
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair
2023 - 2024 Regular Session

AB 1186 (Bonta) - Restitution fines

Version: June 24, 2024

Urgency: No

Hearing Date: August 5, 2024

Policy Vote: PUB. S. 4 - 0, PUB. S. 4 - 1

Mandate: No

Consultant: Liah Burnley

Bill Summary: AB 1186 would eliminate restitution fines for minors adjudged to be a ward of the court.

Fiscal Impact: Unknown, potential decrease in revenue to the Restitution Fund, likely in the low hundreds of thousands annually. However, declines in revenue could be offset somewhat by increased savings on debt collections costs. (See Staff Comments)

Background: Minors adjudged a ward of the court for committing a crime are required to pay both victim restitution and a restitution fine, in addition to any other criminal fines and fees. Victim restitution is assessed in an amount necessary to compensate the victim. The Restitution fine amount is are statutory. If the minor is found to have committed one or more felony offenses, the restitution fine shall not be less than one \$100 and not more than \$1,000. If the minor is found to have committed one or more misdemeanor offenses, the restitution fine shall not exceed \$100. Existing law requires the restitution fine to be imposed regardless of the minor's inability to pay. Combined, the restitution fine and victim restitution, can easily exceed amounts in the tens of thousands of dollars, not including the accruing interests. The obligation to pay restitution does not vanish, even if expungement relief is granted.

Proposed Law:

- Prospectively eliminates the requirement that a minor adjudged to be a ward of the court pay a restitution fine.
- Provides that, for the purposes of victim restitution, each minor shall be held severally liable, and shall not be held jointly and severally liable as co-offenders. The court shall apportion liability based on each minor's percentage of responsibility or fault for all economic losses included in the order of restitution.
- Provides that upon the expiration of 10 years after the date of imposition of a restitution fine, the outstanding balance, including any collection fees, shall be unenforceable and uncollectible and shall be vacated.
- Repeals Welfare & Institutions Code sections 1752.81 and 1752.82, which establish the distribution of trust funds of a ward committed to the Division of Juvenile Justice, including payment of restitution orders and restitution fines.

Staff Comments: Restitution fines are deposited in the Restitution Fund in the State Treasury. The Restitution Fund receives revenue from criminal fines and penalties and distributes those funds to a number of recipients, including the California Victim

Compensation Board (CalVCB). The Restitution Fund has been operating under a structural imbalance for years and faces a potential operating deficit in coming years. Despite steady revenues and federal funding, expenditures have exceeded available funds.

The 2021 Budget Act added \$33 million dollars in one-time General Fund monies to backfill declining fine and fee revenues in the Restitution Fund, and \$39.5 million annually afterwards to allow CalVCB to continue operating at its current resource level and allowed for additional backfill upon a determination that revenues are insufficient. Notably, the 2022 Budget Act prioritized changes to the victim compensation program including elimination of the restitution fine, if a determination is made in the spring of 2024 that the General Fund over the multiyear forecast is available to support this ongoing augmentation. The 2023 Budget Act included \$39.5 million General Fund to backfill the Restitution Fund. However, the 2024 Budget Act recently reduced the backfill to \$14.5 million.

While this bill would have an impact on the Restitution Fund, restitutions fines collected from juveniles make up a relatively small portion of the Restitution Fund. An estimated \$10.7 million in youth restitution fines was collected statewide between 2010 and 2022, and of that, only an estimated \$5.7 million dollars was remitted to the state, (approximately \$474,000 each year). As such, the decline in revenue may be offset by reduced expenditures for debt collections costs.

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