

Fair Collection of Court Fines

2021 HB 2176

Key Points

- People who don't have the means to pay their fine immediately should not be charged to set up a payment plan that they truly cannot afford.
- Repealing the minimum payment plan fee will help make court collections more fair, allowing courts to focus on a person's ability to pay.
- Courts should be able to settle criminal fines in cases where restitution has been imposed – it will help collect restitution owed to victims.

HB 2176 – Fair Collection of Court Fines

HB 2176 eliminates the requirement that courts impose a minimum \$50 fee to set up a payment plan. The bill would also allow courts to settle fines and other financial obligations in a judgment that contains restitution, leaving the restitution obligation intact.

<u>Payment Plan Fee.</u> ORS 1.202 requires the Judicial Department to add a fee – ranging from \$50 to \$200 – when a person cannot pay a judgment in full. If a person cannot afford to pay a \$75 fine in one payment, adding a \$50 fee to set up a payment plan is unfairly burdensome.

Removing the minimum fee amount from statute would give courts more flexibility to address individual financial circumstances and recover collection costs.

<u>Settling Judgments Containing Restitution.</u> The 2015 legislature enacted SB 55 to improve collections and give state entities the authority to settle debts. Because crime victims have a constitutional right to receive restitution, SB 55 prohibited settling judgments containing restitution orders.

HB 2176 would clarify that the prohibition applies only to the restitution portion of the judgment. If passed, courts could settle fines, fees, and other financial obligations in a judgment that also contains a restitution order.

Because current law divides money collected between fines and restitution, adopting HB 2176 will protect restitution orders while increasing the amount of restitution going to victims of crime.

Scope. This bill will not impact municipal or justice courts.

Revenue Impact. OJD does not expect significant revenue loss from repealing the minimum payment plan fee. Repealing the minimum will allow courts to engage people to pay their fines on a schedule that fits their ability.

Questions about OJD's Fair Collection of Court Fines Bill? Contact Erin M. Pettigrew, Access to Justice Counsel for Legislative Affairs: erin.m.pettigrew@ojd.state.or.us; 503-986-7022