

Memorandum

To: Stand for Children Arizona
From: Arizona Juvenile Fees Team
Re: Fiscal Analysis of H.B. 2033
Date: March 28, 2022

Summary

This memo, prepared for Stand for Children Arizona by the UC Berkeley Policy Advocacy Clinic Arizona Juvenile Fees Team, addresses the fiscal impact of H.B. 2033, which would abolish juvenile fees in Arizona.

Estimates are based on data from public records requests made to all Arizona counties in 2021 and publicly available budget information. Seven counties provided data on the amount of juvenile fees collected, and four counties provided data the cost of juvenile fee collections. We obtained juvenile fee collection data from an eighth county from publicly posted county budget documents. These eight counties represent 88% of Arizona's population.

- We estimate the fiscal impact of eliminating juvenile fees is a potential net revenue loss of \$253,026.
- This estimate is substantially lower than the JLBC's estimated total revenue loss of \$3.5 million, which did not account for the high costs associated with collecting juvenile fees.
- We estimate that counties spend an average of 85 cents to collect every \$1.00 collected in juvenile fees.
- Eliminating juvenile fees will cut other costs to the state and Arizona communities by reducing harmful consequences youth face when they cannot pay fees, including recidivism, inability to clear juvenile records, and negative credit.

I. Background

Arizona courts assess a variety of juvenile fees against youth in the juvenile system. These fees—including attorney, probation, diversion, and detention fees—serve no rehabilitative purpose. Instead, they are charged solely to raise county revenues.

The Policy Advocacy Clinic (PAC) submitted public records requests to Arizona's 15 counties, asking for the amount of juvenile fees counties assess and collect, the financial cost of collecting juvenile fees, and the overall juvenile court and probation budget. Ten of Arizona's 15



counties responded to our records request revenues from juvenile fees, but only seven counties provided information about the amounts of juvenile fees collected, and only four counties provided data the cost of juvenile fee collections. We obtained juvenile fee collection data from an eighth county, Greenlee, from publicly posted county budget documents. We base our analysis on the data from these eight counties, which represent 88% of Arizona’s population.¹ The appendix details the responses from counties.

II. Fiscal impact of eliminating fees

Estimated collections loss

We estimate that eliminating juvenile fees will result in a gross collections loss of about **\$1,686,842** to Arizona counties. This number is the total amount that eight Arizona counties collected in juvenile fees in 2019, the most recent year for which we received comprehensive data (see Table A). Because juvenile system caseloads are declining both nationally and in Arizona,² potential revenue loss will likely decline in future years.

Table A: Juvenile fees collected in Arizona, by county³

County	2018	2019	2020
Gila	\$65,900	\$83,692	\$102,688
Greenlee*	\$5,485	\$6,239	\$3,677
Maricopa**	\$608,687	\$614,578	\$512,242
Mohave	\$90,984	\$86,346	\$102,190
Navajo	\$37,550	\$39,707	\$41,296
Pima	\$376,322	\$494,406	<i>not provided</i>
Yavapai	\$138,218	\$188,899	\$147,686
Yuma	\$155,883	\$175,534	\$135,077
TOTAL	\$1,479,784	\$1,686,841	\$1,041,179

**Greenlee County juvenile fee data was obtained from publicly posted county budget documents and only includes juvenile probation and diversion fees.*

***Maricopa County provided data on fees collected only for attorney fees, probation fees, and diversion fees for FY 2018-2020.*

Juvenile fee collections represent only a fraction of county juvenile services budgets. For example, Maricopa county’s juvenile probation budget alone was more than \$19 million for FY 2019, when it collected \$154,026 in juvenile probation fees – less than 1% of the overall juvenile probation budget.⁴ Navajo county’s juvenile probation budget in FY 2019 was nearly \$1 million, while it collected about \$30,000 in juvenile probation fees, or 3% of the overall juvenile probation budget.⁵

Estimated cost savings

Collecting juvenile fees imposes costs on counties, which would be reduced by H.B. 2033. We estimate the annual cost savings of eliminating juvenile fees to be at least **\$1,433,815**.

