



Amador County District Attorney's
Bad Check Restitution Program
708 Court Street, Suite 202 • Jackson, CA 95642



Guidelines for Handling Checks

Dear Amador County Business Professional:

In an effort to reduce the impact of dishonored check crime in our community, I created a Bad Check Restitution Program. There are several aspects to this program, all of which work together to benefit our entire community.

This is a pre-complaint diversion program designed to provide strong incentives for check writers to make good on their dishonored check(s) while lowering the burden on our entire legal system. The Bad Check Restitution Program is more than simply a diversion program.

- **We provide tools that help merchants avoid accepting a dishonored check.**
- **We have implemented a powerful administrative engine to handle the restitution process quickly and efficiently.**
- **Finally, an educational course helps check offenders gain control of their finances and avoid future dishonored checks.**

Because the Bad Check Restitution Program is funded by the check offenders, it costs merchants nothing. My office and the entire Amador County law enforcement community have a strong commitment to making the Bad Check Restitution Program a win/win situation for everyone involved.

But we need your help to make the Program truly succeed.

Please take the time to read the enclosed information. There are some "rules" that apply to the processing of dishonored checks. Knowing exactly what steps to take and when to take them can make a big difference in how successful we will be in recovering your money.

Educate management and staff on their responsibilities. Post the materials. Use the Program to its fullest. It **COSTS NOTHING** and **you will receive 100% of the value of every check we successfully recover**, plus bank fees.

Please help us make a difference. We look forward to serving you.

Sincerely,

A handwritten signature in black ink that reads "Todd D. Riebe".

Todd D. Riebe
District Attorney

Tips for Handling a Check

What to look for when you accept a check

If you want to protect yourself from losses due to dishonored checks, there are certain "rules" you must follow that can have a big impact on your success. Many of the most important rules apply at the moment you accept the check for payment. State statutes, local requirements and simple practicality also influence what can or cannot be done to recover a dishonored check loss.

There are some simple steps you should always take when accepting a check. We've developed a simple acronym - **SANDI** - to help people remember the steps.

1 S Double Check the Signature. Watch the person sign the check. Pre-signed checks are often trouble. Compare the signature against a photo ID that contains the person's signature. A State-issued ID or Driver's License is best - and record the ID or Driver's License number and date of birth on the check. Military ID's are also good identifiers that you should get if possible.

2 A Compare the Amounts. If the amount written in numbers and the amount written in words don't match, the bank won't accept it. Carefully read both versions of the amount. If they don't match, don't accept the check.

3 N Check Number. It is a fact that most dishonored checks are written on new accounts. Be especially attentive to checks that seem to be on a new account (i.e. Numbers in the "low 100's" or "low 1000's").

4 D Today's Date. Post-dated checks do not qualify for the Program. Make sure the date on the check matches the date you accept it.

5 I Complete ID. It is important that you get as much identification as possible. The State-approved ID or Driver's License is preferred but, at a minimum you **MUST** get the following:

"MUST HAVES"

- ✓ Name
- ✓ Date of Birth
- ✓ Address (a street address is best)
- ✓ City ✓ State ✓ Zip
- ✓ Phone Number
- ✓ Drivers License, State I.D. or Military I.D. Number

Look at ID photo -
Is this the person presenting the check?
✓ Mark each item on the check as you verify it.

THE IMPORTANCE OF VERIFIED IDENTIFICATION

Being able to actually identify a check writer can be critical in enforcing a dishonored check. In order to prosecute a check, the person who accepts the check must be able to identify the check writer.

This requires some measure of proof. Reasonable proof can be:

- 1) The person who accepted the check verified identity using Photo ID
- AND ---
- 2) The person who accepted the check **MUST** be noted. He or she must put their initials or employee number on the check.

<p>5 John W. Doe DL#1242131 - 12/6/47 222 East Market Blvd. Lemon Grove, ST 22222</p>	Driver's License #	Phone #	4
	Clerk's Initials	Other ID or Manager's OK	
<p>Paid to the order of _____ \$ _____</p>			
<p>2 First National Bank of Santee 3141 East Nations Blvd. Santee, ST 22112</p>			1
<p>MEMOs 063 11 23 4567 77 8890</p>			

Complete, verified identification can influence path that a check takes within the Program. Full ID mandatory for checks submitted to the Program.

HOWEVER, victims must be aware that without proper, verified identification, we may not be able to take the case to court. If a check reaches that point, it is held in an inactive status or returned to the victim. At which point it can possibly be pursued as a civil matter.

Guidelines for Submitting a Dishonored Check to the Bad Check Restitution Program

REGISTRATION

If you have not yet registered with the Bad Check Restitution Program, it is required that you provide basic information regarding your company. (See accompanying Merchant's Registration Form.) You need to register only one time, but if any of your information changes, please inform our office.

