



## JUDICIAL COUNCIL OF CALIFORNIA

455 Golden Gate Avenue · San Francisco, California 94102-3688

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# REPORT TO THE JUDICIAL COUNCIL

For business meeting on: September 14–15, 2017

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Title	Agenda Item Type
Judicial Council Report to the Legislature: 18-month Statewide Infraction Amnesty Program	Information Only
Submitted by	Date of Report
Zlatko Theodorovic, Director and Chief Financial Officer Budget Services Office	August 28, 2017
	Contact
	Maria Lira, 916-263-7320 <a href="mailto:maria.lira@jud.ca.gov">maria.lira@jud.ca.gov</a>

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### **Executive Summary**

Judicial Council's Budget Services has submitted the attached report on the *18-month Statewide Infraction Amnesty Program* to the Legislature on August 31, 2017. This one-time report provides amnesty information as filed by the 58 court or county collection programs on the number of cases resolved, the amount of money collected, and the operating costs of the amnesty program, as required by Vehicle Code section 42008.8 (Sen. Bill 85; Stats. 2015, ch. 26).

### **Previous Council Action**

There has been no previous Judicial Council action related to this report.

### **Methodology and Process**

Judicial Council staff from Budget Services and the Office of Governmental Affairs worked in partnership to assist the courts and counties with implementation of the statewide amnesty program and report to the Legislature the success of the 18-month program, as required by Vehicle Code section 42008.8.

Vehicle Code section 42008.8 was enacted as part of the 2015 Budget Act in the Public Safety Trailer Bill (Sen. Bill 85; Stats. 2015, ch. 26) to authorize a one-time mandatory amnesty program for the collection of delinquent bail and fines meeting certain eligibility criteria.

Effective October 1, 2015, each court or county responsible for the collection of delinquent court-ordered debt under Penal Code section 1463.010(b) implemented the 18-month traffic amnesty program. The program allowed individuals with delinquent infraction or specified misdemeanor cases to satisfy their payment obligation at a significant reduction and/or have their driver's license restored.

Vehicle Code section 42008.8 further requires that a report be submitted to the Legislature about the results of the amnesty program. Each court or county was required to submit information to the Judicial Council about the number of cases resolved, the amount of money collected, and the operating costs of the amnesty program by May 31, 2017. All 58 court and county collection programs submitted this statutorily required information. Below are highlights from the report to the Legislature:

- 255,306 cases were resolved through the amnesty program;
- 246,300 requests to lift driver's license suspensions were sent to the Department of Motor Vehicles (DMV) pursuant to amnesty;
- Total gross revenue collected by the courts and counties was \$45,111,315;
- Total operating costs of the amnesty program were \$13,549,179;
- Total of \$12,656,529 in costs recovered, pursuant to Penal Code section 1463.007;
- Net revenue collected and distributed was \$31,562,136; and
- Judicial branch criminal revenue loss during 2015–2016 and 2016–2017 totals approximately \$131.8 million based on current revenue projections.

Extrapolating this revenue decline statewide is significant since the judicial branch only receives approximately 40% of all criminal revenue collections.

### **Policy and Cost Implications**

This is a mandated report to the Legislature. There are no anticipated costs related to the approval of this report.

### **Attachments**

1. Attachment A: *18-month Statewide Infraction Amnesty Program Report*



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455 Golden Gate Avenue  
San Francisco, CA 94102-3688  
Tel 415-865-4200  
TDD 415-865-4272  
Fax 415-865-4205  
www.courts.ca.gov

HON. TANI G. CANTIL-SAKAUYE  
*Chief Justice of California*  
*Chair of the Judicial Council*

HON. DOUGLAS P. MILLER  
*Chair, Executive and Planning Committee*

HON. DAVID M. RUBIN  
*Chair, Judicial Branch Budget Committee*  
*Chair, Litigation Management Committee*

HON. KENNETH K. SO  
*Chair, Policy Coordination and*  
*Liaison Committee*

HON. HARRY E. HULL, JR.  
*Chair, Rules and Projects Committee*

HON. MARSHA G. SLOUGH  
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*Hon. C. Todd Bottke*  
*Hon. Daniel J. Buckley*  
*Mr. Jake Chatters*  
*Mr. Richard D. Feldstein*  
*Ms. Kimberly Flener*  
*Hon. David E. Gunn*

MR. MARTIN HOSHINO  
*Administrative Director,*  
*Judicial Council*

August 28, 2017

Ms. Diane F. Boyer-Vine  
Legislative Counsel  
State Capitol, Room 3021  
Sacramento, California 95814

Mr. Daniel Alvarez  
Secretary of the Senate  
State Capitol, Room 400  
Sacramento, California 95814

Mr. E. Dotson Wilson  
Chief Clerk of the Assembly  
State Capitol, Room 3196  
Sacramento, California 95814

Re: *18-month Statewide Infraction Amnesty Program*, as required under  
Vehicle Code section 42008.8

Dear Ms. Boyer-Vine, Mr. Alvarez, and Mr. Wilson:

The Judicial Council respectfully submits this report, as required by Vehicle Code section 42008.8 to provide information to the Legislature regarding the number of cases resolved, the amount of money collected, and the operating costs of the amnesty program. This one-time report provides amnesty information as filed by the 58 court and county collection programs that implemented the *18-month Statewide Infraction Amnesty Program*, as required by Vehicle Code section 42008.8 (Sen. Bill 85; Stats. 2015, ch. 26).

Ms. Diane F. Boyer-Vine  
Mr. Daniel Alvarez  
Mr. E. Dotson Wilson  
August 28, 2017  
Page 2

If you have any questions related to this report, please contact Maria Lira, Senior Budget Analyst, Budget Services, at 916-263-7320, or [collections@jud.ca.gov](mailto:collections@jud.ca.gov).

Sincerely,

Martin Hoshino  
Administrative Director  
Judicial Council

MH/AG/ml  
Attachment

cc: Jessica Devencenzi, Policy Consultant, Office of Senate President pro Tempore Kevin de León  
Alf Brandt, Senior Counsel, Office of Speaker Anthony Rendon  
Anita Lee, Senior Fiscal and Policy Analyst, Legislative Analyst's Office  
Tina McGee, Executive Secretary, Legislative Analyst's Office  
Emma Jungwirth, Program Budget Analyst, Department of Finance  
Margie Estrada, Chief Counsel, Senate Judiciary Committee  
Julie Salley-Gray, Consultant, Senate Budget and Fiscal Review Committee  
Shaun Naidu, Consultant, Senate Appropriations Committee  
Matt Osterli, Consultant, Senate Republican Fiscal Office  
Mike Petersen, Consultant, Senate Republican Policy Office  
Alison Merrilees, Chief Counsel, Assembly Judiciary Committee  
Jazmin Hicks, Consultant, Assembly Budget Committee  
Pedro Reyes, Principal Consultant, Assembly Appropriations Committee  
Allan Cooper, Consultant, Assembly Republican Office of Policy & Budget  
Paul Dress, Consultant, Assembly Republican Office of Policy & Budget  
Peggy Collins, Principal Consultant, Joint Legislative Budget Committee  
Amy Leach, Minute Clerk, Office of Assembly Chief Clerk  
Cory T. Jaspersen, Director, Governmental Affairs, Judicial Council  
Zlatko Theodorovic, Director and Chief Financial Officer, Budget Services, Judicial Council  
Peter Allen, Director, Public Affairs, Judicial Council  
Lucy Fogarty, Deputy Director, Budget Services, Judicial Council  
Laura Speed, Supervising Attorney, Governmental Affairs, Judicial Council  
Angela Guzman, Manager, Budget Services, Judicial Council  
Yvette Casillas-Sarcos, Administrative Coordinator, Governmental Affairs, Judicial Council



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MR. MARTIN HOSHINO  
*Administrative Director,*  
*Judicial Council*

Report title: *18-month Statewide Infraction Amnesty Program Report*

Statutory citation: Vehicle Code section 42008.8

Date of report: August 28, 2017

The Judicial Council has submitted a report to the Legislature on the *18-month Statewide Infraction Amnesty Program*. This one-time report provides amnesty information as filed by the 58 court or county collection programs on the number of cases resolved, the amount of money collected, and the operating costs of the amnesty program, as required by Vehicle Code section 42008.8 (Sen. Bill 85; Stats. 2015, ch. 26).

