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HOUSE BILL NO. 268**AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the Senate Committee for Courts of Justice
on February 25, 2026)

(Patron Prior to Substitute—Delegate Hernandez)

*A BILL to amend and reenact §§ 19.2-340, 19.2-341, and 19.2-354 of the Code of Virginia, relating to fines and costs; period of limitations on collection.***Be it enacted by the General Assembly of Virginia:****1. That §§ 19.2-340, 19.2-341, and 19.2-354 of the Code of Virginia are amended and reenacted as follows:****§ 19.2-340. Fines; how recovered; in what name.**

A. When any statute or ordinance prescribes a fine, unless it is otherwise expressly provided or would be inconsistent with the manifest intention of the General Assembly, it shall be paid to the Commonwealth if prescribed by a statute and recoverable by presentment, indictment, information, or warrant and paid to the locality if prescribed by an ordinance and recoverable by warrant. Whenever any warrant or summons is issued pursuant to § 19.2-72 or 19.2-74 for an offense in violation of any county, city, or town ordinance that is similar to any provision of this Code, and such warrant or summons references the offense using both the citation corresponding to the county, city, or town ordinance and the specific provision of this Code, any fine prescribed by the county, city, or town ordinance shall be paid to the locality. Fines imposed and costs taxed in a criminal or traffic prosecution, including a prosecution for a violation of an ordinance adopted pursuant to § 46.2-1220, for committing an offense shall constitute a judgment and, if not paid at the time they are imposed, execution may issue thereon in the same manner as upon any other monetary judgment, subject to the period of limitations provided by § 19.2-341.

B. *Notwithstanding any other provision of law, upon the expiration of the period of limitations provided by § 19.2-341, no action shall be brought to collect the debt.*

C. *The period of limitations provided by § 19.2-341 shall apply regardless of the method of collection applicable pursuant to § 19.2-349 and shall not be extended or revived on account of a partial payment, a written or verbal affirmation of fines or costs, or a change in collection methods. Upon the expiration of the period of limitations, it shall not be revived or restarted by any means.*

§ 19.2-341. Penalties other than fines; how recovered; in what name; limitation of actions.

A. When any statute or ordinance prescribes a monetary penalty other than a fine, unless it is otherwise expressly provided or would be inconsistent with the manifest intention of the General Assembly, it shall be paid to the Commonwealth if prescribed by a statute and paid to the locality if prescribed by an ordinance and recoverable by warrant, presentment, indictment, or information. Penalties imposed and costs taxed in any such proceeding shall constitute a judgment and, if not paid at the time they are imposed, execution may issue thereon in the same manner as upon any other monetary judgment. No such proceeding of any nature, however, shall be brought or had for the recovery of such a penalty or costs due the Commonwealth or any political subdivision thereof, unless within ~~60~~ 10 years from the date of the offense or delinquency giving rise to imposition of such penalty if imposed by a circuit court or within 30 years if imposed by a general district court judgment.

B. *Notwithstanding any other provision of law, upon the expiration of the period of limitations provided by subsection A, no action shall be brought to collect the debt.*

C. *The period of limitations provided in subsection A shall apply regardless of the method of collection applicable pursuant to § 19.2-349 and shall not be extended or revived on account of a partial payment, a written or verbal affirmation of the debt, or a change in collection method. Upon the expiration of the period of limitations, it shall not be revived or restarted by any means.*

§ 19.2-354. Authority of court to order payment of fine, costs, forfeitures, penalties, or restitution in installments or upon other terms and conditions; community work in lieu of payment.

A. Any defendant convicted of a traffic infraction or a violation of any criminal law of the Commonwealth or of any political subdivision thereof, or found not innocent in the case of a juvenile, who is sentenced to pay a fine, restitution, forfeiture, or penalty may pay such fine, restitution, forfeiture, or penalty and any costs that the defendant may be required to pay in deferred payments or installments. The court assessing the fine, restitution, forfeiture, or penalty and costs shall authorize the clerk to establish and approve individual deferred or installment payment agreements. If the defendant owes court-ordered restitution and enters into a deferred or installment payment agreement, any moneys collected pursuant to such agreement shall be used first to satisfy such restitution order and any collection costs associated with restitution prior to being used to satisfy any other fine, forfeiture, penalty, or cost owed, unless an order for restitution is docketed in the name of the victim or it is ordered that an assignment of the judgment to the victim be docketed. Any payment agreement authorized under this section shall be consistent with the

