
SENATE COMMITTEE ON PUBLIC SAFETY

Senator Jesse Arreguín, Chair
2025 - 2026 Regular

Bill No: AB 2297 **Hearing Date:** June 9, 2026
Author: Stefani
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Urgency: No **Fiscal:** No
Consultant: SJ

Subject: *Restitution: diversion*

HISTORY

Source: San Diego District Attorney's Office

Prior Legislation: AB 1213 (Stefani), Ch. 184, Stats. of 2025
SB 1025 (Eggman), Ch. 924, Stats. of 2024
AB 2294 (Jones-Sawyer), Ch. 856, Stats. of 2022
AB 1803 (Jones-Sawyer), Ch. 494, Stats. of 2022
SB 1106 (Wiener), Ch. 734, Stats. of 2022
AB 3224 (Ting), Ch. 334, Stats. of 2020
AB 177 (Com. on Budget), Ch. 257, Stats. of 2021
SB 394 (Skinner), Ch. 593, Stats. of 2019
SB 215 (Beall), Ch. 1005, Stats. of 2018
AB 1810 (Com. on Budget), Ch. 34, Stats. of 2018
SB 1227 (Hancock), Ch. 658, Stats. of 2013
SB 651 (Leyva), Ch. 131, Stats. of 2015
AB 576 (Torres), Ch. 454, Stats. of 2009
Proposition 8, approved by the voters on June 8, 1982
SB 714 (Deukmejian), Ch. 1255, Stats. of 1972

Support: American Property Casualty Insurance Association; Arcadia Police Officers' Association; Brea Police Association; Burbank Police Officers' Association; California Association of School Police Chiefs; California Coalition of School Safety Professionals; California District Attorneys Association; California Narcotic Officers' Association; California Police Chiefs Association; California Reserve Peace Officers Association; Chief Probation Officers' of California ; Claremont Police Officers Association; Corona Police Officers Association; Culver City Police Officers' Association; Fullerton Police Officers' Association; League of California Cities; Los Angeles School Police Management Association; Los Angeles School Police Officers Association; Murrieta Police Officers' Association; Newport Beach Police Association; Palos Verdes Police Officers Association; Placer County Deputy Sheriffs' Association; Pomona Police Officers' Association; Riverside Police Officers Association; Riverside Sheriffs' Association

Opposition: ACLU California Action; California Public Defenders Association; Debt Free Justice California; Justice2Jobs Coalition; La Defensa

Assembly Floor Vote: 66 - 0

PURPOSE

The purpose of this bill is to apply the general restitution statute to defendants who enter a diversion program.

Existing law provides that, in order to preserve and protect a victim's rights to justice and due process, a victim is entitled to specified rights, including restitution. (Cal. Const., art. I, § 28, subd. (b)(13).)

Existing law provides that it is the unequivocal intention of the People of the State of California that all persons who suffer losses as a result of criminal activity have the right to seek and secure restitution from the persons convicted of the crimes causing the losses they suffer. (Cal. Const., art. I, § 28, subd. (b)(13)(A).)

Existing law requires that restitution is ordered from the convicted wrongdoer in every case, regardless of the sentence or disposition imposed, in which a crime victim suffers a loss. (Cal. Const., art. I, § 28, subd. (b)(13)(B).)

Existing law states that it is the intent of the Legislature that a victim of a crime who incurs an economic loss as a result of the commission of a crime shall receive restitution directly from a defendant convicted of that crime. (Pen. Code, § 1202.4, subd. (a)(1).)

Existing law requires the court, upon a person being convicted of a crime, to order the defendant to pay a fine in the form of a penalty assessment. (Pen. Code, § 1202.4, subd. (a)(2).)

Existing law requires the court, in addition to any other penalty provided or imposed under the law, to order the defendant to pay both of the following:

- A restitution fine.
- Restitution to the victim or victims, if any, which is enforceable as if the order were a civil judgment and must be paid, as specified. (Pen. Code, § 1202.4, subd. (a)(3).)

Existing law requires the court to impose a separate and additional restitution fine in every case where a person is convicted of a crime unless it finds compelling and extraordinary reasons for not doing so and states those reasons on the record. Provides that the restitution fine is set at the discretion of the court and commensurate with the seriousness of the offense. (Pen. Code, § 1202.4, subd. (b).)

Existing law requires the court to impose the restitution fine unless it finds compelling and extraordinary reasons for not doing so and states those reasons on the record. Provides that a defendant's inability to pay is not a compelling and extraordinary reason not to impose a restitution fine. Provides that inability to pay may be considered only in increasing the amount of the restitution fine in excess of the minimum fine. (Pen. Code, § 1202.4, subd. (c).)