The 18-month amnesty program was offered to provide individuals the opportunity to resolve their delinquent court-ordered debt at a significant reduction and to request restoration of driving privileges. According to reports filed by all 58 court and county collection programs, 255,306 cases were resolved; \$45,111,315 in gross revenue was collected; and total operating costs for the Amnesty Program were \$13,549,179. Net revenue collected and distributed under the Traffic Amnesty Program was \$31,562,136. In addition, more than 246,000 individuals qualified to have their driver's license restored.

Although total judicial branch criminal revenue collections have declined in recent years—coinciding with the start of the amnesty program in October 2015—branch revenues, including court operations and court construction funding, declined steeply in 2015–16 and 2016–17, totaling approximately \$131.8 million based on current revenue projections.

The full report on the *18-month Statewide Infraction Amnesty Program* is available at [www.courts.ca.gov/7466.htm](http://www.courts.ca.gov/7466.htm).

For more information or to obtain a printed copy of the amnesty report, please contact Maria Lira, Senior Budget Analyst, at 916-263-7320.

**JUDICIAL COUNCIL OF CALIFORNIA**

**Hon. Tani G. Cantil-Sakauye**  
*Chief Justice of California and  
Chair of the Judicial Council*

**Martin Hoshino**  
*Administrative Director  
Judicial Council*

**ADMINISTRATIVE DIVISION**

**John Wordlaw**  
*Chief Administrative Officer*

**BUDGET SERVICES**

**Zlatko Theodorovic**  
*Director and Chief Financial Officer*

**Angela Guzman**  
*Manager*

**Andi Liebenbaum**  
*Primary Author of Report*



# 18-month Statewide Infraction Amnesty Program Report

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AS REQUIRED BY VEHICLE CODE  
SECTION 42008.8(M)

AUGUST 2017



JUDICIAL COUNCIL  
OF CALIFORNIA

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ADMINISTRATIVE DIVISION  
BUDGET SERVICES

## Introduction

On June 27, 2015, the Governor signed the fiscal year 2015–16 Annual Budget which included an 18-month infraction and misdemeanor amnesty program from October 1, 2015 to April 3, 2017<sup>1</sup> to (1) provide relief to individuals who faced significant cost barriers to paying off court-ordered debt, (2) restore driver’s licenses, (3) generate revenue for the State Penalty Fund, and (4) decrease outstanding court-ordered debt. Vehicle Code section 42008.8(m), which was added to implement the amnesty program, requires each court or county implementing an amnesty program to file, not later than May 31, 2017, a written report with the Judicial Council that “shall include information about the number of cases resolved, the amount of money collected, and the operating costs of the amnesty program.” The Judicial Council shall then submit a report to the Legislature summarizing the information provided by each court or county on or before August 31, 2017. This report was prepared in satisfaction of that requirement, pursuant to Vehicle Code section 42008.8(m).

## Summary of Findings

The 18-month amnesty program resulted in the resolution<sup>2</sup> of 255,306 amnesty cases, and the collection of \$45,111,315 in gross revenue. Costs to operate the amnesty program were \$13,549,179, although only \$12,656,529 was recovered because some programs didn’t generate sufficient revenue to cover their costs.

Although total judicial branch criminal revenue collections have declined year-over-year from 2011–12 to 2014–15 (averaging approximately -3% per year), branch revenues declined steeply in 2015–16 and 2016–17 coinciding with the start of the amnesty program.

- Judicial branch criminal revenue loss during 2015–16 and 2016–17 totals approximately \$131.8 million based on current revenue projections. It is noted this 24-month period included the 18-month amnesty program.

Extrapolating this revenue decline statewide is significant since the judicial branch only receives approximately 40% of all criminal revenue collections.

Additionally:

- 246,300 requests to lift driver’s license suspensions were sent to the Department of Motor Vehicles (DMV) pursuant to amnesty.
- The average rate of default for individuals was 34.4%. Individuals are defined as persons who signed up for, and started, a payment plan under the amnesty program and then

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<sup>1</sup> 18-month, one-time mandatory amnesty program in each county that reduced bail and fine amounts for Vehicle Code and non-Vehicle Code infractions meeting the eligibility requirements. The statute also allowed, upon court and county agreement, a one-time amnesty program for specified Vehicle Code misdemeanors.

<sup>2</sup> Resolution of a case is defined as a case that has resulted in an individual qualifying for 50 or 80 percent reduction of their balance owed, and then the individual has either paid their reduced debt owed in full or committed to a future payment plan.



stopped making payments prior to the satisfaction of the full debt owed during the 18-month amnesty program period.

- Five and one half percent of all eligible amnesty accounts (4,967,917 accounts)<sup>3</sup> resulted in reduced outstanding balances during the program.
- Eligible amnesty debt worth an estimated \$2.62 billion was reduced by \$45.1 million collected during amnesty.

## Background

Vehicle Code section 42008.8 was signed into law as part of the 2015–16 Budget Act, in the Public Safety Trailer Bill (Sen. Bill 85; Stats. 2015, ch. 26). It authorized a one-time infraction amnesty program to do all of the following:

- Provide relief to individuals who are in violation of a court-ordered obligation because of unpaid debt;
- Provide relief to individuals who have had their driving privileges suspended;
- Provide increased revenue by encouraging payment of old fines that have remained unpaid; and
- Allow courts and counties to resolve older delinquent debt.

Relief through the amnesty program was available from October 1, 2015, through April 3, 2017.<sup>4</sup> Though the amnesty program was statutorily mandated for infraction violations that met the eligibility requirements, courts and counties could, by agreement, extend the program to qualifying misdemeanors. The 18-month program was to be implemented by the court or county (or a partnership between the court and county) responsible for the collection of delinquent court-ordered debt pursuant to Penal Code section 1463.010(b). The program provided relief in several ways:

- 1) All qualified unpaid violations were entitled to a 50% reduction in the amount owing on an outstanding balance of fines, fees, and penalties;
- 2) Low-income individuals<sup>5</sup> were entitled to an 80% reduction in the amount owing on an outstanding balance of fines, fees, and penalties;

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<sup>3</sup> Statewide accounts eligible for amnesty are estimated to be 4,967,917. This is based on extrapolating actual reporting from 38 collection programs. These programs represented 63% of the state population and calculated 3,129,788 accounts were eligible for amnesty in their respective counties.

<sup>4</sup> The statutory end date for the amnesty program was Friday, March 31, 2017, a state holiday commemorating Cesar Chavez. To provide the public with the benefit of a program end date that did not coincide with the closure of state offices, the last day of the program was extended to Monday, April 3, 2017.

<sup>5</sup> The authorizing legislation stated, “If the participant certifies under penalty of perjury that he or she receives any of the benefits listed in subsection (a) of Section 68632 of the Government Code [the civil filing fee waiver provision] or is within the conditions described in subsection (b) of Section 68632 of the Government Code, the amnesty program shall accept, in full satisfaction of any eligible fine or bail, 20 percent of the fine or bail amount...”

- 3) In either of the above scenarios, the amount of any unpaid civil assessments previously assigned by a court for failure to appear and/or failure to pay on the violation was required to be deducted *before* the balance was reduced by 50% or 80%; and,
- 4) Courts were required to notify the DMV that the individual either paid the remaining debt in full or entered into a payment plan, both of which would help that individual recover his or her suspended driver's license.<sup>6</sup>
- 5) Separate from relief from outstanding court-ordered debt, the statute provided individuals whose violations didn't meet the amnesty criteria with the opportunity to have their driver's licenses restored if the individual entered into a payment plan for the remainder of any outstanding court-ordered debt (not at a reduced price).
- 6) Courts were prohibited from initiating driver's license suspension or hold actions after an individual had entered into a payment plan, even if the individual subsequently stopped making payments.

