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SENATE BILL NO. 625

Offered January 10, 2024

Prefiled January 10, 2024

A BILL to amend and reenact § 19.2-354.1 of the Code of Virginia, relating to deferred or installment payment agreements; certain benefits; maximum amounts to be paid.

Patrons—Bagby and Carroll Foy

Referred to Committee for Courts of Justice

Be it enacted by the General Assembly of Virginia:**1. That § 19.2-354.1 of the Code of Virginia is amended and reenacted as follows:****§ 19.2-354.1. Deferred or installment payment agreements.**

A. For purposes of this section:

"Deferred payment agreement" means an agreement in which no installment payments are required and the defendant agrees to pay the full amount of the fines and costs at the end of the agreement's stated term.

"Fines and costs" means all fines, court costs, forfeitures, and penalties assessed in any case by a single court against a defendant for the commission of any crime or traffic infraction. "Fines and costs" includes restitution unless the court orders a separate payment schedule for restitution.

"Installment payment agreement" means an agreement in which the defendant agrees to make monthly or other periodic payments until the fines and costs are paid in full.

"Modified deferred payment agreement" means a deferred payment agreement in which the defendant also agrees to use best efforts to make monthly or other periodic payments.

B. The court shall give a defendant ordered to pay fines and costs written notice of the availability of deferred, modified deferred, and installment payment agreements and, if a community service program has been established, the availability of earning credit toward discharge of fines and costs through the performance of community service work. The court shall offer any defendant the opportunity to enter into a deferred payment agreement, modified deferred payment agreement, or installment payment agreement.

C. The court shall not deny a defendant the opportunity to enter into a deferred, modified deferred, or installment payment agreement solely (i) because of the category of offense for which the defendant was convicted or found not innocent, (ii) because of the total amount of all fines and costs, (iii) because the defendant previously defaulted under the terms of a payment agreement, (iv) because the fines and costs have been referred for collections pursuant to § 19.2-349, or (v) because the defendant has not established a payment history.

D. In determining the length of time to pay under a deferred, modified deferred, or installment payment agreement and the amount of the payments, a court shall take into account the defendant's financial resources and obligations, including any fines and costs owed by the defendant in other courts. In assessing the defendant's ability to pay, the court shall use a written financial statement, on a form developed by the Executive Secretary of the Supreme Court, setting forth the defendant's financial resources and obligations or conduct an oral examination of the defendant to determine his financial resources and obligations. The length of a payment agreement and the amount of the payments shall be reasonable in light of the defendant's financial resources and obligations and shall not be based solely on the amount of fines and costs. The court may offer a payment agreement combining an initial period during which no payment of fines and costs is required followed by a period of installment payments.

E. No court shall require a defendant to make a down payment upon entering a deferred, modified deferred, or installment payment agreement, other than a subsequent payment agreement, in which case the court may require a down payment pursuant to subsection I. Nothing in this section shall prevent a defendant from voluntarily making a down payment upon entering any payment agreement.

F. All fines and costs that a defendant owes for all cases in any single court may be incorporated into one payment agreement, unless otherwise ordered by the court in specific cases. A payment agreement shall include only those outstanding fines and costs for which the limitations period set forth in § 19.2-341 has not run.

G. Any payment received within 10 days of its due date shall be considered to be timely made.

H. At any time during the duration of a payment agreement, the defendant may request a modification of the agreement in writing on a form provided by the Executive Secretary of the Supreme Court, and the court may grant such modification based on a good faith showing of need.

I. A defendant who has defaulted on a payment agreement may petition the court for a subsequent

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SB625

59 payment agreement. In determining whether to approve the request for a subsequent payment agreement,
60 the court shall consider any change in the defendant's circumstances. A court may require a down
61 payment to enter into a subsequent payment agreement, provided that the down payment required to
62 enter into a subsequent payment agreement shall not exceed (i) if the fines and costs owed are \$500 or
63 less, 10 percent of such amount or (ii) if the fines and costs owed are more than \$500, five percent of
64 such amount or \$50, whichever is greater. When a defendant enters into a subsequent payment
65 agreement, a court shall not require a defendant to establish a payment history on the subsequent
66 payment agreement before restoring the defendant's driver's license.

67 *J. In any case in which a payment agreement is entered into, the court shall inform a defendant that*
68 *no payment is required if such defendant's sole financial resource is a Social Security benefit or*
69 *Supplemental Security Income.*

70 *If a defendant has an additional non-exempt financial resource, no required payment to the court*
71 *from such resource or source shall exceed the maximum portion of earnings that would be subject to*
72 *garnishment as provided by Article 7 (§ 8.01-511 et seq.) of Chapter 18 of Title 8.01 and § 34-29.*