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NEWS RELEASE

Date/Time of Release: Monday, December 23, 2013, 10:00 a.m.

From: Alex Gardner, District Attorney

Details : Discontinuation of Check Diversion Program

Senate Bill 525, passed during the 2013 Oregon Legislative Regular Session, makes changes to ORS 135.925 and 646.639. The changes make it more difficult and resource-intensive for Oregon District Attorney's offices to use bad check diversion programs like "Bounceback". The legislative changes also appear to put some longstanding check programs at odds with the federal Fair Debt Collection Practices Act, as the new law refers to "the practice of *collecting debt, including restitution*". Restitution for damages caused by criminal behavior, including Negotiating Bad-Checks, has not previously been described as "debt collection", so it has not been subject to time and resource consuming requirements of the federal Act. Collectively, these changes to Oregon law make it impossible for Lane County to continue our Check Diversion Program.

The Lane County District Attorney's Office instituted the Bounceback check diversion program in 2004, because it was an effective way to 1) curb bad-check writing, 2) educate repeat offenders, and 3) collect restitution for Lane County victims. The program was effective because it discouraged criminal behavior and made victims whole without further burdening our strained criminal justice system or labeling first-time offenders as criminals. Since 2004 Lane County's Bounceback program has recovered over a *quarter-million dollars* for check-case victims in Lane County.

No further checks will be accepted into our Bounceback program. The District Attorney's Office will be notifying registered merchants of next steps in the discontinuation of the program.

A copy of the bill can be found at:
<https://olis.leg.state.or.us/liz/2013R1/Measures/Text/SB525/Enrolled>