In order to be eligible for amnesty, the applicants and their past-due violations had to meet eligibility requirements, as described in subsection (g) of section 42008.8:

- 1) The violation was an infraction filed with the court (i.e., parking tickets generally didn't qualify); OR
- 2) The violation was a failure to pay or failure to appear pursuant to subsections (a) or (b) of Vehicle Code section 40508, or section 853.7 of the Penal Code; OR
- 3) The violation was a misdemeanor violation filed with the court as specified (usually traffic misdemeanors) and the amnesty program applied to misdemeanors; AND
- 4) The initial due date for payment of the fine was on or before January 1, 2015; AND
- 5) There were no outstanding misdemeanor or felony warrants (not including any misdemeanor warrants related to the unpaid traffic ticket); AND
- 6) The individual seeking amnesty didn't owe victim restitution on any case within the county; AND
- 7) The individual didn't make any payments on the violation after September 30, 2015; AND
- 8) The person applied to the amnesty program on or before April 3, 2017.

## Program Design and Implementation

Judicial Council staff from Budget Services and Governmental Affairs worked on outreach materials and tools to implement the 18-month amnesty program. Guidelines were adopted by the Judicial Council in August 2015 so programs would be able to ramp up for the October 1,

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<sup>6</sup> This provision has sometimes been mischaracterized as restoring the individual's driver's license. While that is the desired effect of the provision, the courts are only able to notify the DMV that an individual has satisfied any outstanding eligible debt via the amnesty program. Debt from other counties, or other reasons a driver's license may be suspended (driving violations that result in automatic suspension or revocation of driving privileges, for example) could not be cured by participating in the amnesty program, and, as a result, the driver's license might not be restored. Note, too, that the number of driver's licenses actually restored depends on further action by the participants directly with DMV, including payment of a \$55 driver's license reinstatement fee to the DMV.

2015 program start date. Several statewide webinars were hosted to allow programs to prepare for and ask questions about the amnesty program. Separate outreach was organized for community-based advocates and members of the Legislature who offered to provide additional outreach, targeting low-income Californians who would most benefit from participating in the 18-month program. Two “frequently asked questions” documents were created and updated regularly; one answered questions posed by members of the public who wanted to know how to access the program and the parameters for participation. The other addressed questions posed by collections programs to ensure that consistent information was being provided across the state.

Unlike the six-month amnesty program in 2012,<sup>7</sup> this amnesty program did not include an allocation of funds dedicated to community outreach and support. The Judicial Council was, however, given authority to retain the first \$250,000 in amnesty revenue collected to reimburse the DMV for up to this amount for the amnesty notifications printed and included in the mailing of over 60 million vehicle registration renewals during the amnesty program period. Even without an outreach budget, Judicial Council staff developed several forms and outreach posters for use by programs to ensure that courts and counties promoted amnesty consistently.

The Judicial Council approved a data reporting schedule in order to track the progress of the amnesty program. Data was submitted to the Judicial Council on or before the scheduled dates, as specified:

- January 31, 2016 for the period October 1 through December 31, 2015
- May 31, 2016 for the period January 1 through April 30, 2016
- September 30, 2016 for the period May 1 through August 31, 2016
- January 31, 2017 for the period September 1 through December 31, 2016
- May 31, 2017 for the final report covering the entire 18-month program

The periodic reports were posted on the Judicial Council’s website,<sup>8</sup> distributed by e-mail to the Legislature, and sent as part of a series of press releases to media outlets throughout the state.

In addition to formally assisting the programs with amnesty implementation guidance, Budget Services responded to numerous telephone and e-mail inquiries from the public about eligibility, payment options, clarifications related to jurisdiction and county-specific contact information, as well as a myriad of other questions about the program. Governmental Affairs and Judicial Council Public Affairs gave numerous interviews to diverse media outlets throughout California related to the amnesty program.

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<sup>7</sup> A report for that program can be found here: [www.courts.ca.gov/documents/Statewide-Amnesty-Report-to-Legislature-20121231.pdf](http://www.courts.ca.gov/documents/Statewide-Amnesty-Report-to-Legislature-20121231.pdf)

<sup>8</sup> [www.courts.ca.gov/amnestyreports.htm](http://www.courts.ca.gov/amnestyreports.htm)

## Reporting Requirements

The enacting legislation required each court or county implementing the amnesty program to report specified information to the Judicial Council, which the council would summarize and present in a report to the Legislature on or before August 31, 2017. The courts and counties implementing the program were required to report the number of cases resolved, the amount of money collected, and the operating costs of the amnesty program. The Judicial Council encouraged programs to also report additional information and data that would be useful for more fully understanding the impacts of the amnesty program.

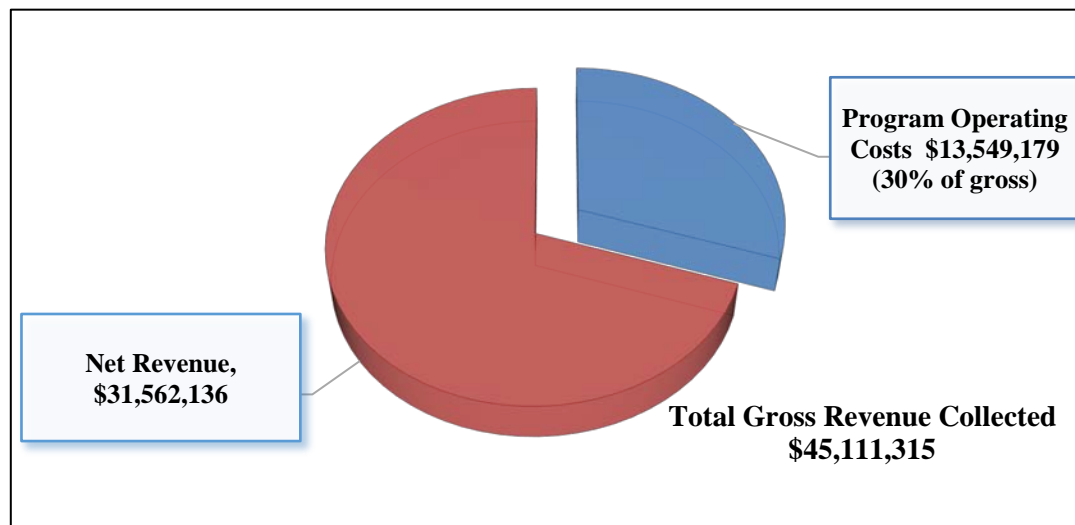
The Judicial Council provided templates for the collection programs to use for the periodic reports as well as for the final report on which to capture both the mandatory reporting elements as well as the additional elements referenced above.

### ***Required findings***

According to reports filed by all 58 court and county collection programs:

- 255,306 amnesty cases were resolved;
- \$45,111,315 in gross revenue was collected;
- \$13,549,179 in program operating costs was reported; and
- The net revenue, after deducting program operating costs, which represented 30% of the gross revenue, was \$31,562,136. (Please see Attachment 1.)

**Table 1: Net Revenue and Operating Costs**



Court and county collection programs were allowed to recover the costs of operating the amnesty program pursuant to Penal Code section 1463.007. This section states that any court or county that operates a comprehensive collection program as defined is entitled to recover the costs associated with the collection of delinquent court-ordered debt prior to distributing the collected

revenue to other governmental entities. Over the course of the 18-month amnesty program, courts and counties recovered \$12,656,529, which is \$892,650 less than the total amnesty operating costs. Seven collection programs reported that the costs to operate the program exceeded the gross revenues they collected.

The numbers reported here include data from both mandatory infraction and qualifying misdemeanor violations that were addressed through the amnesty program.

### ***Additional findings***

In addition to the information described above, many courts and counties provided data helpful for understanding impacts and results of this amnesty program. (Please see Attachment 2.)

#### ***1. Driver's licenses***

A total of 246,300 notices were sent from courts to the DMV indicating compliance with amnesty for the purpose of removing driver's license holds and suspensions. This total includes individuals who did not qualify for a reduced payment under amnesty, but were still able to get relief from their driver's license suspension pursuant to the program.

