

THE STATE OF NEW HAMPSHIRE  
ADMINISTRATIVE OFFICE OF THE COURTS

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February 28, 2023

The Honorable Laurie Sanborn, Chairman  
House Ways and Means Committee  
State House, Room 202  
107 North Main Street  
Concord NH 03301

Dear Chairman Sanborn,

Thank you for the opportunity for the New Hampshire Judicial Branch to report to the Committee on January 25th regarding its unrestricted revenue projections for the remainder of this fiscal year and the upcoming biennium.

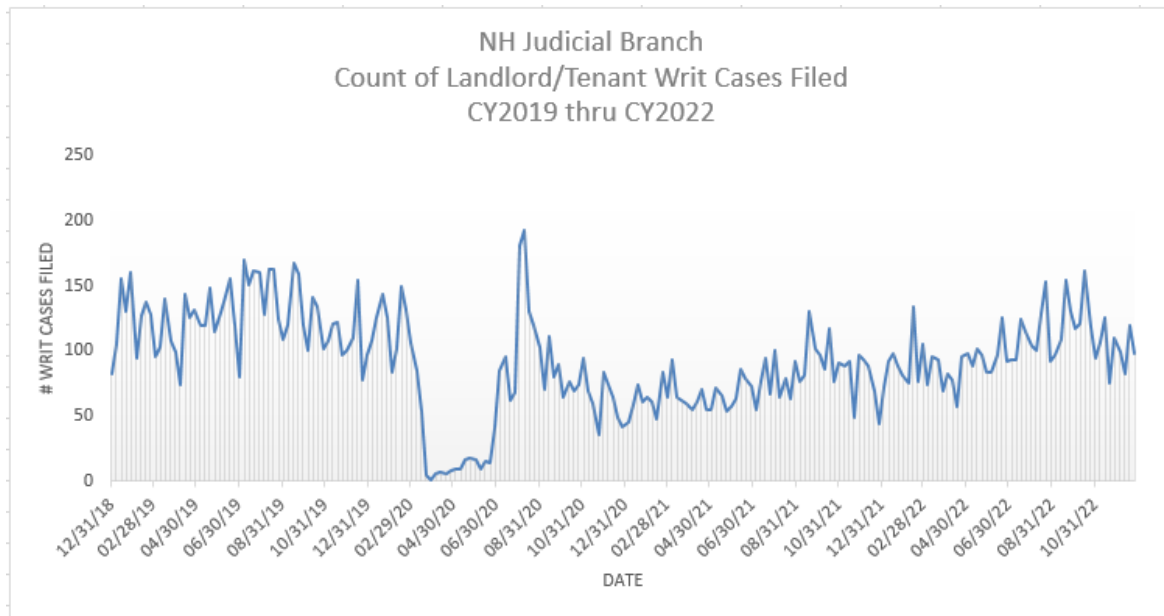
Please see the responses below to the Committee's questions that were raised during that presentation:

*Most Recent LBA Audits of the Judicial Branch*

A performance audit was last conducted in 2003, and a financial audit of the district courts was last performed in 2008/2009.

*Landlord/Tenant Filings*

The Judicial Branch has been tracking landlord/tenant writ cases filed by week since CY2019. Below is a graphical representation of those filings through CY2022. The impact of the pandemic is clearly distinguishable on the graph. Other factors since the start of the pandemic have influenced filings, including various moratoriums on tenant evictions and federal money that was provided for rental assistance to qualifying applicants which caused landlords to delay or abandon eviction actions in hopes of receiving rent due them. There are also annual drops in November/December filings, due probably to the holidays. The overall trend since the onset of the pandemic has been an upward one, and it is expected that filings will return to pre-pandemic levels in the near future.



Lastly, the Committee requested that financial data be provided of revenues the Judicial Branch deposited to the General and Highway Funds since FY2017. We have revised our original presentation to include this information; it is located on Page 10.

We hope this additional information fully addresses the Committee's requests, and we remain prepared to respond to any other questions it may have.

Sincerely,

Dianne Martin, Esq.  
Director

Cc: Donna Raymond, Fiscal Manager



# New Hampshire Judicial Branch Unrestricted Revenue

*House Ways and Means Committee  
Revenue Briefing*

January 25, 2023





# Our Mission:

To preserve the rule of law while protecting the rights and liberties guaranteed by the United States and New Hampshire Constitutions.

The courts provide accessible, prompt, and efficient forums for the fair and independent administration of justice, with respect for the dignity of all we serve.

