairs  
Re: House Bill 516

Dear Legislator,

I support the passage of House Bill 516. It helps clarify the current statute and relieves businesses of the burden of attempting to track all costs associated with collecting dishonored checks. Please help businesses retain the payment option of accepting checks from customers by passing this legislation.



ALYESKA RESORT

Sincerely,

Amanda K. Hawes  
Director of Accounting  
Alyeska Resort

P.O. Box 249

GIRDWOOD, ALASKA 99587

TELEPHONE (907) 754-1111

FAX (907) 754-2200