We have not received data from the DMV about how many driver's license holds and suspensions were lifted because of the amnesty program. As mentioned in footnote 3, courts were only able to notify the DMV that an individual had satisfied the terms of the amnesty program in that county. If an individual had his or her driver's license suspended for reasons outside of the scope of the amnesty program, that license may not have been restored.

#### ***2. Payment plans and defaults***

All programs offered payment plans to participants in amnesty, but not all could report the number of payment plans that were established to help individuals pay off their amnesty debt in monthly installments.

Of 45 collections programs that provided data, 34 reported the number of accounts that went into default (in other words, the individual signed up for a payment plan but subsequently quit paying and was sent to collections). The 34 collections programs that reported defaults were in counties that represent nearly two-thirds of the population of California (63%); the average reported rate of default was 34.4%.

Simply put, based on reporting from nearly two-thirds of the state, one out of every three people who signed up for an amnesty payment plan stopped paying during the amnesty program.

### **3. *Amnesty accounts***

In advance of the amnesty program's October 1, 2015 start date, many courts were able to identify the number of delinquent accounts in their databases that, based on the criteria in the legislation, were eligible for amnesty relief.

Thirty-eight out of the 58 collection programs, representing 63% of the population of California,<sup>9</sup> calculated that 3,129,788 accounts were eligible for relief under the amnesty program. These same 38 courts made up 172,106 of the total 255,306 accounts with reductions in balances owed. Extrapolating this data to all collection programs, just 5.5% of these accounts resulted in reduced outstanding balances during the 18-month amnesty program.<sup>10</sup>

### **4. *Civil assessments***

Pursuant to the terms of the amnesty program, any remaining civil assessment amounts on an individual's account were to be deducted prior to assessing the reduction of 50% or 80%. Civil assessments are assessments of up to \$300 that may be imposed on the account of an individual who fails to appear in court, or fails to pay some or all of their court-ordered debt. The imposition of a civil assessment is considered a more appropriate tool for getting the individual to address his or her violation than the judge issuing a warrant for his or her arrest.

In total, 41 collection programs, representing 74% of the population of California, deducted \$51,530,129 in civil assessments under the amnesty program. Assuming the same ratio of amnesty dollar deductions statewide, statewide civil assessment deductions were \$69,635,309 during the 18-month amnesty program.<sup>11</sup>

Judicial Council data shows that amnesty had a dramatic and negative impact on trial court revenues linked to civil assessments. From 2012–13 to 2014–15, civil assessment revenues were increasing by about 3.5% each year. However, in 2015–16, coinciding with the launch of the amnesty program, civil assessment revenues declined 20% over the previous year, and in 2016–17 civil assessment revenues declined another 10% over 2015–16. The annual collection value in 2016–17 is \$50 million less than in 2014–15, the year immediately preceding the start of the amnesty program. Civil assessment collections are detailed below in Table 2. Additionally, they are included in the lost criminal revenue calculations shown later in Table 6. Civil assessments made up roughly half of the criminal revenue stream funding that flowed into the Trial Court Trust Fund in 2016-17.

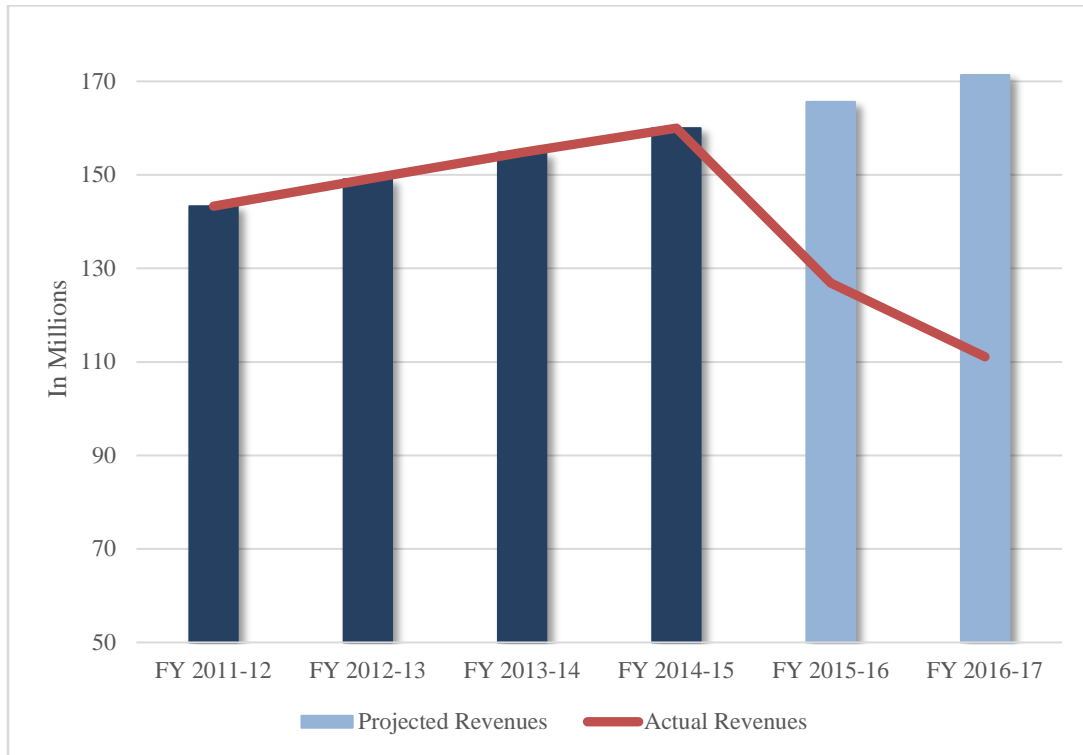
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<sup>9</sup> Statewide population numbers used in this report can be found here: [www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/](http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/)

<sup>10</sup> Calculation is based on 172,106 divided by 3,129,788 being equal to approximately 5.5%.

<sup>11</sup> Calculation is based on 74/100 being equal to \$51,530,129/\$69,635,309.

**Table 2: Total State Civil Assessment Collections from 2012–13 to 2016–17**



**5. Program fees**

The Vehicle Code permitted comprehensive collections programs to charge each person seeking amnesty relief a program participation fee of no more than \$50 to implement the program, and partially offset the loss of civil assessments revenue. Just \$5,158,730 was collected in amnesty program fees. These fees represent 103,175 amnesty accounts. Had all amnesty accounts been charged a \$50 program fee, fee revenue would have reached \$12,765,300.<sup>12</sup> Data indicates that only 40.4% of all amnesty accounts were charged a program fee.

**Discharge from Accountability**

The 3.1 million eligible amnesty accounts identified by the courts were worth an estimated \$2.62 billion in delinquent court-ordered debt. If the gross revenue of \$45 million that was collected during the amnesty program is deducted, the outstanding balance of uncollected court-ordered debt of amnesty-eligible accounts is approximately \$2.57 billion or 98.3% of the estimated eligible account value. In other words, very little outstanding debt was paid with amnesty at a significant cost in revenue to trial court operations.

<sup>12</sup> Calculation is based on \$50 x 255,306 accounts.

Although many individuals who qualified for amnesty relief set up payment plans, given the high average default rate experienced by collections programs, coupled with the magnitude of uncollected delinquent debt, it is likely that future amnesty collection efforts would, like this 18-month amnesty program and the 2012 program before it, do little to change the overall landscape of outstanding court-ordered debt.