**Supreme Court**



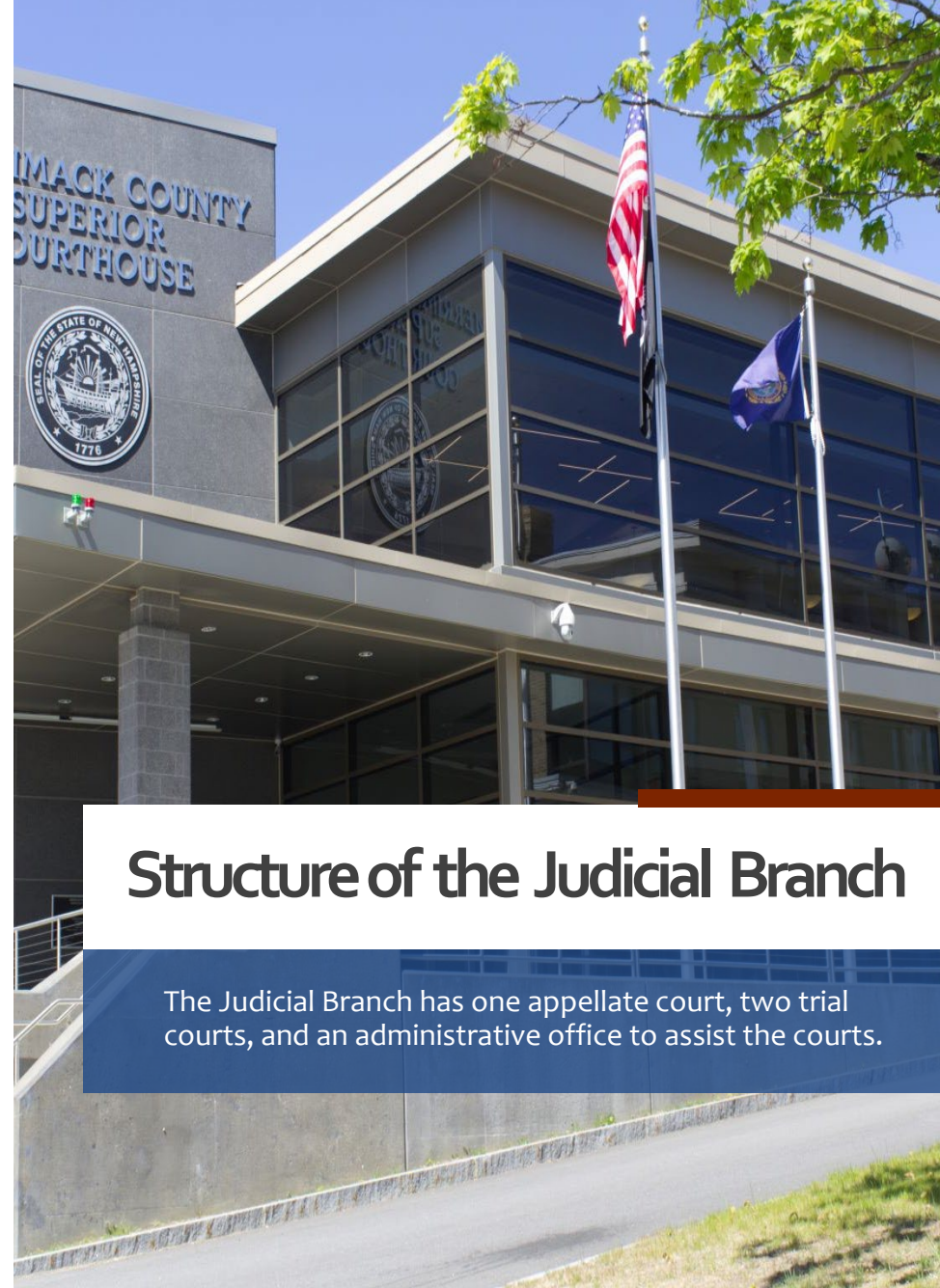
**Superior Court**



**Circuit Court**



**Administrative Office of the Courts**



## Structure of the Judicial Branch

The Judicial Branch has one appellate court, two trial courts, and an administrative office to assist the courts.

# Judicial Branch Unrestricted Revenue

The Judicial Branch collects unrestricted revenue through:

- Fines – Motor Vehicle  
Criminal  
Penalty Assessments
- Entry Fees – Causes of Action  
Motions
- Record Research Requests
- Miscellaneous other fees including  
for copies, certifications, time  
payments, etc.



