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CHRIS CATE PROPOSES ZERO-TOLERANCE POLICY FOR PREDATORY SCAMMERS ***Councilmember Suggests Modifying the State Penal Code § 476; Increase Fine & Jail Sentence***

San Diego, CA: While the COVID-19 pandemic continues to decimate California's economy with double-digit unemployment rates, predators are taking advantage of those who are out of work and desperate for household income.

Under Penal Code §476 PC, California law makes it a crime to make, write, or pass a fake or fraudulent check and can be charged as either a misdemeanor or a felony. While, the State of California and Federal Trade Commission both offer education and complaint assistance for these types of scams, few of these crimes will get prosecuted and, in many instances, with little to no recourse. As a result, residents continue to see fake check schemes in our state.

Rip-off attempts in the form of "fake check" deposits are becoming widespread in Southern California and are causing our most vulnerable to lose thousands of dollars they cannot afford. These operations target the young, and senior citizens by using sophisticated methods to appear as legitimate businesses when they are, in fact, fake. Recently, a member of his staff received correspondence from a Los Angeles address which included a letter, a check for over three-thousand dollars, and instructions of deposit. The check looked real as it used the name of a legitimate financial institution. Unfortunately, this is an example of an all too common story that ends with many honest, hardworking Californians being defrauded out of money they don't have to begin with.

Councilmember Cate is proposing that California adopt a zero-tolerance policy and remove the possibility of prosecuting this predatory conduct as a misdemeanor. He is also requesting that California increase the fine amount and jail sentence to anyone found guilty of knowingly sending a check with the intent to defraud a consumer. Moreover, he is requesting additional resources be allocated to the California Department of Justice so that complaints may be properly and expeditiously investigated.

"Taken as a whole, these measures will send a clear message to those who would attempt to prey on the most vulnerable and susceptible in our society that California stands with consumers and will not tolerate this fraudulent conduct," stated Councilmember Chris Cate, Chair of the City of San Diego's Economic Development and Intergovernmental Relations Committee.

View Councilmember Cate's letter here: <https://bit.ly/3i5ETbD>

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