



Plymouth Police Department

BAD CHECK DIVERSION PROGRAM

A RESTITUTION GUIDE FOR MERCHANTS AND
RESIDENTS



Dear Plymouth Merchants:

As consumers and taxpayers, we all pay higher prices because of the losses associated with people issuing worthless checks. Law enforcement spends significant resources investigating and prosecuting people who issue worthless checks. The number of worthless check cases increases every year.

In response to concerns regarding worthless checks, the Plymouth Police Department, in conjunction with Financial Crimes Services (FCS), has implemented a worthless check diversion program. The main goals of the program are:

- Restitution for victims.
- Increase accountability of people who issue worthless checks.
- Educate and assist Plymouth merchants in reducing the number of worthless check cases.
- Reduce the costs to law enforcement associated with investigating and prosecuting worthless check cases.

The program is at no cost to the taxpayer or area merchants. It is solely supported by people who issue the worthless checks. “Financial Crimes Services provides both our community and Department additional resources to combat this criminal epidemic. Far too often, local businesses are taken advantage of by criminals who write worthless checks and there are few consequences. With the Worthless Check Diversion Program, we will have a better opportunity to hold these criminals accountable for their actions”. –Chief Goldstein

If you have further questions after reviewing this packet, please contact Financial Crimes Services (FCS) check diversion program at 1-800-880-5420.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael S. Goldstein'. The signature is written in a cursive, flowing style.

Michael S. Goldstein
Chief of Police

INTRODUCTION

The worthless check restitution program has four main goals. They are:

- Increase the amount of restitution returned to victims of bad checks
- Increase the accountability of all worthless check writers, regardless of the amount of the check
- Promote to local merchants more effective check acceptance and protection procedures
- Reduce the risk of repeat worthless check activity

PROGRAM SUMMARY

The restitution program process is as follows:

1. Checks are entered into the FCS system.
2. Check writers are contacted by the FCS restitution program regarding the checks. Four scenarios are then possible:
 - A. Check writer pays the Check Diversion Program - 100% of the face value of the check is returned to the merchant plus bank fees, if paid.
 - B. Offender completes a financial counseling program offered by the Check Diversion Program.
 - C. Check writer fails to pay – the check is sent for prosecution review and proceedings.
 - D. If check is not at prosecutable limit, check writer is red flagged. The system will then notify if more checks are entered and prosecution review is done again.

CHECKS ELIGIBLE FOR THE PROGRAM

- NSF, Account Closed, Refer to Maker, Stop Payment, and Electronic Checks received within city limits that do not exceed \$1000.00.
If your check exceeds \$1000.00, please bring directly to your law enforcement center.
- Worthless checks LESS THAN 120 DAYS from the date issued by the check writer. (Exception: first time program users can send checks up to 2 years old)

CHECKS NOT ELIGIBLE FOR THE PROGRAM

- **Promissory notes and/or arrangement to hold the check for deposit or credit extensions**
- **Second party checks**
- **Checks that are currently in collections by a collection agency or attorney (law firm)**
(checks can be forwarded to check diversion program after agency has sent them back)

SIGNAGE

The following signage is required by Minnesota law to allow merchants to enforce collection of service charges and civil penalties. This must be posted where your customers can see the service charge at the time the check is accepted by the merchant. Copy as needed.