Four counties provided data on costs associated with collecting juvenile fees (Table B). Collection costs ranged from 65% of fees collected to 106% of fees collected. Taking an average of the collection costs as a percentage of fee revenue, we assume that Arizona counties spend about **85 cents on collection costs for every \$1.00 collected in juvenile fee revenue**, or an estimated \$1,433,815 in statewide collection costs. \$1,433,815 is 85% of the estimated total juvenile fee revenue in 2019, the most recent pre-pandemic year.

Table B: Comparing fee revenue with the cost of collecting fees, 2019

County	Fees collected	Cost of collecting	Net revenue	% of collections spent on collection costs
Navajo	\$39,707	\$25,866	\$13,841	65%
Pima	\$376,322	\$283,077	\$93,245	72%
Maricopa*	\$614,578	\$653,623	-\$39,045	106%
Yuma	\$175,534	\$171,867	\$3,667	98%

**Maricopa County provided data on fees collected only for attorney fees, probation fees, and diversion fees for FY 2019. This data may overstate the percentage of fee revenue spent on collection costs for Maricopa County.*

Net impact

We estimate that eliminating juvenile fees will result in a net revenue loss of no more than **\$253,026** (Table C).

Table C: Net revenue loss

Juvenile fee gross revenue, 2019	Estimated cost of collection	Net revenue loss
\$1,686,841	(\$1,433,815)	\$253,026

This figure is significantly lower than the Joint Legislative Budget Committee (JLBC)’s estimated fiscal impact for H.B. 2035, the 2021 version of the bill. JLBC estimated that the bill would result in a total revenue loss of \$3.5 million but did not account for the high costs of collections associated with juvenile fees. The JLBC Fiscal Note was also over-inclusive of fees that H.B. 2033 will not impact. Last year’s bill, H.B. 2035, would have eliminated juvenile traffic violation fees, but the current bill does not.

Other cost savings

Eliminating juvenile fees may result in additional cost savings to the juvenile court system by preventing harmful and costly consequences to youth and their families who cannot pay fees.

Unpaid juvenile court debt can lead to extended or repeated system involvement. Arizona youth may face extended probation or other penalties for failure to pay juvenile fees, resulting in additional system costs.⁶ Meanwhile, young people on probation may lose eligibility for certain schools, and lose opportunities to work, volunteer, and participate in extracurricular activities, all with long-term negative consequences for a young person’s future.

A 2016 study found that youth with juvenile court debt were at higher risk of future juvenile system involvement in the two years following their arrest.⁷ The costs of recidivism—in addition to the harm to youth, victims, and society—include the costs of increasing the caseloads of judges, probation officers, and public defenders. Alleviating this debt burden could result in shorter probation periods and reduced recidivism among young people, which would lead to reduced system costs.

III. Impact on Arizona youth and families

Juvenile fees are extremely costly to youth and their families and can lead to short- and long-term financial and life consequences.

Thousands of families are impacted by juvenile fees in Arizona: in 2019, 7,750 youth in Arizona were diverted, 3,500 were detained, and 3,500 youth were sentenced to standard probation⁸. Fees are assessed against youth at each of these stages in their system involvement.

A child in Arizona’s juvenile system could expect to face up to \$1,445 in fees for their detention, public defender, and probation supervision (Table D) —more than 80% of the monthly earnings of a minimum wage-earner.⁹ Thousands of dollars in unexpected expenses are a significant burden for most families. Forty percent of Americans cannot afford a \$400 emergency expense.¹⁰

Table D: Example juvenile fee bill

Fee	Amount
Detention (25 days ¹¹) @ \$20 per day	\$500
Appointed counsel	
Application fee	\$25
Attorney fee	\$400
Probation supervision (10 months ¹²) @ \$50 per month	\$500
Payment plan fee	\$20
Total	\$1445

These costs are both financially and psychologically damaging to youth and their families. Youth who are unable to pay their fees may face serious consequences that hinder their ability to build financial independence as they transition to adulthood, including civil judgments, tax intercepts, and referral to private collection agencies. These collection tactics could affect their

credit scores¹³, leaving them unable to access critical adult milestones including renting an apartment, buying a car, or borrowing money for a home.