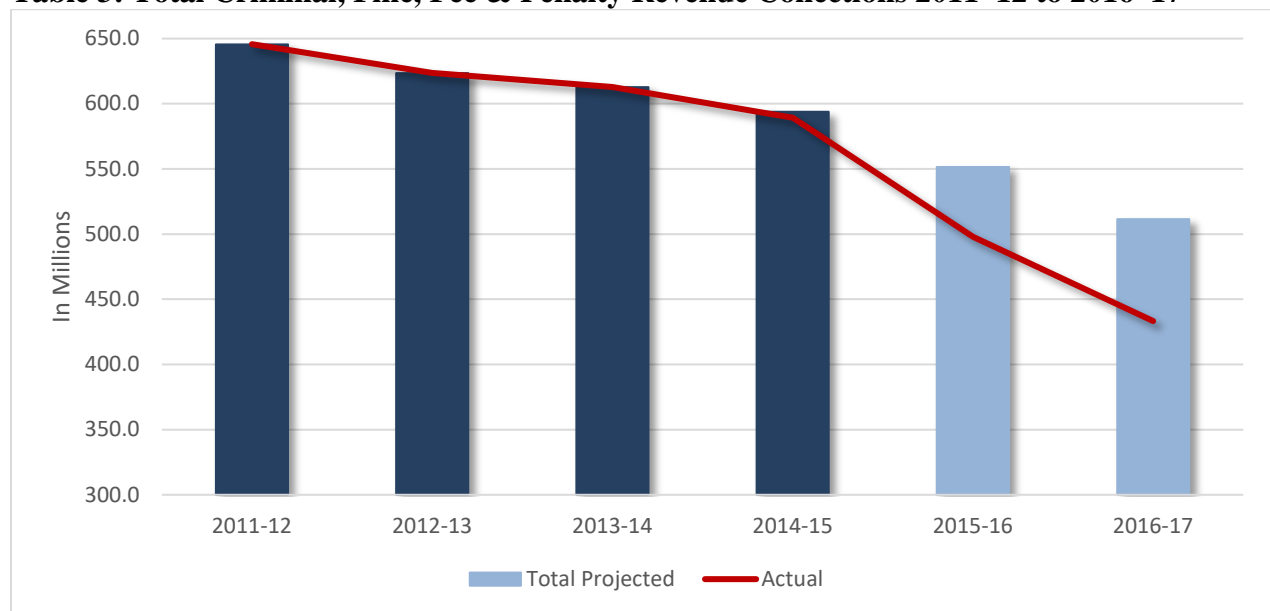
As stated, the outstanding balance of the uncollected court-ordered debt of amnesty-eligible accounts remains approximately \$2.57 billion. Government Code sections 25257(b) and 25259.7 set forth the requirements that courts and counties may apply for discharge of accountability of debt when the costs to collect the debt exceed the value of the delinquent debt, or the likelihood of collection does not warrant the expense.

Counties and courts may wish to consider discharging the \$2.57 billion in uncollected delinquent debt since the 18-month amnesty program only reduced total outstanding debt by 1.7%. Other outstanding court-ordered debt may also be eligible for discharge, but the \$2.57 billion calculated in eligible amnesty debt appears to meet the discharge criteria of the Government Code.

### Judicial branch Criminal Revenue Stream Declines

Criminal revenue stream collections within the judicial branch have steadily declined in five special funds since 2011–12. Total criminal revenue collections have declined at a rate of approximately 3% per year from 2011–12 to 2014–15. This was followed by steep declines in 2015–16 and 2016–17, which coincided with the 18-month amnesty program. Table 3 provides projections of criminal revenue collections had the amnesty program not been in place in 2015–16 and 2016–17 against the actual value of collections in those years.

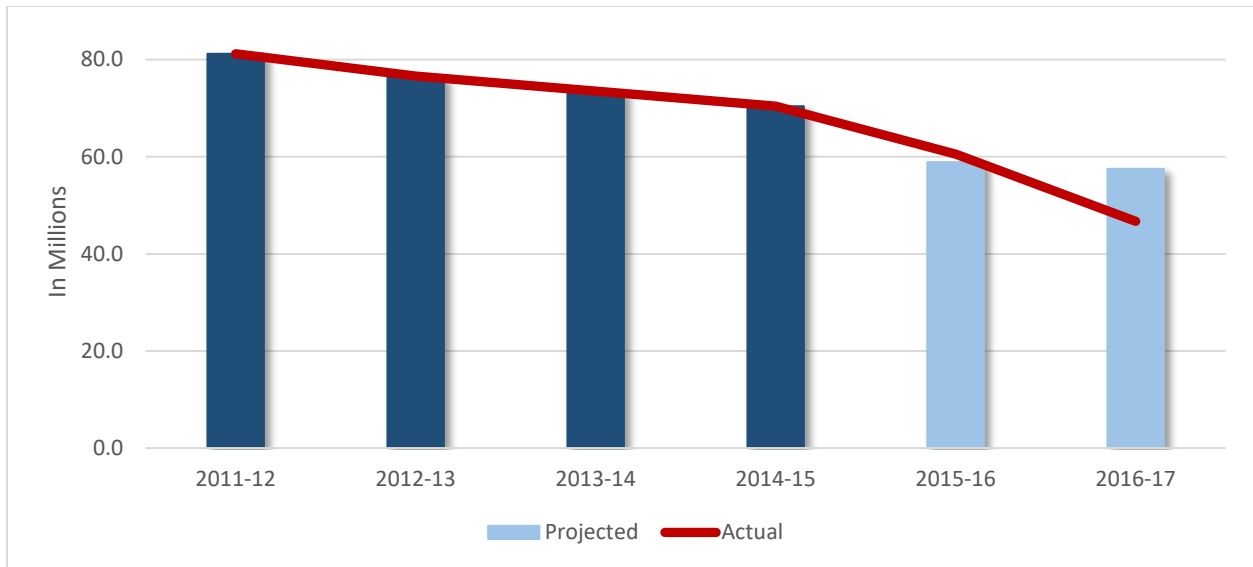
**Table 3: Total Criminal, Fine, Fee & Penalty Revenue Collections 2011–12 to 2016–17**





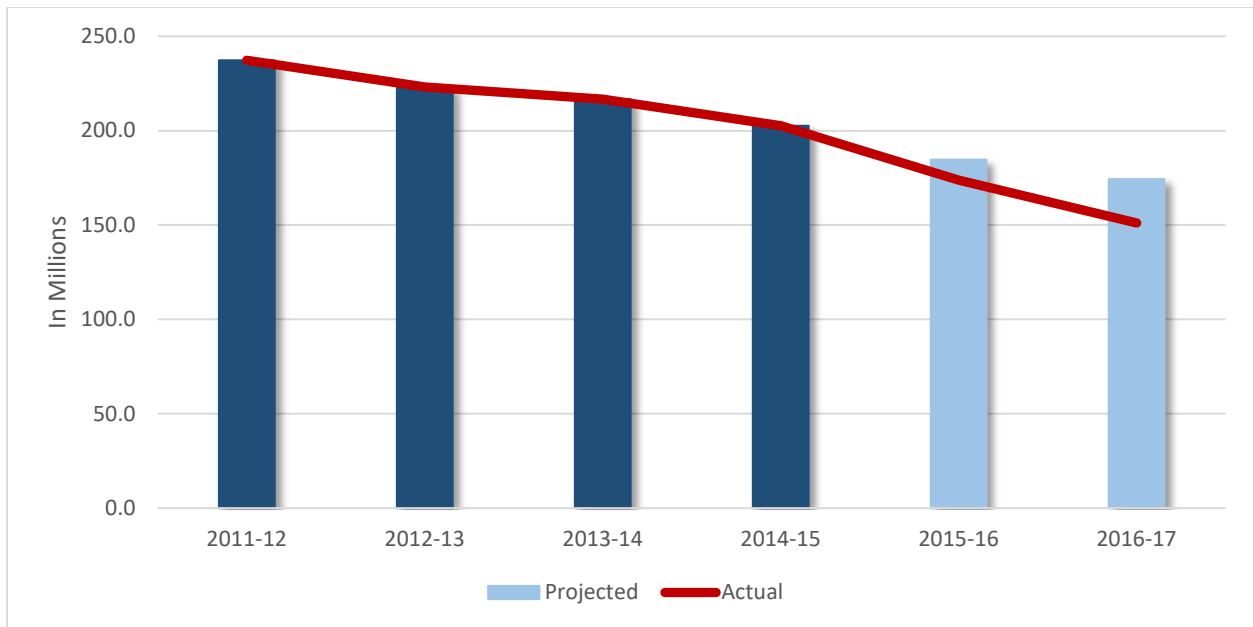
The State Court Facilities Construction Fund (SCFCF) provides funding for judicial branch capital outlay costs, facility modifications, trial court operations, Judicial Council salaries and operating expenses, and branch lease-revenue bond payment obligations. During the four years prior to amnesty, SCFCF was experiencing an average annual decline of 4.66%. The decline over 2014–15, in 2015–16, increased to 14%, and in 2016–17 as compared to 2014–15, to 33.7%. Table 4 provides projections of criminal revenue collections had the amnesty program not been in place in 2015–16 and 2016–17 against the actual value of collections in those years. Approximately 57% of SCFCF’s revenue in 2016-17 came from criminal revenue streams.

