



Alaska State Legislature

Senate Majority Web: <http://www.akrepublicans.org>

Sponsor: Labor & Commerce Committee
Current Version: HCS SB 299 (JUD) AM H
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Fact Sheet for: Senate Bill 299

Short Title: Bad Check Policy

Summary:

- Changes the fee from “costs incurred up to \$25” to “up to a maximum of \$30” for issuing a bad check.

Benefits:

- Saves businesses time and money.
- Deters businesses from eliminating the option for customers to write checks for payment.
- Protects businesses from possible litigation and time-consuming bookwork for tracking and detailing “costs incurred” in the collection process.

Background:

A recent court case decision would require businesses to document and account for all costs incurred in collection for an insufficient funds check before they could assess the penalty fee. In many cases, it takes over 90 days to collect on a bad check, which often requires daily attention and phone calls. Alaska’s fee has remained unchanged for 18 years, and this legislation would bring us in line with other states’ collection policies.