

**Resolution in relation to the imposition of a processing fee for a dishonored check**

**WHEREAS**, New York General Obligations Law, Title 3, Section 5-328 authorizes the holder of a dishonored check given in payment for a consumer transaction or an account to collect from, charge, or add to the outstanding balance of the account of the person from whom such check was received or to whom such credit was extended, a dishonored check charge of not more than the lesser of the amount agreed upon, if contracted for, or twenty dollars.

**AND WHEREAS**, a dishonored check charge shall not be deemed a credit service charge, interest or an incident to or a condition to the extension of credit, for any purpose of law.

**AND WHEREAS**, notwithstanding any other provision of law, any person to whom a check, draft or like instrument, other than a money order, bank cashier's check or certified check is tendered for any transaction, other than a consumer transaction, may, if such instrument is dishonored charge or collect from the maker or drawer the amount of twenty dollars for the return of such unpaid or dishonored instrument.

**BE IT RESOLVED**, that the Town Board of the Town of Sandy Creek, Oswego County, New York does hereby adopt a service fee of \$20.00 for checks which are dishonored and returned for insufficient funds, and, be it, further

**RESOLVED**, that such service fee shall be collected in the same manner prescribed by law for the collection of the account for which the check was tendered, and, be it, further

**RESOLVED** that this resolution shall take effect immediately.

This institution is an equal opportunity provider, and employer.