# FINES – Motor Vehicle & Criminal

Motor Vehicle Fines	Criminal Fines
<p><b>Imposed by State and Local Police</b></p>	<p><b>Imposed by the Courts</b></p>
<p><b>Collected by Department of Safety</b>  <i>Motor vehicle fines are paid directly to Department of Safety when an individual pleads guilty or no contest (also known as Plea by Mail).</i></p>	<p><b>Collected by Department of Corrections Field Offices</b>  <i>When an individual is on probation or parole, the Department of Corrections collects criminal fines.</i></p>
<p><b>Collected by the Courts</b>  <i>When an individual requests a hearing and is found guilty, the individual must pay the motor vehicle fine to the court [RSA 502-A:19-b].</i></p>	<p><b>Collected by the Courts</b>  <i>The courts make every effort to collect criminal fines at the time of sentencing. If the individual cannot pay, a time payment plan is set up before the individual leaves the courthouse.</i></p>
<p>All Motor Vehicle Fines have been deposited into the Highway Fund since FY2010</p>	<p>All Criminal Fines are deposited into the General Fund</p>

## ***FINES – Penalty Assessments***

**Penalty Assessments are levied on fines imposed for criminal offenses, motor vehicle violations, and violations of municipal ordinances.**

Penalty Assessments are currently \$2 or 24% of the fine, whichever is greater.  
[NH RSA 188-F:31]

As of July 1, 2016, the legislature directed  $\frac{2}{3}$  (66.66%) of penalty assessments to the General Fund. Prior to this time, that revenue had been deposited with Police Standards and Training Council.

The remainder of penalty assessments is evenly split between the Judicial Branch's IT Dedicated Fund ( $\frac{1}{6}$  or 16.67%) and the Department of Justice's Victim's Assistance Fund ( $\frac{1}{6}$  or 16.67%), both of which are restricted funds.



## ***FINES – Collection***

**Individuals who fail to pay court-ordered Motor Vehicle Fines are defaulted through the Department of Safety. [RSA 597:38-b]**

The Department of Safety sends a warning notice.

If the fine remains unpaid, the driver's license and registration are suspended.

The majority of states provide “reciprocity” meaning a driver's license will be suspended in the state in which you reside if you have unpaid fines in NH.

A \$50 Administration Fee is collected when the fine is paid to clear the default and is deposited to the General Fund. [RSA 502-A:19-b, II (a)]

**Arrest orders are issued for unpaid fines in misdemeanor and felony cases.**

There is a central electronic repository of bench warrants.

Law Enforcement can search the repository for all outstanding bench warrants in the State.

## ENTRY FEES

Entry Fees are set by court rule and are paid at the time of filing.  
Entry Fees range from \$45 to \$225.

Common filings include:

Small Claims	Civil
Landlord/Tenant	Family
Motion to Bring Forward	Petition to Annul Criminal Record

Distribution of Entry Fees is set by statute.

64% of Entry Fees are deposited into the General Fund.

36% of Entry Fees are deposited into Judicial Branch restricted funds.

(30% to the IT Dedicated Fund; 6% to the Facilities Escrow Fund)

## WAIVER OF FILING FEES

Judges may waive entry fees for persons who cannot afford to pay because all citizens are entitled to access to the courts to resolve their disputes.  
[NH Constitution Part 1, Article 14]

## OTHER FEES

The majority of the revenue in the “other fees” revenue account is made up of records research fees for records research conducted by the circuit court. 100% of the revenue generated from those fees is deposited to the General Fund.

The fee for electronic searches is currently \$20 per name for the first 5 names, and \$5 per name for each additional name.

Motions and petitions also make up “other fees.” Fees range from \$25 to \$250.

**A \$25 surcharge is added to civil and family case filing fees [RSA 490:26-a, II (a)]**

No surcharge is charged in some case types [RSA 490:26-a, II (b)]:

- Criminal
- Juvenile
- Domestic Violence
- Small Claims
- Stalking
- Landlord/Tenant

A \$25 setup fee is assessed for time payments [RSA 490:26-a II-a]

