

Judicial Impact Fiscal Note

Bill Number: 5974 S SB	Title: Unenforceable LFOs	Agency: 055-Administrative Office of the Courts
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

STATE	FY 2024	FY 2025	2023-25	2025-27	2027-29
State FTE Staff Years		.3	.1	.3	.1
Account					
General Fund-State 001-1		51,000	51,000	102,000	51,000
State Subtotal \$		51,000	51,000	102,000	51,000
COUNTY	FY 2024	FY 2025	2023-25	2025-27	2027-29
County FTE Staff Years					
Account					
Local - Counties		2,060,000	2,060,000	4,120,000	
Counties Subtotal \$		2,060,000	2,060,000	4,120,000	
CITY	FY 2024	FY 2025	2023-25	2025-27	2027-29
City FTE Staff Years					
Account					
Local - Cities					
Cities Subtotal \$					

Estimated Capital Budget Impact:

NONE

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note for Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.

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Agency Approval: Chris Stanley	Phone: 360-357-2406	Date: 01/31/2024
OFM Review:	Phone:	Date:

192,492.00

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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

The substitute bill would: 1) change the deadlines according to a phased schedule for determining the juvenile legal financial obligations (LFOs) null and void; 2) allow for administrative processes to waive the debt; and 3) require AOC to report back to the Legislature on implementation.

This bill would amend RCW 13.40.192 (Restitution and Other Legal Financial Obligations) related to enforcing LFOs for juveniles.

Section 1(2)(a) would amend the statute to provide that any debts shall be rendered null and void and considered satisfied and paid in full according to the following schedule:

- By June 30, 2025 debts from cases filed from July 1, 2018 to June 30, 2023.
- By June 30, 2026 debts from cases filed from July 1, 2013 to June 30, 2018.
- By June 30, 2027 debts from cases filed prior to July 1, 2013.

Section 1(2)(b) would allow the court to grant individual relief in response to a motion.

Section 1(2)(c) would allow the Supreme Court or superior court presiding judge to authorize an administrative process to waive juvenile LFOs (not including restitution).

Section 1(2)(d) would allow the clerk of superior court to seek waiver of debt in same manner as clerk is authorized to seek extension of jurisdiction for purposes of collection.

Section 2 would require AOC to submit an annual report to the relevant committees of the Legislature on the implementation of this act beginning November 1, 2024.

II. B - Cash Receipts Impact

None, the LFOs are unenforceable so there is no cash receipt impact.

II. C - Expenditures

Juvenile case LFOs are managed in the Superior Court case management systems by information from court orders and other pleadings filed in the case, which is the official court file. The official court file is maintained by the local County Clerk's office.

For juvenile case LFOs to be considered "null and void," a court order must be issued. Adjustments to the juvenile case LFO must be completed at the local level by the County Clerk.

Based on recent reporting on juvenile case LFOs from the Washington State Center for Court Research, there are an estimated 143,000 cases to be reviewed for adjustment.

IMPACT TO THE ADMINISTRATIVE OFFICE OF THE COURTS

This bill would require the AOC to complete an annual report to the Legislature. Reporting on implementation would include keeping track of judicial actions, collections, adjustments and credit and background check results. The staffing estimate below assumes that information is available for reporting.

Senior Research Associate. Beginning July 1, 2024 and ongoing through June 30, 2028, AOC would require salary, benefits, and associated standard costs for 0.25 FTE to prepare an annual report to the Legislature.

IMPACT ON COUNTIES

Superior Courts

This judicial impact note assumes that Superior Court judicial officer time would not incur additional workload because juvenile LFOs have already been considered null and void.

The substitute bill allows for administrative processes, but that does not alleviate the need for County Clerks to validate LFO case

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information for eligible cases and make the necessary account adjustments. The assumptions from the original bill remain the same. The work could take between 45-60 minutes. For the purposes of this judicial impact note, the assumption is an average time of 53 minutes on 143,000 cases. Costs are assumed to be phased in thirds beginning in FY 2025 through FY 2027.

County Total: \$6,181,000

County Clerk Staff Costs

53 minutes multiplied by 143,000 cases divided by 60 min per hour = 126,317 hours

126,317 hours divided by 2,088 hours per FTE = 60 FTE

60 FTE multiplied by \$88,900 per FTE = \$5,375,000

County Clerk Operating Costs

60 FTE multiplied by \$13,300 = \$806,000

Part III: Expenditure Detail

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

<u>State</u>	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		.3	.1	.3	.1
Salaries and Wages		29,900	29,900	59,800	29,900
Employee Benefits		9,100	9,100	18,200	9,100
Professional Service Contracts					
Goods and Other Services		900	900	1,800	900
Travel		500	500	1,000	500
Capital Outlays		500	500	1,000	500
Inter Agency/Fund Transfers					
Grants, Benefits & Client Services					
Debt Service					
Interagency Reimbursements					
Intra-Agency Reimbursements		10,100	10,100	20,200	10,100
Total \$		51,000	51,000	102,000	51,000

III. B - Expenditure By Object or Purpose (County)

<u>County</u>	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
Salaries and Benefits					
Capital					
Other		2,060,000	2,060,000	4,120,000	
Total \$		2,060,000	2,060,000	4,120,000	

III. C - Expenditure By Object or Purpose (City)

<u>City</u>	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years					
Salaries and Benefits					
Capital					
Other					
Total \$					

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III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Sr Research Associate	119,500		0.3	0.1	0.3	0.1
Total FTEs			0.3	0.1	0.3	0.1

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

IV. B2 - Expenditures by Object Or Purpose (County)

NONE

IV. B3 - Expenditures by Object Or Purpose (City)

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE