

# LFO Reform: Washington Needs a Fair and Effective System for Court-Imposed Debts (*HB 1390 & SB 5713*)

**Courts assess Legal Financial Obligations** (LFOs) on every person sentenced in Washington. LFOs include fees, fines, costs, and restitution, often imposed on top of jail sentences. Washington's LFO system is unfair, burdensome, and counterproductive. It imposes crushing debt that keeps people tied to the criminal justice system, results in some being jailed because they are poor, and hinders people from paying restitution to crime victims. The LFO system does not help to rehabilitate people, nor does it protect public safety. We should reform this ineffective system to help offenders re-enter society, become productive citizens, and pay restitution to victims.

A report by the ACLU of Washington and Columbia Legal Services documents the problems with Washington's current LFO system (available at www.aclu-wa.org/lfo). The system is broken in many ways.

#### People Are Punished for Being Poor

The LFO system gives individual judges unlimited discretion to determine what an individual can reasonably afford to pay. The average LFO on a single case is \$2,540. Courts impose this burdensome debt on people who simply lack the resources to pay. And interest accrues at 12% a year, even while a person is incarcerated. Even people who are homeless are forced to pay LFOs. As a result, people with limited finances are saddled with insurmountable debt and remain tethered to the criminal justice system for years.

## Modern-day Debtors' Prisons Are Created

Individuals who have otherwise served their sentences may be arrested and jailed for not paying LFOs. This sanction is supposed to be reserved for individuals who willfully refuse to pay, but all too often courts jail poor people who simply cannot pay. In one Washington county, approximately 20% of people in custody on any given day are incarcerated for not paying an LFO.

## **Restitution to Victims Is Not Prioritized**

State law (RCW 9.94a.760) says that offenders shall pay restitution to victims before paying other monetary obligations. But in practice, some courts apply payments to "court collection costs" first – even before paying crime victims.

#### The Answer: Reform Is Needed Now!

The ACLU supports legislation to create a fair and workable LFO system. The proposal does the following:

- Provides courts with clear standards to determine a person's ability to pay (indigent defendants are presumed unable to pay).
- Eliminates interest on non-restitution LFOs and allows courts to waive interest accrued on restitution LFOs while people are incarcerated.
- Requires a court to (a) issue a summons for failure to pay and (b) give people time to respond, before the court may issue an arrest warrant.
- Prohibits courts from jailing people for nonpayment when people lack the ability to pay.
- Prohibits courts from applying payments to other fees and fines until restitution obligations are fully satisfied. This prioritizes restitution to victims.
- Allows people to satisfy LFOs with community service hours.