# UNRESTRICTED REVENUE – FY17 through FY2022 Actual

NH JUDICIAL BRANCH - UNRESTRICTED REVENUE - FY2017 thru FY2022 ACTUAL (\$)							
	Actual	Actual	Actual	Actual	Actual	Actual	CAGR
Fund/Description	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY17-FY22
<b>General Fund</b>							
Default Fees Collected by Safety	849,500	812,181	826,823	823,800	646,900	592,200	-7.0%
Bar Exam Fees	5,805	6,545	7,034	7,094	5,975	6,303	1.7%
e-Filing Surcharge	147,425	241,001	343,059	358,002	443,570	409,391	22.7%
Interest	25	25	3	1	9	22	-2.5%
Fines (a)	2,725,925	1,925,651	1,389,354	1,225,022	1,030,264	1,168,531	-15.6%
Bail Forfeiture	167,117	221,945	111,985	133,712	89,620	146,715	-2.6%
Entry Fees	3,549,776	3,613,812	3,853,496	3,456,428	3,534,547	3,430,449	-0.7%
Default Fees Collected by Courts	92,185	95,642	110,517	138,836	128,440	131,662	7.4%
Other Fees	6,014,038	6,034,701	6,513,363	6,187,366	6,967,628	8,101,782	6.1%
Misc. Sales/Revenue (b)	122,187	4,096	4,409	-511	4,393	16,788	-32.8%
Penalty Assessments	1,511,080	1,346,353	1,211,722	1,049,269	987,417	1,183,888	-4.8%
<b>Total</b>	<b>15,185,062</b>	<b>14,301,951</b>	<b>14,371,767</b>	<b>13,379,020</b>	<b>13,838,764</b>	<b>15,187,730</b>	<b>0.0%</b>
<b>Total - Without Penalty Assessment</b>	<b>13,673,982</b>	<b>12,955,599</b>	<b>13,160,044</b>	<b>12,329,751</b>	<b>12,851,346</b>	<b>14,003,843</b>	<b>0.5%</b>
<b>Highway Fund</b>							
Motor Vehicle Fines	6,187,208	5,669,017	5,346,539	4,740,647	4,380,795	5,546,999	-2.2%

(a) Marked decline in Fine revenues in FY2018 due to decriminalization of marijuana which took place in September 2017 (there is a lag; dropoff in revenue began to be observed in November 2017).

(b) As of 11/01/17, Unclaimed Funds are held in an escrow account at the courts instead of being deposited to the General Fund as revenue (RSA 471-C:15).

# UNRESTRICTED REVENUE PROJECTIONS – FY23, FY24 and FY25

NH JUDICIAL BRANCH - UNRESTRICTED REVENUE PROJECTIONS (\$)									
		Revenue							
		Recognized	FY 2023			FY 2024		FY 2025	
	Actual	as of	Revised	% Change	Agency	% Change	Agency	% Change	
<u>Fund/Description</u>	<u>FY 2022</u>	<u>12/31/22</u>	<u>Estimate</u>	<u>FY23E/FY22A</u>	<u>Estimate</u>	<u>FY23E/FY24E</u>	<u>Estimate</u>	<u>FY24E/FY25E</u>	
<b>General Fund</b>									
Default Fees Collected by Safety	592,200	254,150	600,000	1.3%	610,000	1.7%	620,000	1.6%	
Bar Exam Fees (a)	6,303	3,074	6,187	-1.8%	6,372	3.0%	6,564	3.0%	
e-Filing Surcharge (b)	409,391	184,504	371,334	-9.3%	378,759	2.0%	386,333	2.0%	
Interest	22	8	15	-29.9%	10	-34.3%	10	0.0%	
Fines	1,168,531	571,583	1,150,367	-1.6%	1,192,840	3.7%	1,157,007	-3.0%	
Bail Forfeiture	146,715	70,230	141,345	-3.7%	124,680	-11.8%	117,330	-5.9%	
Entry Fees	3,430,449	1,628,492	3,277,502	-4.5%	3,219,943	-1.8%	3,383,774	5.1%	
Default Fees Collected by Courts	131,662	59,707	120,166	-8.7%	125,920	4.8%	131,949	4.8%	
Other Fees	8,101,782	4,050,794	8,152,627	0.6%	8,203,637	0.6%	8,254,965	0.6%	
Misc. Sales/Revenue	16,788	6,982	14,052	-16.3%	7,205	-48.7%	7,205	0.0%	
Penalty Assessments (c)	1,183,888	552,331	1,111,621	-6.1%	1,056,172	-5.0%	1,003,490	-5.0%	
<b>Total</b>	<b>15,187,730</b>	<b>7,381,854</b>	<b>14,945,216</b>	<b>-1.6%</b>	<b>14,925,538</b>	<b>-0.1%</b>	<b>15,068,626</b>	<b>1.0%</b>	
<b>Total - Without Penalty Assessment</b>	<b>14,003,843</b>	<b>6,829,523</b>	<b>13,833,596</b>	<b>-1.2%</b>	<b>13,869,365</b>	<b>0.3%</b>	<b>14,065,136</b>	<b>1.4%</b>	
<b>Highway Fund</b>									
Motor Vehicle Fines	5,546,999	2,532,484	5,143,728	-7.3%	5,094,239	-1.0%	5,045,227	-1.0%	