**Table 4: SCFCF Criminal, Fine, Fee & Penalty Rev Collections 2011–12 to 2016–17**



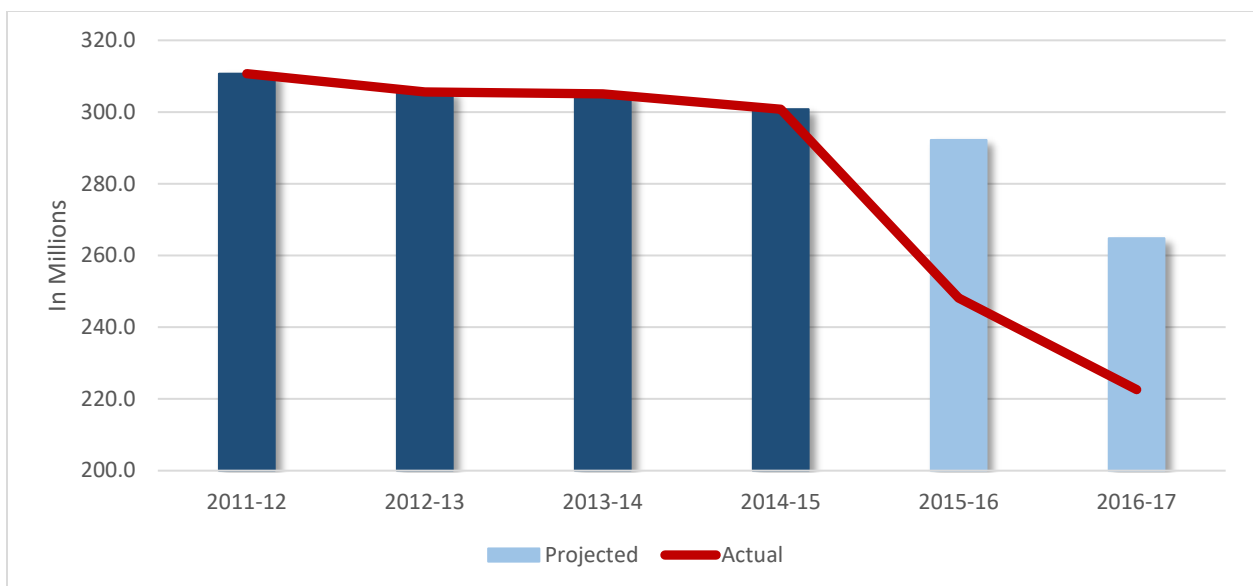
The Immediate and Critical Needs Account (ICNA) is a sub-account of the SCFCF and draws on criminal fine and fee revenue for similar branch needs. During the four years prior to amnesty, ICNA was experiencing an average annual decline of 5.57%. The decline over 2014–15 in 2015–16, increased to 14.5%, and in 2016–17 as compared to 2014–15, to 25.6%. Table 5 provides projections of criminal revenue collections had the amnesty program not been in place in 2015–16 and 2016–17 against the actual value of collections in those years. Approximately 75% of ICNA’s revenue in 2016-17 came from criminal revenue streams.

**Table 5: ICNA Criminal, Fine, Fee & Penalty Revenue Collections 2011–12 to 2016–17**



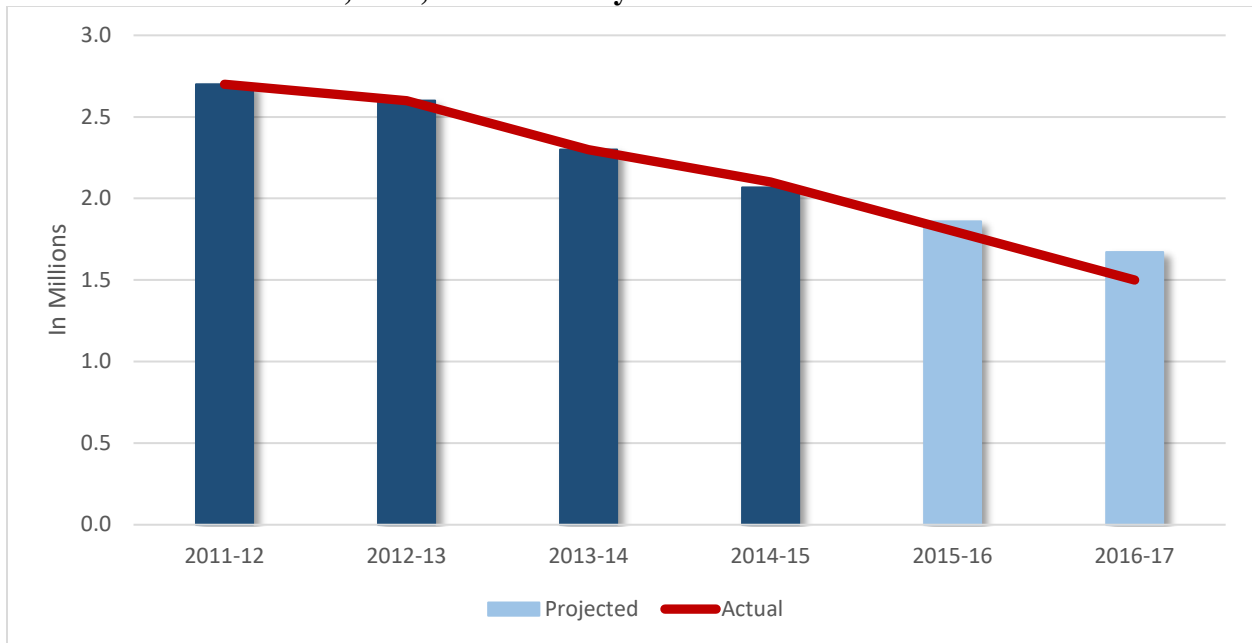
The Trial Court Trust Fund (TCTF) provides funding for trial court operations. Approximately 17% of TCTF’s revenue in 2016-17 came from criminal revenue streams. (This includes civil assessment revenues described in Table 2.) During the four years prior to amnesty, TCTF was experiencing an average annual decline of 1%. The decline over 2014–15 in 2015–16 increased to 17.5%, and in 2016–17 as compared to 2014–15, to 26%. Table 6 provides projections of criminal revenue collections had the amnesty program not been in place in 2015–16 and 2016–17 against the actual value of collections in those years.