**IT'S AGAINST THE LAW TO WRITE A BAD
CHECK IN MINNESOTA**

**Checks returned to us for nonpayment
are subject to a service charge of**

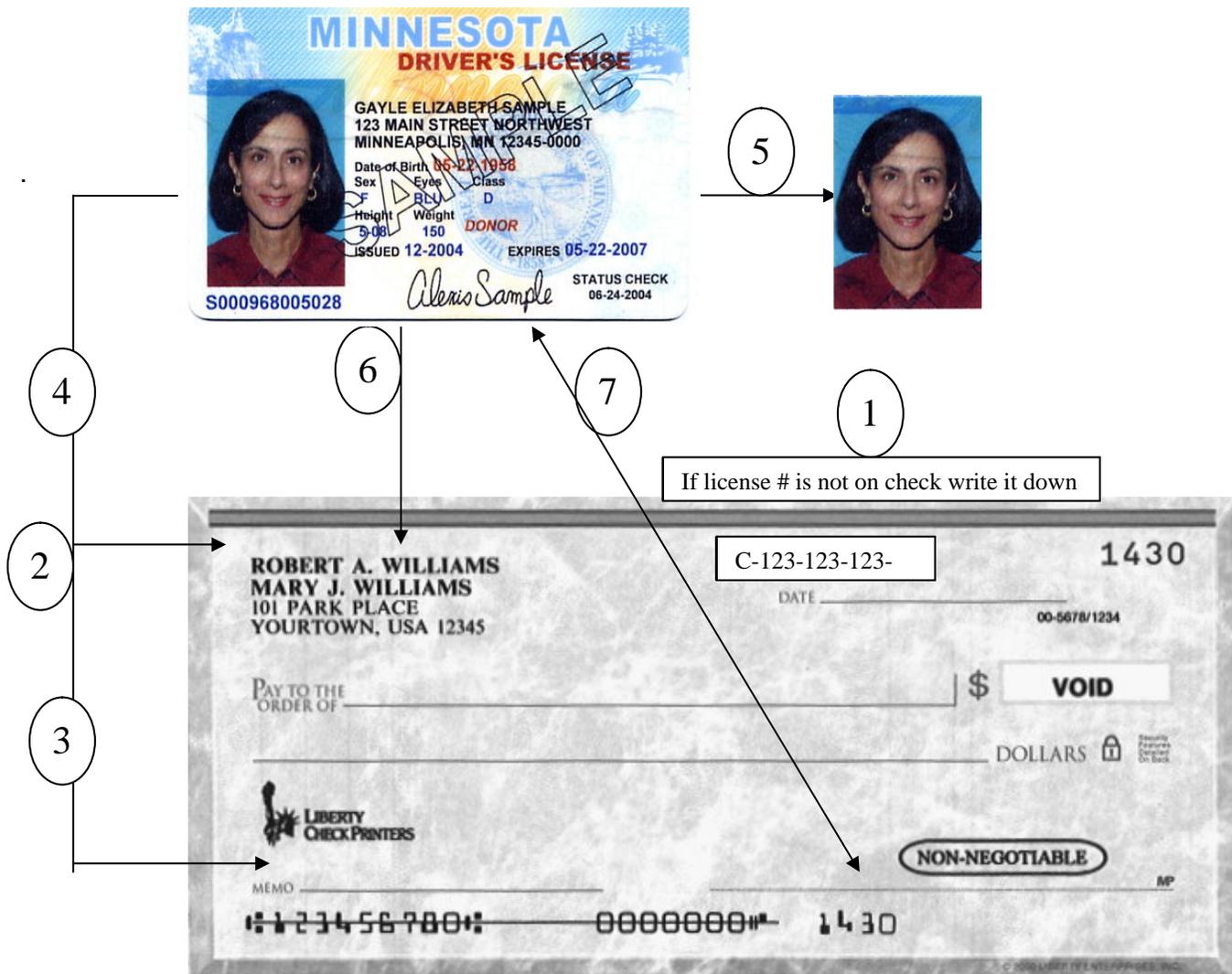
\$30

**Additional civil penalty may be imposed
on checks returned for nonpayment after 30 days.**

MN Statute 604.113

Minnesota Retail Merchants Association

CHECK ACCEPTANCE PROCEDURES



1. Record or circle the identification number (DL # D-123-123-123-123)
 2. Have employee initial upper left corner
 3. Record home or work telephone number
 4. Record date of birth (i.e. DOB 1/29/72)
 5. Make sure photo on identification card matches customer
 6. Make sure the identification card matches name and address on the check
If time permits, write down good address as indicated by customer
 7. Check the signatures on the identification card and match this signature to the signature on the check (endorsement line). If these signatures do not match, acceptance should be declined.
- (New driver's licenses printed after 12/15/2004 will have new DL number – make sure you copy DL number off of driver's license, not check – old checks will have old DL)

