

Black, Indigenous and People of Color are sentenced to pay LFOs more frequently and at higher rates than whites.

Failure to pay LFOs can lead to dire consequences, including arrest and sanctions.

The LFO system disproportionately punishes the poor: 80-90% of defendants in superior courts are indigent.

People with criminal convictions deserve a fair chance at rebuilding their lives in their community and achieving economic stability. Legal financial obligations (LFOs)—the fines, fees, costs, and restitution imposed on people with criminal convictions—create significant **barriers to successful reentry** for individuals who **lack the ability to pay**.

HB 1412 will increase opportunities for relief from LFOs for people who lack the ability to pay by expanding judicial discretion to waive or reduce certain currently mandatory LFOs based on evidence of a person's inability to pay.

Courts would be able to:

- waive or reduce restitution owed to state agencies or insurers;
- waive the 12% interest rate on restitution;
- waive previously imposed victim penalty assessments; and
- waive previously imposed fines.

HB 1412 allocates state funding to replace the Victim Penalty Assessment (VPA) and DNA collection fee. The VPA and DNA collection fee are currently mandatory LFOs that must be imposed even where a person lacks the ability to pay. HB 1412 would eliminate these LFOs and replace them with a more reliable and stable funding source to fund the state crime victim and witness assistance account and the DNA database account.

HB 1412 promotes successful reentry by allowing people who are in prison to seek relief from certain LFOs. This bill recognizes that people who are incarcerated may face significant hardships that require waiver or reduction of LFOs before release—including certain costs and interest—and allows them to get a potential head start on planning a successful community reintegration.

HB 1412 creates finality so that people can move past their convictions. Court jurisdiction to collect LFOs is indefinite. As a result, people who cannot pay can never get out from under their LFOs even though their convictions may have occurred decades ago. HB 1412 limits the timelines on collections of LFOs.

HB 1412 will help reduce the disproportionate impacts that LFOs have on poor people and communities of color. Poor people of color disproportionately shoulder the financial burden of LFOs, further worsening the wealth gap between white communities and communities of color.