**Table 6: TCTF Criminal, Fine, Fee & Penalty Revenue Collections 2011–12 to 2016–17**



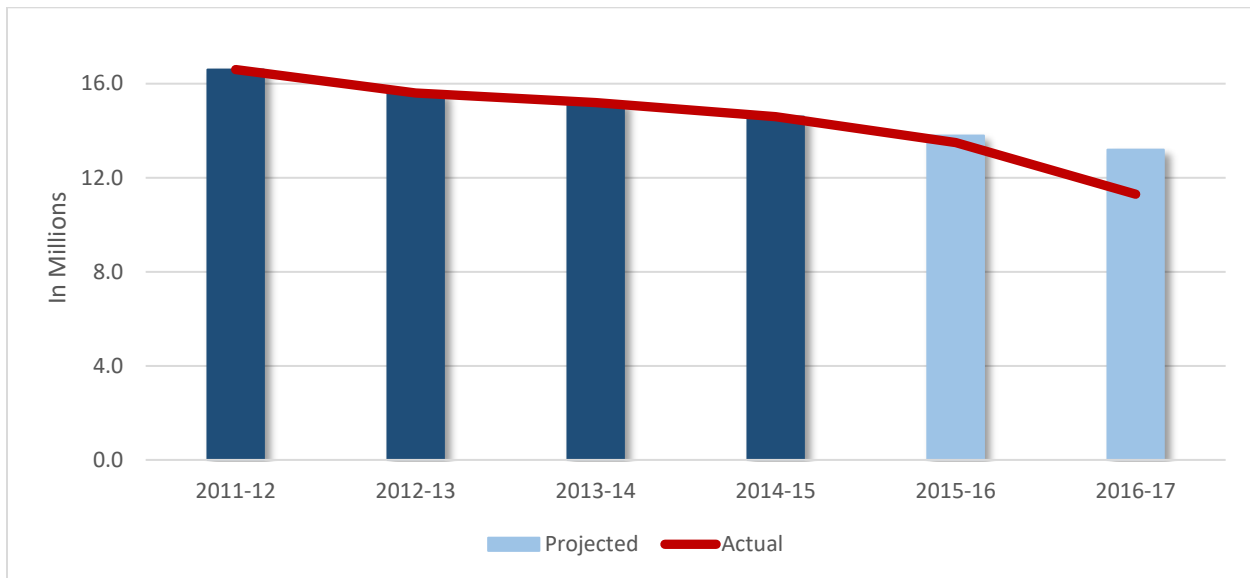
Court Facilities Trust Fund (CFTF) utilizes criminal fine and fee revenue to help manage the costs associated with the ongoing operations and maintenance of court facilities. During the three years prior to amnesty, CFTF experienced an average annual decline of 7%. The decline over 2014–15 in 2015–16, increased to 11% and in 2016–17 as compared to 2014–15 to 27.5%. Table 7 provides projections of criminal revenue collections had the amnesty program not been in place in 2015–16 and 2016–17 against the actual value of collections in those years. Approximately 2% of CFTF’s revenue in 2016-17 came from criminal revenue streams.

**Table 7: CFTF Criminal, Fine, Fee & Penalty Revenue Collections 2011–12 to 2016–17**



The State Trial Court Improvement and Modernization Fund (IMF) utilizes criminal fine and fee revenue to fund automated administrative system improvements within trial courts and the jury system, as well as to fund trial court projects approved by the Judicial Council. During the three years prior to amnesty, IMF was experiencing an average annual decline of 4.16%. The decline over 2014–15 in 2015–16, increased to 7.8%, and in 2016–17 as compared to 2014–15, to 22.3%. Table 8 provides projections of criminal revenue collections had the amnesty program not been in place in 2015–16 and 2016–17 against the actual value of collections in those years. Approximately 11% of IMF’s revenue in 2016-17 came from criminal revenue streams.

**Table 8: IMF Criminal, Fine, Fee & Penalty Revenue Collections 2011–12 to 2016–17**



## Conclusion

The 18-month amnesty program was offered to provide individuals with the opportunity to resolve their delinquent court-ordered debt at a significant reduction. More than 246,000 individuals were also able to work with DMV to restore their driver's licenses. However, net amnesty collections were only \$31.56 million and not all court and county programs were able to fully offset the costs of the program from the revenue the program generated. Further, calculating the total gross revenue collected by the program \$45,111,315, as compared to the value of the eligible amnesty accounts \$2,616,065,265, collection results totaled 1.74%.

Concurrent with the start of the amnesty program in October 2015, criminal revenues, including court operations and court construction funding, declined steeply in 2015–16 and 2016–17 totaling approximately \$131.8 million in revenue losses based on current revenue projections.

Extrapolating this revenue decline statewide is significant since the judicial branch only receives 40% of all criminal revenue collections.

For more information about this report or the results and findings from the 18-month amnesty program, please contact Zlatko Theodorovic, Judicial Council Chief Financial Officer and Director of Budget Services at 916-263-1397, or send questions to the Budget Services Funds and Revenues Unit at [collections@jud.ca.gov](mailto:collections@jud.ca.gov).

## Attachments

1. Statewide amnesty program summary report (based on mandatory data)
2. Statewide amnesty program summary report (based on additional data)



**Statewide Amnesty Program Summary Report**  
(Additional Data)

Mandatory Infractions Amnesty Program	Additional Program Detail														No. Licenses Reinstated (DL Only Abstract) <sup>1</sup>	No. Licenses Reinstated (DL/PIP Abstract) <sup>2</sup>	No. Payment Plan Defaults <sup>3</sup>	Value of Accounts: "Court Satisfied" <sup>4</sup>	No. Accounts Deemed Ineligible After Program Review <sup>5</sup>
	No. Accounts Eligible	Total Value: Eligible Accounts	Total Collected: 50% One Pymt.	No. Accounts: 50% Payment Plan	Total Collected: 50% Payment Plan	Ending Balance: 50% Payment Plan	Total Collected: 20% One Pymt.	No. Accounts: 20% Payment Plan	Total Collected: 20% Payment Plan	Ending Balance: 20% Payment Plan	No. Accounts w/Civil Asst.	Total Deducted: Civil Asst.	Total Collected: \$50 Amnesty Fee						
October 2015	2,983,686	\$2,503,676,736	\$202,262	2,366	\$162,991	\$363,033	\$759,866	9,213	\$389,571	\$1,896,814	77,934	\$5,147,276	442,414	8,480	17,648	489	\$119	3,404	
November 2015	4,326	\$3,007,234	\$233,245	1,780	\$145,302	\$341,356	\$456,402	6,124	\$219,375	\$1,064,262	10,048	\$3,421,255	424,914	6,523	10,155	581	\$794	2,190	
December 2015	32,905	\$20,598,100	\$192,310	1,772	\$166,251	\$411,921	\$429,097	6,042	\$194,232	\$1,096,110	8,780	\$3,094,283	374,140	6,573	12,621	4,203	\$1,430	2,465	
January 2016	21,898	\$18,260,284	\$170,681	2,169	\$204,623	\$510,865	\$388,109	6,950	\$252,077	\$1,153,186	9,775	\$3,253,717	370,150	7,210	12,056	1,597	\$0	2,900	
February 2016	6,056	\$4,418,003	\$233,226	2,669	\$288,420	\$658,395	\$721,375	7,171	\$321,139	\$1,450,773	13,116	\$4,423,799	496,347	9,510	16,394	1,705	\$502	2,755	
March 2016	6,951	\$5,202,358	\$238,727	2,569	\$181,000	\$888,918	\$622,983	7,968	\$350,944	\$1,496,167	12,855	\$4,196,625	308,589	10,673	17,519	3,505	\$271	2,586	
April 2016	4,487	\$3,238,718	\$191,624	2,021	\$187,332	\$818,853	\$391,757	6,211	\$225,769	\$1,203,878	9,080	\$2,944,070	236,882	8,653	12,951	6,535	\$0	1,756	
May 2016	4,895	\$3,768,729	\$147,430	1,670	\$175,216	\$758,477	\$328,217	5,250	\$203,323	\$1,014,683	7,223	\$2,481,187	199,493	9,044	10,319	4,131	\$247	1,863	
June 2016	4,900	\$3,680,015	\$138,862	1,751	\$229,590	\$604,259	\$295,583	5,398	\$328,950	\$761,052	6,774	\$2,333,664	283,185	9,963	9,396	2,779	\$227	1,984	
July 2016	3,795	\$2,702,001	\$94,270	1,493	\$203,297	\$603,400	\$291,110	4,815	\$227,875	\$742,541	5,807	\$1,992,946	210,432	6,736	7,752	6,410	\$0	1,531	
August 2016	4,127	\$2,969,194	\$85,014	1,611	\$213,955	\$625,628	\$251,193	4,722	\$212,813	\$776,916	6,013	\$2,020,399	234,736	7,263	8,039	7,982	\$0	1,443	
September 2016	3,484	\$2,292,993	\$80,194	1,504	\$186,778	\$646,643	\$238,315	4,647	\$179,718	\$755,558	5,474	\$1,889,945	181,388	6,572	7,911	5,140	\$200	1,355	
October 2016	3,041	\$3,254,708	\$103,408	1,236	\$151,484	\$776,393	\$234,754	4,200	\$168,401	\$1,965,458	4,878	\$1,686,020	170,016	6,123	6,873	5,791	\$0	1,272	
November 2016	3,213	\$2,517,480	\$94,921	1,189	\$149,539	\$676,464	\$195,840	4,034	\$140,825	\$1,040,865	4,311	\$1,463,357	165,115	5,989	6,277	4,884	\$0	1,210	
December 2016	2,944	\$2,282,984	\$74,326	1,036	\$140,592	\$656,579	\$169,574	4,044	\$155,756	\$958,102	3,825	\$1,344,271	142,605	5,699	5,657	5,941	\$44	936	
January 2017	3,335	\$2,209,077	\$69,875	1,238	\$144,760	\$648,464	\$206,550	4,093	\$134,648	\$682,337	4,765	\$1,639,151	158,562	6,343	6,848	4,457	\$0	1,199	
February 2017	4,034	\$2,751,270	\$99,386	1,391	\$148,590	\$724,543	\$298,070	5,356	\$212,710	\$1,190,711	5,318	\$1,848,281	206,386	4,450	5,606	4,814	\$94	1,153	
March	9,137	\$5,404,547	\$231,052	2,292	\$308,466	\$809,547	\$698,132	9,763	\$407,177	\$1,632,241	14,688	\$5,065,315	445,502	8,051	16,362	5,319	\$0	3,260	
April	124	\$71,734	\$28,942	544	\$36,562	\$45,140	\$131,604	1,847	\$58,930	\$350,288	2,410	\$834,418	\$2,531	1,038	1,192	4,593	\$0	171	
<b>TOTAL</b>	<b>3,107,338</b>	<b>\$2,592,405,264</b>	<b>\$2,707,754</b>	<b>32,391</b>	<b>\$3,424,749</b>	<b>\$12,076,968</b>	<b>\$7,049,531</b>	<b>107,848</b>	<b>\$4,308,273</b>	<b>\$21,232,903</b>	<b>213,074</b>	<b>\$51,079,979</b>	<b>5,103,386</b>	<b>132,293</b>	<b>191,576</b>	<b>80,856</b>	<b>\$3,937</b>	<b>35,439</b>	

