



Town of Troy

Town of Troy Board of Selectmen
16 Central Square, PO Box 249, Troy, NH 03465

Returned Check Policy

- i. **PURPOSE:** To outline the Town's expectations with regard to payment for any and all Town Services, and the Town's process to collect a check or electronic payment when it does not clear or is returned to the Town for any reason.
- ii. **DEFINITIONS:** Per RSA 638:4, a person is guilty of a bad check if s/he issues or passes a check for the payment of money and payment is refused by the drawee, except in cases where a legal stop payment order has been issued or where the drawee refuses payment for any other reason through no fault of the person who issued or passed the check.
- iii. **POLICY:** Once the Town receives notification from the bank that a check has been returned, a certified letter will be sent to the person issuing or passing the check advising the person of the returned check plus the fees due to the Town. They will have 14 days to make full payment.

Per RSA 80:56 (Uncollectible Remittances), the Town of Troy shall charge for all returned checks a fee of \$25.00 plus all protest, bank, mailing, and legal fees in addition to the amount of said check.

Per RSA 638:4, if within fourteen (14) days after receiving notice that the bank refused to pay the check, the Town does not receive the amount of the check plus all costs and protest fees, the Town will contact law enforcement for further action.

Payment must be made in the form of a bank check, money order or cash.

If the party has had a total of two (2) checks returned from the bank, the Town of Troy's policy is that only a bank check, money order, or cash will be accepted from the party

moving forward. The Town shall notify the party of the Town's Policy that any future payments by the party must be made by bank check, money order or cash.

If the returned check was for a motor vehicle registration, the Troy Town Clerk shall also process an Administrative Complaint with the State of NH-DMV. Pursuant to RSA 261:156, the State of NH will suspend the registration certificate and license plates of such person until the Town of Troy has been reimbursed the full amount of the returned check plus any protest fees.

- iv. **AMENDMENTS:** This policy may, from time to time as needed, be amended by a majority vote of the Select Board at a regularly scheduled Board meeting.
- v. **EFFECTIVE DATE:** This policy shall be effective upon a vote of the Troy Select Board and shall replace any and all Returned Check/Bad Check Policies previously enacted by the Town.

Signed this 2nd day of OCT, 2025

SELECTMEN OF TROY



Curtis Hopkins, Chairman



Richard H. Thackston III



TJ Chasse