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**City Council**

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**Notice of Motion**

MM52.16	ACTION			Ward: All
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**Unpaid Provincial Offences Act Fines (including traffic and by-law fines) - by Councillor Jenkins, seconded by Councillor Stintz**

*\* Notice of this Motion has been given.*

*\* This Motion is subject to referral to the Executive Committee. A two thirds vote is required to waive referral.*

**Recommendations**

Councillor Jenkins, seconded by Councillor Stintz, recommends that:

1. City Council request the City Manager, in consultation with appropriate staff, to report to the Executive Committee by March 31, 2011 with recommendations on provincial legislative amendments and municipal by-law amendments required to provide the City of Toronto with more effective measures to collect outstanding Provincial Offences Act fines, which currently total more than \$200 million.

**Summary**

The issue of unpaid traffic fines is significant in the City of Toronto. Since 2008, unpaid Provincial Offences Act (POA) fines (including traffic and by-law fines) owed to City of Toronto have been growing at a rate of \$500,000 a week. As of June 30, 2010, the accumulated amount owing to the City now exceeds \$219 million, \$135 million of which relate to fines imposed after December 2001.

Tickets issued under Parts 1 and 3 of the POA are issued against the driver of a vehicle (the person driving at the time of the infraction), rather than the vehicle owner. Many of these drivers are not registered City of Toronto property owners. Unfortunately, the available collection mechanisms for unpaid traffic violations (speeding tickets and other offences under Parts 1 and 3 of the Provincial Offences Act (POA), as opposed to parking tickets) are limited and inadequate.

Section 381.1 of the City of Toronto Act allows unpaid POA fines to be added to the tax roll for a property, but only if the tax account for the property is owned solely by the individual that received the POA fine. It therefore excludes anyone who has a jointly owned property (e.g. a husband and wife). Similarly, POA fines for spouses, tenants or children of property owners who are not on title cannot be added to the tax account, nor can unpaid fines be secured against properties that are owned by a corporation.

Furthermore, unpaid POA fines that are added to the tax roll do not have priority lien status under the City of Toronto Act. Unlike property taxes, which remain affixed to the property until paid, POA fines that remain unpaid do not transfer to the new owner.

Finally, statistics indicate that **50 to 60 percent** of traffic tickets in the City of Toronto are issued to vehicles registered to owners living outside of the City of Toronto. Under current legislation, the City has no effective collection measures it can undertake to compel payment of these fines. Additional effective fine enforcement/collection sanctions are necessary to ensure compliance with court ordered fines.

In past audits, the provincial Auditor General has expressed concern that the level of unpaid fines is growing and that more work needs to be done in this area. Staff at various municipal levels including Police Service Boards, the Municipal Clerk's and Treasurers and Municipal Court Managers Associations have advocated provincial action and requested the introduction of stronger measures that would allow municipalities to collect a higher number of fines.

City of Toronto Finance staff have indicated that the best solution appears to be preventing acquisition or renewal of new vehicle plates for persons with unpaid fines. Many Canadian provinces are able to use a Provincial-Federal fine collection program. Unpaid fines are registered with the federal government and monies payable to persons in default by the federal government in the form of income tax refunds or GST rebates are intercepted and applied to unpaid fines. Some Provinces with an agreement include Manitoba, Saskatchewan, Alberta, and Newfoundland and Labrador and it appears to be a very successful initiative.

(Submitted to City Council on August 25 and 26, 2010 as MM52.16)