

From: Baker, Josh
To: Soura, Christian <ChristianSoura@gov.sc.gov>
Date: 6/7/2013 8:29:34 PM
Subject: FW: Certified checks

-----Original Message-----

From: Sanderson, Jeffrey R [mailto:Jeffrey.Sanderson@scdmv.net]
Sent: Friday, June 07, 2013 4:55 PM
To: Baker, Josh
Subject: Re: Certified checks

Yes sir, that is correct. Per the Statute, the agency director has the discretion to stop accepting checks. However, if we stop accepting checks, we will punish a large segment of the population.

Regards,

JR

----- Original Message -----

From: Baker, Josh <JoshBaker@gov.sc.gov>
To: Sanderson, Jeffrey R
Sent: Fri Jun 07 16:42:42 2013
Subject: Re: Certified checks

JR,

I am reading your email to mean that, per my question below, that there are currently no explicit statutory or regulatory prohibitions against the department receiving non-certified checks now. Is this correct?

Best,
Joshua

----- Original Message -----

From: Sanderson, Jeffrey R [mailto:Jeffrey.Sanderson@scdmv.net]
Sent: Friday, June 07, 2013 04:33 PM
To: Shwedo, Kevin A <Kevin.Shwedo@scdmv.net>; Baker, Josh
Subject: RE: Certified checks

Mr. Baker,

I am presupposing you are referring to the 'No-pay No-play' H.3907. R# 0072 proposed legislation. If I am incorrect, then please notify me and I will work to provide you the answers you require.

Under current law Section 56-3-860, the agency Director has the ability to refuse checks. However, given the wide variety of our customer base across the state, we do not believe that is a good policy.

This is especially true of our elderly customers who often prefer to pay via personal check. Our current policy is to accept checks written for less than One-Thousand Dollars from an individual customer, but we do accept any amount from businesses. We accept all other forms of payment and we do not presently charge a service fee for the use of a credit card. We do believe, given the costs involved in collection, it is a prudent business decision for us to begin collecting a service charge as per our request in the proposed legislation. We currently pay \$600-700 thousand dollars annually in credit card fees.

As an agency, we felt we needed this legislation for three specific reasons. First, the agency currently has approximately 2 million dollars owed to us by citizens who wrote bad checks to our agency for a service we rendered. As you know, one of our core missions here is to distribute funds to other state agencies and 75% of this money would go to other state agencies. Second, we do not prohibit service to citizens who owe the agency money. Specifically, if a citizen can pay us with another form of payment (primarily cash) then we provide the service, but we do not collect on the previous bad debt. For example, a citizen may owe the agency \$800.00 from a bad check for a reinstatement fee. If the citizen comes in to get a vehicle registration or title, we accept payment (other than a check) for that service function, even if they fail to pay the outstanding debt to the agency. Finally, we do not have the ability to refuse service without citizens paying their just debts and this legislation enables us that capability. This is an important aspect for us as a non-appropriated agency.

If this is insufficient or you need further data, please let me know.

Regards,

JR Sanderson

-----Original Message-----

From: Shwedo, Kevin A

Sent: Friday, June 07, 2013 2:51 PM

To: Baker, Josh

Cc: Sanderson, Jeffrey R

Subject: Re: Certified checks

One more time with JR on the cc line

JR - Please see note below and take for action.

Kevin Shwedo

On Jun 7, 2013, at 14:24, "Shwedo, Kevin A" <Kevin.Shwedo@scdmv.net> wrote:

> Josh - Just leaving the hospital after a medical procedure is still a little goofy on the anesthetic they gave me. My director of ops and jmy director of admin get you an answer ASAP.

>

> JR - Please work with Melinda and get Josh an answer ASAP. Thanks.

>

> Kevin Shwedo

>

> On Jun 7, 2013, at 11:39, "Baker, Josh" <JoshBaker@gov.sc.gov> wrote:

>

>> Kevin,

>> We're continuing to look at the check bill and we were wondering where the prohibition against receipt of non-certified checks is in statute or regulation. Why did the department feel that they needed the legislative fix on this issue?

>>

>> I would appreciate any guidance you have on this.

>>

>> Thanks,

>>

>> Josh