Juvenile fees not only impact system-involved youth; they affect the whole family. Data from Gila County shows that mothers make the majority of payments towards juvenile fees,¹⁴ and there are some juvenile court fees, such as cost of care and diversion fees, that are assessed directly against parents. Research shows that these court-ordered costs strain family relationships and finances, as parents and family members may be forced to work additional jobs and forgo key expenses to meet the financial burden.¹⁵

Eliminating juvenile fees will bring relief to thousands of Arizona families, allowing them to invest in education, health, and prosocial activities for their children.

IV. Appendix: County data sources

PAC submitted public records requests to Arizona’s 15 counties, asking for the amount of juvenile fees counties assess and collect, the financial cost of collecting juvenile fees, and the overall juvenile court and probation budget. Ten of Arizona’s 15 counties responded to our records request revenues from juvenile fees, but only seven provided information about the amounts of juvenile fees collected, and only four provided data on the financial cost of collection. We obtained juvenile fee collection data from an eighth county, Greenlee, from publicly posted county budget documents. The table below details the information obtained from these records.

County	Assessment data	Collection data	Cost of collection information	Notes
Gila	x	x		Data provided in calendar years.
Greenlee		x		Did not respond to public records request. Juvenile probation and diversion fee data available from publicly posted county budget documents. Data provided in fiscal years.
Maricopa	x	x	x	Only provided attorney, probation, diversion, and detention fee data for FY 2018-2020. Data provided in fiscal years.
Mohave	x	x		Data provided in fiscal years.
Navajo	x	x	x	Data provided in calendar years.
Pima	x	x	x	Did not provide data for FY 2020. Data provided in fiscal years.
Yavapai		x		Data provided in calendar years.
Yuma		x	x	Data provided in fiscal years.

Endnotes

¹ U.S. Census Bureau, American Community Survey (2019). Retrieved March 27, 2022, <https://data.census.gov/cedsci/>

² While the Arizona youth population aged 8-17 is increasing, referrals and petitions have steadily declined since FY13. The number of youth referred to juvenile court has declined by 64% between FY13 and FY21. Arizona Administrative Office of the Courts, “Arizona’s Juvenile Court Counts: Statewide Statistical Information FY2021” and Arizona Administrative Office of the Courts, “Arizona’s Juvenile Court Counts: Statewide Statistical Information FY2017.” Retrieved March 27, 2022, <https://www.azcourts.gov/jisd/ResearchInfo>

³ Some counties, including Gila, Mohave, and Navajo saw increases in juvenile fee collections in 2020. This may be due to the garnishment of ARPA COVID-19 relief checks. Fines & Fees Justice Center, “Why Are Stimulus Checks Being Taken Away From the People Who Need Them Most?” (2021). Retrieved March 27, 2022, <https://finesandfeesjusticecenter.org/2021/04/20/why-are-stimulus-checks-being-taken-from-the-people-who-need-them-most/>

⁴ Maricopa County’s FY19 juvenile probation department budget was \$ 19,337,799 and the county reported that it collected \$154,026 in juvenile probation fees in FY19. Maricopa County, “FY 2019 Maricopa County and Districts Budget Schedules (Adopted).” Retrieved March 27, 2022, <https://www.maricopa.gov/ArchiveCenter/ViewFile/Item/3470>. Maricopa County Response to Public Records Request by Policy Advocacy Clinic, September 12, 2019. Records on file with Policy Advocacy Clinic.