BEFORE YOU REFER A CHECK TO THIS PROGRAM

Prior to referring a check to the Program, you should notify the check writer, by mail, that a check has been dishonored and demand immediate payment of the check. If the matter has not been satisfied **after five (5) days** from the date the check writer receives notice, you may refer the check to our office.

We have provided a Sample Notification Letter on the back of this brochure. It contains text that is appropriate for demanding payment of a dishonored check. Remember: Victims cannot make threats of prosecution - either written or oral - to enforce or enhance the collection or honoring of the check.

PREPARING CHECKS FOR REFERRAL

- Enclose the original or bank-generated substitute check with the Check Complaint form. Make a photocopy of the checks you are referring (both sides) for your files.
- Each check you refer to our office for enforcement must be accompanied by a Check Complaint form. This form lists all the information needed to process the dishonored check. It is important that you fill out as much of the information as possible to assure effective enforcement. (If you do not know a piece of information you can still refer the check.) You may use a single form for each check writer.

ELIGIBLE CHECKS

Most check are eligible for the Bad Check Restitution Program. These include checks returned because of:

- Insufficient or Non-sufficient Funds
- Closed Account
- No Account
- Stop Payment (no "good faith dispute")
- Refer to Maker/Unable to Locate

INELIGIBLE CHECKS

Some check are not eligible for the Check Enforcement Program. Checks that do not qualify include the following. You may still wish to pursue these checks in a civil proceeding.

- Post-dated, pre-dates or altered checks
- Checks passed when both parties knew there were insufficient funds at the time of the transaction
- Checks previously submitted to a Collection agency or Civil Attorney
- Two-party checks
- Forged or Counterfeit checks (these should be immediately referred to your local police agency)
- Checks written toward pre-existing debt
- Checks passed outside Amador County
- Checks older than 90 days
- "Stop Payment" checks where there was a "good-faith agreement"

FOLLOW-UP

If we are successful in recovering your funds, a check will be mailed to you within seven (7) days of our receiving the restitution. If the check writer does not agree to participate in the Program, the bad check will be sent on for possible prosecution. If a check (or checks) is deemed prosecutable, you will be informed of what steps you must take as part of the prosecution process.

If we are unable to enforce restitution and the case cannot be prosecuted, the check will be returned to you. We will do our best to make sure your bad checks are handled efficiently and promptly.

FOR MORE INFORMATION

If you have questions about this Program or any dishonored checks you have submitted:

Call us toll-free: 1-866-668-4690

Sample Demand Letter

Victims of bad checks are required to make at least one attempt to notify a check writer to demand payment of a check that is returned due to "Insufficient Funds," "Non-Sufficient," or "Stop Payment" where there is no good faith dispute over goods and /or services between the merchant and the check writer. **The check writer should be given five (5) days from receipt of the notice to respond to the letter.** If, after that time, the matter has not been resolved, the check can be referred to the District Attorney's Bad Check Restitution Program. See the Program Guidelines for more details on referring a check. Checks marked "Account Closed," "No Account," "Refer to Maker," or "Unable to Locate" can be referred to the program without notifying the check writer.

The sample demand letter below is suitable to send the check writer. **Note:** Victims of dishonored checks must not make any threats of prosecution (written or oral) to enforce or enhance the collection or honoring of the check.

Be sure to date the letter.

You can vary this text, but the text of a demand letter must substantially conform to this wording.

You may require payment of any fees or charges imposed by your bank for the processing of the bad check. Please note that the Bad Check Restitution Program can only collect a bank charge of up to \$10 per check.

Keep a copy of the letter for your files.

If it is returned as undeliverable, you should enclose the undelivered letter when you submit the check to the Bad Check Restitution Program.

Calling the check writer:

In the event you contact the check writer by phone, you should provide essentially the same information as shown in this sample letter.

Of course, you are free to discuss the matter with the check writer, but remember to avoid any threats of prosecution.

(Company letterhead)

[Check Writer's Name]
[Address]
[City, State Zip]

[Date]

Re: Notice of Dishonored Check

You are hereby notified that a check, number _____, issued by you on *(date of check)*, drawn upon *(name of bank)*, and payable to *(your business)*, has been dishonored and returned without payment.

NOTICE: You have five (5) days from your receipt of this letter to make payment of the full amount of the check [plus any bank charges] at *(location of your business.)*.

You are further notified that in the event the above amount is timely paid in full, you will not be subject to legal proceedings, either civil or criminal.

Sincerely,

(Your signature)

FOR MORE INFORMATION

If you have questions about the Program or any of the dishonored checks you have referred, call us toll free at 1-866-668-4690 or e-mail us at: [REDACTED] You can also visit the Program's website for more information or to download forms: [REDACTED]

**Amador County District Attorney's
Bad Check Restitution Program**
708 Court Street, Suite 202 • Jackson, CA 95642