(a) Per Supreme Court Rule 42, as of 09/01/12, Bar Exam Fees are paid to the Office of Bar Admissions. This revenue code now reflects revenue generated by a \$10 fee for a Certificate of Good Standing that is paid to the Supreme Court by an attorney admitted in NH.

(b) Per Supreme Court Order dated 1/5/15, a \$10 electronic case filing surcharge is assessed on all small claims cases filed electronically. A \$20 electronic case filing surcharge is assessed on all other case types filed electronically.

(c) As of 07/01/16, Penalty Assessment revenue goes to the General Fund. The distribution of Penalty Assessment revenue is as follows: General Fund - 66.66%, IT Dedicated Fund - 16.67%, Victims Assistance Fund/DOJ -16.67%.

## UNRESTRICTED COURT FINES AND FEES

Title	Description
Default Fees R/S 402475 –Collected by Safety	\$50 penalty imposed by Dept. of Safety for late payment of a motor vehicle fine, payment with a bad check, or failure to respond to a plea by mail citation.
Bar Exam Fees R/S 402477	Per Amendment to Supreme Court Rule 42, as of 09/01/12, Bar Exam Fees are paid to the Office of Bar Admissions. Instead of Bar Exam Fees, this revenue code now reflects revenue generated by a \$10 fee for a Certificate of Good Standing that is paid to the Supreme Court by an attorney admitted in NH for one of the following reasons: (1) it is required as part of the attorney’s application to the bar of another state; (2) it is required by a court in another state for the attorney’s application to appear pro hac vice in that state; (3) it is required by a prospective employer of the attorney; or (4) it is required as part of an attorney’s malpractice-insurance application.
e-Filing Surcharge R/S 403252	\$10 fee for small claims cases, \$20 fee for all other case types. Charged for filing online; used to defray the cost of implementing the NH e-Court Project. Effective 1/1/15.
Interest R/S 403501	Interest earned on depository accounts maintained by each court.
Fines R/S 407308	Fines paid for criminal offenses described in Title LXII of the New Hampshire Revised Statutes Annotated.
Bail Forfeiture (Non-Driving Offense) R/S 407309	Bail may be forfeited when a defendant fails to appear in court for an offense that does not involve driving. Bail forfeited on driving offenses is credited to a restricted revenue account within the Department of Safety.
Entry Fees R/S 407310	Filing fees established by court rule for actions filed in courts. Filing fees have been increased on 9/1/89, 11/26/91, 7/1/97, 8/1/01, 7/14/02, and 7/1/07. All entry fees increased 20% effective 7/1/09. Fees for counterclaims were added 7/1/09. Entry fees increased again on 7/1/13, with 64% of the fee going to the General Fund, down from 79%.
Default Fees R/S 407311 – Collected by Courts	\$50 penalty imposed by the courts for late payment of a fine, payment with a bad check, or failure to appear in court when an appearance is required.
Other Fees R/S 407312	Fees set forth in the court rules for filing certain motions and petitions, and for obtaining certificates, copies, writs, and requesting records research. Records research fee increased 7/1/09. Filing fee surcharge of \$20 added through RSA 490:24 7/1/03. The surcharge was repealed on 7/1/07 when the surcharge was added to the filing fees by court rule. A \$25 surcharge was enacted under RSA 490:26-a, II (a) effective 7/1/07.
Misc. Sales/Revenue R/S 407509	Sale of publications, recoveries, and other receipts. Unclaimed Funds held in escrow account at AOC as of 11/1/17 (prior to this date, unclaimed funds recorded as Miscellaneous Revenue).
Penalty Assessments R/S 404995	The legislature directed that on 07/01/16 all penalty assessment revenue that had been deposited to Police Standards and Training Council be deposited to the General Fund. The penalty assessment is currently 24% of a fine, and 66.66% of that penalty assessment collected now goes to the General Fund.
Motor Vehicle Fines R/S 403671	Fines collected for motor vehicle offenses for which the defendant requested a trial or was required to appear. As of 07/01/09, these fines are deposited into the Highway Fund.



# Questions?

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