

ORDINANCE NO. 33-05

AN ORDINANCE TO AMEND CHAPTER 26 OF THE WEST LAFAYETTE CITY CODE TO SET SERVICE CHARGES FOR UNPAID AND DISHONORED CHECKS AND ACH DEBITS

Whereas, the Common Council is authorized to set a surcharge fee for an unpaid and dishonored check, draft, or an order on a credit institution within the range prescribed by Indiana Code; and

Whereas, the Common Council set a surcharge fee for unpaid and dishonored checks by enacting Ordinance No. 3-99 to establish City Code 26.05 in 1999; and

Whereas, Indiana Code 35-43-5-5 now authorizes the payee of an unpaid and dishonored check, draft, or an order on a credit institution to charge the amount equal to the bank charge plus a surcharge not to exceed the greater of twenty-seven dollars and fifty cents (\$27.50) or five percent (5%)(but not more than two hundred fifty dollars (\$250)) of the amount due, in accordance with then notice requirements set forth in Indiana Code 26-2-7-3.

THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE THAT:

Section 1.

Chapter 26 of the West Lafayette City Code is hereby amended as follows:

Section 26.05. Unpaid and dishonored checks

A surcharge fee of ~~ten~~ **twenty** dollars shall be assessed in addition to the amount of bank fees for each unpaid and dishonored check. Notice shall be sent by ~~certified~~ **delivery confirmation service** mail and in accordance with Indiana Code 26-2-7-3.

Section 26.06 Automatic Clearing House (ACH) Debit Returns for Nonsufficient Funds.

A surcharge fee of twenty dollars shall be assessed in addition to the amount of bank fees for each returned ACH debit returned for nonsufficient funds. Notice shall be sent by delivery confirmation service mail and in accordance with Indiana Code 26-2-7-3.

Section 2.

This ordinance shall be in full force and effect from and after its passage and signing but the Mayor, and upon publication as required by Indiana Code.

INTRODUCED AND FILED ON THE ____ DAY OF _____,
2005.

DULY ORDAINED PASSED AND ADOPTED BY THE COMMON COUNCIL OF
THE CITY OF WEST LAFAYETTE, INDIANA, ON THE _____ DAY OF
_____, 2006, HAVING BEEN PASSED BY A VOTE OF
___ IN FAVOR AND ___ OPPOSED.

Presiding Officer

Attest:

Judith C. Rhodes, Clerk-Treasurer

PRESENTED BY ME TO THE MAYOR OF THE CITY OF WEST LAFAYETTE,
INDIANA, ON THE _____ DAY OF _____, 2006, AT THE
HOUR OF _____.

Judith C. Rhodes, Clerk-Treasurer

THIS ORDINANCE APPROVED AND SIGNED BY ME ON THE _____ DAY OF
_____, 2006, AT THE HOUR OF _____.

Jan H. Mills, Mayor

Attest:

Judith C. Rhodes, Clerk-Treasurer