

House Research Act Summary

CHAPTER: 218

SESSION: 1999 Regular Session

TOPIC: Dishonored Check Diversion Program

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Analyst: Vicky Donaldson, 651-296-5808

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Overview

This act establishes a pretrial diversion program for persons who issue dishonored checks.

- 1 Acts constituting civil liability for dishonored checks.** Exempts a person who successfully completes a pretrial diversion program from the civil penalties otherwise authorized in current law.
- 2 Theft sentences.** Increases the minimum value of property subject to gross misdemeanor or felony penalties from \$200 to \$250. A value of \$250 or less is penalized as a misdemeanor, consistent with the penalty for a dishonored check of the same value.
- 3 Penalties for dishonored checks.** Adds a felony penalty of up to 5 years imprisonment and up to a \$10,000 fine for dishonored checks valued at more than \$500. Retains the current penalty of up to one year imprisonment and up to a \$3,000 fine for checks valued at more than \$250 up to \$500 and retains the current penalty of up to 90 days imprisonment and a \$700 fine for checks valued at \$250 or less.
- 4 Forged check sentences.** Changes the threshold value to more than \$250 for first-time felony-level forged check crimes.
- 5 Financial card fraud sentences.** Changes the threshold value to more than \$250 for first-time felony-level financial card fraud offenses, consistent with the change in section 4 for forged check crimes. Makes technical changes and moves the aggregation provision.
- 6 Pretrial diversion program for writers of dishonored checks.**
 - Subd. 1. Definitions.**
 - (1) Defines "offender" to mean a person who is charged or could be charged with issuing a dishonored check.
 - (2) Defines "pretrial diversion" as a prosecutor's decision to refer an offender to a diversion program and to dismiss or not charge the case if the offender successfully

completes the program.

(3) Defines "prosecutor" as a county or city attorney.

Subd. 2. Establishment of program. Permits prosecutors to establish diversion programs either directly or under contract with a private entity.

Subd. 3. Diversion of offender. Requires prosecutors to consider the following when accepting offenders into the program:

- (1) The value of the check;
- (2) The offender's criminal history and past diversion experience;
- (3) Previous dishonored check complaints against the offender;
- (4) Pending dishonored check complaints against the offender;
- (5) Evidence of intent to defraud; and
- (6) The victim's wishes.

Subd. 4. Program components. (a) Requires the diversion program to require the following of offenders:

- (1) Successfully complete classes, at offender's expense, that include information about writing checks and managing money;
- (2) Make full restitution to the victim;
- (3) Pay service charges and costs required by section 332.50, subd. 2 (a).

(b) Allows prosecutors to waive the requirement that offender's pay for the educational program required under paragraph (a) if payment would result in an economic hardship to the offender or the offender's family.

Subd. 5. No civil liability. Prohibits a victim from recovering additional civil penalties from an offender who successfully completes the diversion program if the penalties relate to the offense resulting in completion of the program.

Subd. 6. Criminal justice reporting. Requires prosecutors to report relevant data on diversion participants to the criminal justice information system.

Subd. 7. Reports. Requires prosecutors to report on the operation of diversion programs to the Supreme Court and the chairs of the relevant house and senate committees.

7 **Effective date.** August 1, 1999.