

ORDINANCE NO. 738

AN ORDINANCE OF THE CITY OF GIG HARBOR, WASHINGTON, PROVIDING FOR AND ESTABLISHING A CHECK-HANDLING FEE TO BE COLLECTED FOR ALL CHECKS OR DRAFTS PAYABLE TO THE CITY WHICH ARE DISHONORED BY NONACCEPTANCE OR NONPAYMENT BY THE DRAWING BANK OR INSTITUTION; AUTHORIZING AND DIRECTING THE FINANCE DIRECTOR TO COLLECT THE CHECK-HANDLING FEE; AND AMENDING THE GIG HARBOR MUNICIPAL CODE TO ADD A NEW SECTION 3.48.020.

WHEREAS, the City of Gig Harbor has experienced an increased incidence of checks or drafts presented in payment of obligations due and owing to the City of Gig Harbor being dishonored by nonacceptance or nonpayment by the drawing bank or institution; and

WHEREAS, the processing of such dishonored checks or drafts represents an additional cost to the City of Gig Harbor; and

WHEREAS, the City of Gig Harbor has the authority, by law, to collect a reasonable check handling fee for checks dishonored by nonacceptance or nonpayment; now therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. a new Section 3.48.020 is hereby added to the Gig Harbor Municipal Code, Chapter 3.48, Miscellaneous Fees, to read as follows:

3.48.020 Check-handling fee.

Whenever a check or draft presented to the City is dishonored by nonacceptance or nonpayment by the drawing bank or institution, the maker will be charged a check-handling fee. Any license or application paid for with such check or draft is invalid, any obligation paid with such check or draft is still outstanding, and any penalties, interest or fees specified in the Gig Harbor Municipal Code, ordinances or resolutions will continue to accrue, until the City receives funds for the amount of the check or draft plus the check-handling fee.

The Finance Director of the City of Gig Harbor, or his/her designee, is hereby authorized and directed to assess said check-handling charge in addition to, and as a part of, the payment or obligation due or made to the City of Gig Harbor for which the dishonored check or draft was issued.

Section 2. If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the chapter or the application of the provision to other persons or circumstances shall not be affected.

Section 3. This ordinance shall take effect and be in full force five (5) days after publication of

an approved summary consisting of the title.

APPROVED:

MAYOR, GRETCHEN A. WILBERT

ATTEST/AUTHENTICATED:

CITY ADMINISTRATOR, MARK HOPPEN

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY _____

FILED WITH THE CITY CLERK: 9/3/96
PASSED BY THE CITY COUNCIL: 9/23/96
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EFFECTIVE DATE: 10/15/96
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