Optional Misd. Amnesty Program	Additional Program Detail														No. Licenses Reinstated (DL Only Abstract) <sup>1</sup>	No. Licenses Reinstated (DL/PIP Abstract) <sup>2</sup>	No. Payment Plan Defaults <sup>3</sup>	Value of Accounts: "Court Satisfied" <sup>4</sup>	No. Accounts Deemed Ineligible After Program Review <sup>5</sup>
	No. Accounts Eligible	Total Value: Eligible Accounts	Total Collected: 50% One Pymt.	No. Accounts: 50% Payment Plan	Total Collected: 50% Payment Plan	Ending Balance: 50% Payment Plan	Total Collected: 20% One Pymt.	No. Accounts: 20% Payment Plan	Total Collected: 20% Payment Plan	Ending Balance: 20% Payment Plan	No. Accounts w/Civil Asst.	Total Deducted: Civil Asst.	Total Collected: \$50 Amnesty Fee						
October 2015	10,411	\$10,988,471	\$562	27	\$726	\$7,471	\$4,681	159	\$2,559	\$59,508	115	\$81,073	\$5,992	30	24	3	\$288	89	
November 2015	11,621	\$12,421,067	\$1,529	70	\$1,114	\$33,853	\$6,776	277	\$5,315	\$84,874	11,074	\$58,219	\$7,112	45	21	0	\$127	149	
December 2015	39	\$30,983	\$3,511	81	\$1,250	\$36,301	\$8,089	342	\$4,011	\$71,960	58	\$50,631	\$7,617	11	3	0	\$0	315	
January 2016	34	\$9,314	\$115	88	\$1,037	\$34,270	\$6,976	389	\$5,646	\$73,580	64	\$21,848	\$3,028	37	22	13	\$0	316	
February 2016	24	\$23,763	\$4,126	91	\$1,635	\$34,490	\$12,946	448	\$6,775	\$95,109	122	\$41,278	\$4,549	66	43	1	\$0	346	
March 2016	25	\$10,943	\$0	96	\$1,758	\$38,433	\$11,288	493	\$8,759	\$102,401	98	\$34,744	\$4,050	77	38	1	\$0	316	
April 2016	25	\$4,529	\$0	100	\$1,886	\$41,924	\$5,068	471	\$6,664	\$102,112	40	\$23,812	\$2,413	64	41	1	\$0	248	
May 2016	19	\$5,651	\$432	94	\$1,541	\$41,709	\$3,324	489	\$5,511	\$106,647	46	\$14,849	\$2,176	51	36	0	\$0	131	
June 2016	20	\$12,157	\$1,573	89	\$1,156	\$42,193	\$1,513	487	\$5,910	\$106,999	33	\$12,201	\$1,774	52	32	2	\$0	137	
July 2016	16	\$10,491	\$728	90	\$1,368	\$41,923	\$1,580	496	\$6,437	\$104,484	35	\$11,637	\$1,515	23	15	3	\$0	81	
August 2016	22	\$14,649	\$27	94	\$1,274	\$44,778	\$2,774	490	\$5,148	\$105,750	36	\$12,674	\$1,842	63	27	7	\$0	84	
September 2016	26	\$17,202	\$1,229	94	\$1,329	\$42,061	\$3,107	502	\$6,302	\$102,143	35	\$15,077	\$2,552	47	24	4	\$0	127	
October 2016	16	\$12,306	\$188	96	\$1,033	\$42,513	\$4,718	472	\$3,917	\$99,215	21	\$10,068	\$1,906	40	27	2	\$0	111	
November 2016	28	\$23,036	\$95	96	\$1,502	\$43,119	\$2,167	475	\$5,107	\$98,012	27	\$11,474	\$1,432	44	23	1	\$0	81	
December 2016	25	\$12,899	\$0	105	\$1,843	\$44,506	\$2,594	461	\$4,696	\$95,242	26	\$9,388	\$1,681	17	28	5	\$50	65	
January 2017	8	\$2,720	\$0	98	\$2,124	\$40,040	\$104	457	\$3,259	\$84,867	13	\$3,584	\$631	5	4	16	\$0	70	
February 2017	25	\$21,498	\$0	101	\$1,504	\$40,559	\$691	492	\$4,134	\$90,474	35	\$9,526	\$1,643	14	35	5	\$0	91	
March 2017	23	\$20,115	\$74	108	\$2,519	\$43,427	\$1,048	583	\$10,134	\$99,756	96	\$27,468	\$3,081	23	20	5	\$0	85	
April	23	\$20,115	\$0	0	\$50	\$0	\$326	11	\$25	\$0	2	\$600	\$350	10	5	0	\$0	12	
<b>TOTAL</b>	<b>22,450</b>	<b>\$23,660,001</b>	<b>\$14,187</b>	<b>1,618</b>	<b>\$26,650</b>	<b>\$693,571</b>	<b>\$79,769</b>	<b>7,994</b>	<b>\$100,210</b>	<b>\$1,683,018</b>	<b>11,976</b>	<b>\$450,150</b>	<b>\$55,344</b>	<b>830</b>	<b>476</b>	<b>72</b>	<b>\$465</b>	<b>2,854</b>	

<b>COMBINED TOTAL:</b>	<b>3,129,788</b>	<b>\$2,616,065,265</b>	<b>\$2,721,941</b>	<b>34,009</b>	<b>\$3,451,399</b>	<b>\$12,770,539</b>	<b>\$7,129,300</b>	<b>115,842</b>	<b>\$4,408,483</b>	<b>\$22,915,921</b>	<b>225,050</b>	<b>\$51,530,129</b>	<b>5,158,730</b>	<b>133,123</b>	<b>192,052</b>	<b>80,928</b>	<b>\$4,402</b>	<b>38,293</b>
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