⁵ Navajo County reported collecting \$29,744 in juvenile probation fees in 2019 and that the county’s FY19 juvenile probation department budget was \$974,165. Navajo county response to Public Records Request by Policy Advocacy Clinic, September 12, 2019. Records on file with Policy Advocacy Clinic.

⁶ According to Pima County records, probation policy states that the time payment fee is “assessed to the juvenile in the same way restitution is done; therefore, a Probationer’s term cannot be closed out successfully if the juvenile did not pay the time payment fee.” Pima County also provided a copy of the probation agreement parent addendum, which requires parents to pay restitution, probation fees, and victim fees. The agreement states that the court may invoke powers of contempt for failure to comply with probation conditions. Pima County Response to Public Records Request by Policy Advocacy Clinic, September 12, 2019. Records on file with Policy Advocacy Clinic. See also Arizona Revised Statutes § 8-353(C), requiring juvenile intensive probation officers to “monitor the payment of restitution and probation fees and request the county attorney to bring before the court any probationer who fails to pay restitution or probation fees.”

⁷ Alex Piquero and Wesley Jennings. “Research Note: Justice System-Imposed Financial Penalties Increase the Likelihood of Recidivism in a Sample of Adolescent Offenders.” *Youth Violence and Juvenile Justice* 15, No. 3 (July 2017): 325-340, <https://doi.org/10.1177%2F1541204016669213>

⁸ Arizona Administrative Office of the Courts, “Arizona’s Juvenile Court Counts: Statewide Statistical Information FY2019.” Retrieved March 27, 2022, <https://www.azcourts.gov/jisd/ResearchInfo>

⁹ The minimum wage in Arizona is \$12.80 as of January 1, 2022. A full-time minimum wage worker in Arizona’s estimated weekly paycheck (before taxes) is \$512, and their estimated weekly take home pay is \$411. There are 4.3 weeks per average in a month, so a full-time minimum-wage earner will take home about \$1767 per month. SmartAsset, “Federal Paycheck Calculator.” Retrieved March 27, 2022, <https://smartasset.com/taxes/paycheck-calculator#B2wkLfeDAb>.

¹⁰ Board of Governors of the Federal Reserve System, Report on the Economic Well-Being of U.S. Households in 2018, Washington, DC: Federal Reserve Board, 2019, <https://www.federalreserve.gov/publications/report-economic-well-being-us-households.htm>

¹¹ The average number of detention days in Maricopa County was 24.1 in FY 2019. Maricopa County Juvenile Probation Department, “Fiscal Year 2019 Data Book,” Retrieved March 27, 2022, https://superiorcourt.maricopa.gov/media/6945/fy19_databook-final.pdf

¹² The average number of probation supervision days in Maricopa County was 287 in FY 2019. Maricopa County Juvenile Probation Department, “Fiscal Year 2019 Data Book,” Retrieved March 27, 2022, https://superiorcourt.maricopa.gov/media/6945/fy19_databook-final.pdf

¹³ The Pima County Juvenile Court Center Financial Obligation Information Brochure states that “Non-payment of any assessed fee, fine or restitution is a direct violation of State law and/or Court order and will result in negative credit reporting and/or referral to a collection agency. Pima County Response to Public Records Request by Policy Advocacy Clinic, September 12, 2019. Records on file with Policy Advocacy Clinic. In addition, per Arizona Revised Statutes, any uncollected account will be sent to the Department of Revenue for the State Income Tax interception program.” Arizona Revised Statutes § 8-344.

¹⁴ Mothers in Gila County paid 60% of all juvenile fees in 2020. Gila County Response to Public Records Request by Policy Advocacy Clinic, September 12, 2019. Records on file with Policy Advocacy Clinic.

¹⁵ Leslie Paik and Chiara Packard, “Impact of Juvenile Justice Fines and Fees on Family Life: Case Study in Dane County, WI, 2019. <https://debtorsprison.jlc.org/documents/JLC-Debtors-Prison-dane-county.pdf>