

## Request for Decision

### POA Fines on the Tax Roll

Presented To:	City Council
Presented:	Tuesday, May 29, 2012
Report Date	Wednesday, May 16, 2012
Type:	Managers' Reports

#### Recommendation

THAT the City of Greater Sudbury add outstanding POA fines to the tax collection rolls and where the specific circumstances regarding the fine and the ownership of the property permit the fine to be added to the tax roll;

AND THAT the administrative costs (as for example title searches) required to complete that process be recovered through the addition of those administrative costs to the amount owing on the tax roll;

AND THAT the Council of the City of Greater Sudbury continue to advocate for changes to legislation in support of improvements to the fine collection and enforcement system and in support of the administration of justice in the Province of Ontario.

#### Signed By

**Report Prepared By**

Caroline Hallsworth  
Executive Director, Administrative  
Services/City Clerk  
*Digitally Signed May 16, 12*

**Recommended by the Department**

Caroline Hallsworth  
Executive Director, Administrative  
Services/City Clerk  
*Digitally Signed May 16, 12*

**Recommended by the C.A.O.**

Doug Nadorozny  
Chief Administrative Officer  
*Digitally Signed May 16, 12*

## Background

In 2010 the Province of Ontario enacted changes to the *Municipal Act* to assist municipalities in their collection of defaulted fines levied under the *Provincial Offences Act* (POA) by permitting municipalities to add the amount of outstanding fines to local tax collection rolls under specific circumstances. These circumstances include that the defendant is the sole owner of the property to which the fine is to be attached, as the legislation does not permit fines being attached to properties with joint or multiple owners.

Currently the City of Greater Sudbury, like most municipalities, uses a number of collection tools to ensure POA fines are paid. These tools include the suspension of the Driver's License, the denial of vehicle plate renewals, referral to collection agencies, application of civil enforcement such as writs of seizure and sale of land and garnishments of wages and bank accounts. Similarly, the City of Greater Sudbury already applies a number of outstanding receivables to the tax rolls, including water, drainage, property standards, fire marshall's orders and by-law receivables.

Staff is proposing that the City of Greater Sudbury avail itself of the new collection tool for outstanding POA fines. Criteria to be used prior to a fine being added to the tax roll would include that the offence is in default

and that the individual or corporation has received last and final notice.

To ensure compliance with the legislation, staff has developed a procedure for verifying debtor and property ownership information, which process is based on models developed in other municipalities. The experience in other municipalities has been that while there are a limited number of offences which can be applied to the tax rolls, where that avenue is pursued, some accounts yield results and the outstanding fines are paid. Staff will formally update the City of Greater Sudbury policies and procedures to reflect the new practice.

This change in the legislation adds another tool that can be used to ensure payment of outstanding fines. However, the caveat that restricts the use of the tax roll to a fine issued to a citizen or numbered company who is the sole owner of the property limits the scope and effectiveness of this tool. The Municipal Court Managers Association and other bodies continue to advocate for an expansion of this provision to allow for fines to be added to taxes where that debtor has any ownership position in a property.

Further, in late 2011 the Law Commission of Ontario released a report entitled "*Modernizing the Provincial Offences Act: A new Framework and Other Reforms*" and the Ontario Association of Police Services Boards paper entitled "*Provincial Offences Act Unpaid Fines: A Billion Dollar Problem: White Paper*". Both these documents include numerous recommendations for legislative and process changes that would grant new enforcement tools to municipalities to ensure better collection rates for outstanding POA fines and support the administration of justice. Similarly, Chapter 18 "*Revenue Integrity*" of the Drummond Report includes recommendations specific to providing assistance and stronger tools to municipalities for the collection of unpaid fines, including changing the property tax roll process to allow fines to be attached to property tax bills for jointly owned properties. The Association of Municipalities of Ontario (AMO) is amongst the groups that is lobbying the province "*for improvements to the fine collection and enforcement system*". Staff will keep Council apprised of the status of this issue.