provisions of § 19.2-354.1. The requirements set forth in § 19.2-354.1 shall be posted in the clerk's office and on the court's website, if a website is available. As a condition of every such agreement, a defendant who enters into an installment or deferred payment agreement shall promptly inform the court of any change of mailing address during the term of the agreement. If the defendant is unable to make payment within 90 days of sentencing, the court may assess a one-time fee not to exceed \$10 to cover the costs of management of the defendant's account until such account is paid in full. This one-time fee shall not apply to cases in which costs are assessed pursuant to § 17.1-275.1, 17.1-275.2, 17.1-275.3, 17.1-275.4, 17.1-275.7, 17.1-275.8, or 17.1-275.9. Installment or deferred payment agreements shall include terms for payment if the defendant participates in a program as provided in subsection B or C. The court, if such sum or sums are not paid in full by the date ordered, shall proceed in accordance with § 19.2-358.

B. When a person sentenced to the Department of Corrections or a local correctional facility owes any fines, costs, forfeitures, restitution, or penalties, he shall be required as a condition of participating in any work release, home/electronic incarceration, or nonconsecutive days program as set forth in § 53.1-60, 53.1-131, 53.1-131.1, or 53.1-131.2 to either make full payment or make payments in accordance with his installment or deferred payment agreement while participating in such program. If, after the person has an installment or deferred payment agreement, the person fails to pay as ordered, his participation in the program may be terminated until all fines, costs, forfeitures, restitution, and penalties are satisfied. The Director of the Department of Corrections and any sheriff or other administrative head of any local correctional facility shall withhold such ordered payments from any amounts due to such person, *including amounts assessed but not yet due under a deferred payment agreement established pursuant to subsection F*. Distribution of the moneys collected shall be made in the following order of priority to:

1. Meet the obligation of any judicial or administrative order to provide support and such funds shall be disbursed according to the terms of such order;

2. Pay any restitution as ordered by the court;

3. Pay any fines or costs as ordered by the court;

4. Pay travel and other such expenses made necessary by his work release employment or participation in an education or rehabilitative program, including the sums specified in § 53.1-150; and

5. Defray the offender's keep.

The balance shall be credited to the offender's account or sent to his family in an amount the offender so chooses.

The State Board of Local and Regional Jails shall promulgate regulations governing the receipt of wages paid to persons sentenced to local correctional facilities participating in such programs, the withholding of payments, and the disbursement of appropriate funds. The Director of the Department of Corrections shall prescribe rules governing the receipt of wages paid to persons sentenced to state correctional facilities participating in such programs, the withholding of payments, and the disbursement of appropriate funds.

C. The court shall establish a program and may provide an option to any person upon whom a fine and costs have been imposed to discharge all or part of the fine or costs by earning credits for the performance of community service work (i) before or after imprisonment or (ii) in accordance with the provisions of § 19.2-316.4, 53.1-59, 53.1-60, 53.1-128, 53.1-129, or 53.1-131 during imprisonment. The program shall specify the rate at which credits are earned and provide for the manner of applying earned credits against the fine or costs. The court assessing the fine or costs against a person shall inform such person of the availability of earning credit toward discharge of the fine or costs through the performance of community service work under this program and provide such person with written notice of terms and conditions of this program. The court shall have such other authority as is reasonably necessary for or incidental to carrying out this program.

D. When the court has authorized deferred payment or installment payments, the clerk shall give notice to the defendant that upon his failure to pay as ordered he may be fined or imprisoned pursuant to § 19.2-358.

E. The failure of the defendant to enter into a deferred payment or installment payment agreement with the court or the failure of the defendant to make payments as ordered by the agreement shall allow the Tax Commissioner to act in accordance with § 19.2-349 to collect all fines, costs, forfeitures, and penalties.

F. For any defendant sentenced to an active term of incarceration and ordered to pay any fine, cost, forfeiture, or penalty related to the charge that such defendant is incarcerated for, or any other charge for which such defendant was sentenced on the same day, the court shall enter such defendant into a deferred payment agreement, as defined in § 19.2-354.1, for such fines, costs, forfeitures, or penalties. The due date for such deferred payment agreement shall be set no earlier than 180 days after the defendant's scheduled release from incarceration on the charges for which such defendant was sentenced on the same day. Notwithstanding any other provisions of law, the period of limitations provided by § 19.2-341 for payment of such fines, costs, forfeitures, or penalties shall start to run on the due date for such deferred payment agreement.

2. That the provisions of this act shall become effective on January 1, 2027.