

IN THE SUPREME COURT OF THE STATE OF ARIZONA

In the Matter of:)
)
COURT COLLECTIONS) Administrative Order
PROGRAM PILOT AUTHORIZED) No. 2010 - 95
BY A.R.S. § 28-1601E)
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_____)

The State of Arizona is in the midst of an unprecedented budget crisis. The Judicial Branch has taken steps to make its share of budget cuts and fund sweeps and, where possible, to increase collections of fines, fees, and restitution on behalf of victims, the State of Arizona, counties, and cities.

Through its Fines, Fees and Restitution Program (FARE), the Administrative Office of the Courts (AOC) and courts participating in the program have made significant strides in collecting court-ordered financial sanctions by using a variety of effective enforcement methods. Even during difficult economic times, the FARE program continues to collect monies from delinquent cases that are years old.

Despite best effort, however, courts may never fully collect certain delinquent accounts. Delinquent accounts that have been in the FARE collections program for at least 36 months represent tens of millions in uncollected victims' restitution, court fines, penalties, and surcharges owed to the state. Yet collections data indicate that payments on delinquent accounts decline substantially 36 months following the referral of a delinquent account to a collection program.

Arizona Revised Statutes § 28-1601(E) authorizes "the presiding judge of any court," "with the approval of the supreme court," to "periodically conduct a program aimed at reducing the amount of outstanding fines, penalties and surcharges." The statute authorizes up to a 50 percent reduction in the amount owed by the debtor, but specifically prohibits courts from reducing fines, fees, and surcharges stemming from Driving Under the Influence charges. Pursuant to the statute, the Supreme Court adopted rules of procedure (Code of Judicial Administration § 5-205I) for such programs.

The AOC will partner with local courts to pilot a collection program authorized by A.R.S. § 28-1601(E) that may be implemented on a statewide basis. The pilot program will allow the judiciary to experiment with collections techniques including offering a 50 percent reduction in the amount owed the court if full payment is made by a prescribed date.

Now, therefore, pursuant to Article VI, Section 3 of the Arizona Constitution, and notwithstanding ACJA § 5-205(I), this Administrative Order identifies the specific components that will be in place during this collections pilot program.

IT IS ORDERED that

1. The AOC shall select at least two courts for this pilot program.
2. The AOC and the participating courts shall complete the collections program pilot test by December 31, 2010.
3. The participating pilot courts shall offer a 50 percent reduction for eligible cases for a period not to exceed 75 days. Eligible cases include those that have been in the FARE program for more than 36 months. Fines and fees relating to Driving Under the Influence (DUI) cases and cases that include court ordered restitution are not eligible for participation in this pilot collection program.
4. The participating pilot courts shall waive the remaining balance on eligible cases in those instances in which the defendant paid the reduced balance in full by the end of the pilot collection period.
5. The participating pilot courts shall reinstate receivable balances in cases in which the defendant does not pay the full discounted balance by the prescribed date. The reinstated receivable balance shall be reduced by any partial payment received during the pilot collection period.

IT IS FURTHER ORDERED that the Administrative Office of the Courts, at the completion of the pilot project, shall provide a report to the Arizona Judicial Council on the pilot program on collecting delinquent receivables due for fines, fees, and surcharges by February 28, 2011.

Dated this 5th day of August, 2010.

REBECCA WHITE BERCH
Chief Justice