



Legal Financial Obligations (LFO)

2.5.13

What are Legal Financial Obligations? Legal Financial Obligations or "LFOs" are the thousands of dollars of fines and victim restitution imposed on most offenders as part of their sentence. Interest of 12% per year is charged on the unpaid balance and continues to build up during the time people are still in jail or prison.

What are Spokane City and County Doing Now? If a person falls behind on his or her payment on the LFOs the person can be jailed for months at a time, even if they are disabled or unemployed. Many offenders serve more jail time for late LFO payments than for the original charge. Between January and June of 2012, the Spokane County Jail housed an average of 32 people each day for falling behind on their LFO payments. A jail bed costs about \$120 per day. If one assumes the average of 32 people continued throughout the rest of 2012, the jail cost alone last year for using jail as a sanction for late LFO payments was over \$1.3 million- not to mention the court costs, the jobs lost when people were jailed and lost family time. Consultant Dr. David Thompson noted in his report to the Spokane County Commissioners that the problems associated with legal financial obligations place a large burden on the Spokane criminal justice system and that changes in the way the LFOs were handled could greatly benefit the system.

What are Other Cities and Counties Doing? A clerk of the Snohomish County Court meets individually with every person who falls behind on their LFO's at an informal "administrative hearing." The person is given the opportunity to explain his/her situation. The person is required to bring her/her account up to date, but is also given the opportunity to create a workable payment plan that is cognizant of the person's current life situation. This system is more lenient and compassionate for those who have fallen on hard times, while holding those that are willfully flouting their responsibilities accountable. Snohomish County has seen a large increase in monthly income from LFO's. One estimate suggests that the County receives over \$10,000 per month more than it received under the old regime, while avoiding the high costs of the Spokane County system.

How Can Spokane City and County Improve? Spokane should create an LFO problem solving court that would provide employment assistance and other needed services so that the person could find a job and have the ability to make payments to the court.

How will Spokane City and County Benefit by Implementing these Changes?

- Cost Savings: Each person who falls behind in his or her LFO payments must be summoned to court and court hearings held, which are expensive. If the person is then jailed that costs \$120 per day. As noted above this costs the Spokane taxpayer over \$1.3 million dollars a year. These jail costs could be saved if the person was diverted to a problem solving court. The person's needs could be assessed and appropriate support services provided which might include drug/alcohol treatment, mental health treatment or employment assistance. (See White Paper on Comprehensive Support Services) Once stabilized a realistic payment plan could be developed and person could repay his or her obligations.
- Better Outcomes for Victims and Offenders: An offender who is in jail cannot possibly pay restitution to the victim. Moreover, if the person had a job he or she will invariably lose it while incarcerated. If jail can be avoided the victims have a better chance of receiving their restitution payments, and the offenders have a better chance of stabilizing their lives. They can continue to work or find employment and contribute to their families and the community.
- Safer Community: The community will be safer if the offender's needs are addressed and his or her life is stabilized, as compared to constantly cycling the person through the criminal justice system for the person's inability to pay the LFOs.

Sources of Information:

David Bennett, "Criminal Justice System Management," ppt, Slide 12, Smart Justice Symposium, November 9, 2012, <http://smartjusticewashington.org/index.php/symposium/presentations/> (1.3.13)

Larissa Emerson, Accounting Officer at the Snohomish County Clerk's Office, Interview of September 18, 2012.

David R. Thompson, Ph.D., "Results from the Discovery Analysis and Resolution (DAR) Process, A Compilation of Ideas Collected and Derived From Discussions with Spokane County Elected Officials and Professional Staff, Focused on Spokane County's Legal-Justice System, Version: 5 October 2009," prepared for Spokane County Board of County Commissioners, pp. 26-30.

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