

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)



# 123rd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2007

---

Legislative Document

No. 217

H.P. 188

House of Representatives, January 16, 2007

**An Act Regarding Penalties for Payments Made to the State That  
Are Rejected by a Financial Institution**

---

Submitted by the Treasurer of State pursuant to Joint Rule 204.

Reference to the Committee on State and Local Government suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative BARSTOW of Gorham.  
Cosponsored by Senator SCHNEIDER of Penobscot.

1 **Be it enacted by the People of the State of Maine as follows:**

2 **Sec. 1. 5 MRSA §130, 3rd ¶**, as amended by PL 1991, c. 622, Pt. C, is further  
3 amended to read:

4 Any person who makes payment of an amount due to any state department, agency,  
5 board, commission, authority or other state entity ~~by means of a check~~ is liable, if the  
6 ~~check is returned unpaid by a bank on which it is drawn because~~ payment fails as a result  
7 of insufficient funds, a closed account, no account or a similar reason, for a penalty of  
8 \$20, which must be reported and paid to the Treasurer of State as undedicated revenue to  
9 the General Fund. The penalty provided by this section is in addition to any other  
10 penalties provided by law.

11 **SUMMARY**

12 This bill clarifies that when a person makes a payment to any state department,  
13 agency, board, commission, authority or any other state entity and that payment fails as a  
14 result of insufficient funds, a closed account, no account or a similar reason, that person is  
15 liable for a \$20 penalty.