Existing law requires the court, in setting the amount of the fine in excess of the minimum fine, to consider any relevant factors, including, but not limited to, the defendant's inability to pay, the seriousness and gravity of the offense and the circumstances of its commission, any economic gain derived by the defendant as a result of the crime, the extent to which any other person

suffered losses as a result of the crime, and the number of victims involved in the crime. (Pen. Code, § 1202.4, subd. (d).)

Existing law provides that the restitution fine is not subject to penalty assessments. (Pen. Code, § 1202.4, subd. (e).)

Existing law requires the court, in every case in which a victim has suffered economic loss as a result of the defendant's conduct, to require that the defendant make restitution to the victim or victims in an amount established by court order, based on the amount of loss claimed by the victim or victims or any other showing to the court. Provides that the defendant has the right to a hearing before a judge to dispute the determination of the amount of restitution, and authorizes the court to modify the amount, on its own motion or on the motion of the district attorney, the victim or victims, or the defendant. (Pen. Code, § 1202.4, subd. (f)(1).)

Existing law requires, to the extent possible, that the restitution order be prepared by the sentencing court, identify each victim and each loss to which it pertains, and be of a dollar amount that is sufficient to fully reimburse the victim or victims for every determined economic loss incurred as the result of the defendant's criminal conduct, including, but not limited to, all of the following:

- Full or partial payment for the value of stolen or damaged property.
- Medical expenses.
- Mental health counseling expenses.
- Wages or profits lost due to injury incurred by the victim, and if the victim is a minor, wages or profits lost by the minor's parent, parents, guardian, or guardians, while caring for the injured minor. Includes commission income as well as base wages.
- Wages or profits lost by the victim, and if the victim is a minor, wages or profits lost by the minor's parent, parents, guardian, or guardians, due to time spent as a witness or in assisting the police or prosecution. Includes include commission income as well as base wages.
- Noneconomic losses, including, but not limited to, psychological harm, for felony violations of child sexual assault, as specified.
- Interest, at the rate of 10 percent per year that accrues as of the date of sentencing or loss, as determined by the court.
- Actual and reasonable attorney's fees and other costs of collection accrued by a private entity on behalf of the victim.
- Expenses incurred by an adult victim in relocating away from the defendant, including, but not limited to, deposits for utilities and telephone service, deposits for rental housing, temporary lodging and food expenses, clothing, and personal items.
- Expenses to install or increase residential security incurred related to domestic violence or a violent felony, including, but not limited to, a home security device or system, or replacing or increasing the number of locks.
- Expenses to retrofit a residence or vehicle, or both, to make the residence accessible to or the vehicle operational by the victim, if the victim is permanently disabled, whether the disability is partial or total, as a direct result of the crime.
- Expenses for a period of time reasonably necessary to make the victim whole, for the costs to monitor the credit report of, and for the costs to repair the credit of, a victim of identity theft. (Pen. Code, § 1202.4, subd. (f)(3)(A)-(L).)

Existing law specifies that a restitution order is enforceable by the victim as a civil judgment, and enforceable in the same manner as is provided for the enforcement of any other money judgment. (Pen. Code, §§ 1202.4, subd. (i) & 1214, subd. (b).)

Existing law states that any portion of a restitution fine or restitution fee that remains unsatisfied after a defendant is no longer on probation, parole, postrelease community supervision or mandatory supervision, after a term in custody, or after completing diversion is enforceable by the California Victim Compensation Board (Cal VCB). (Pen. Code, §§ 1202.4, subd. (l) & 1214, subd. (a).)

Existing law provides that for purposes of restitution, “victim” includes all of the following:

- The immediate surviving family of the actual victim.
- A corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision, agency, or instrumentality, or any other legal or commercial entity when that entity is a direct victim of a crime.
- A person who has sustained economic loss as the result of a crime and who satisfies any of the following conditions:
 - At the time of the crime was the parent, grandparent, sibling, spouse, child, or grandchild of the victim.
 - At the time of the crime was living in the household of the victim.
 - At the time of the crime was a person who had previously lived in the household of the victim for a period of not less than two years in a relationship substantially similar to a relationship of parent, grandparent, sibling, spouse, child, or grandchild of the victim.
 - Is another family member of the victim, including, but not limited to, the victim’s fiancé, and who witnessed the crime.
 - Is the primary caretaker of a minor victim.
- A person who is eligible to receive assistance from the Restitution Fund.
- A governmental entity that is responsible for repairing, replacing, or restoring public or privately owned property that has been defaced with graffiti or other inscribed material and that has sustained an economic loss as the result of specified crimes. (Pen. Code, § 1202.4, subd. (k).)

This bill requires the court to order restitution to the victim or victims, if any, which is enforceable as if the order were a civil judgment, and paid in the order required under existing law, when a defendant participates in a diversion program.

This bill requires a defendant to be informed of their right to have a judicial determination of the amount and is provided with a hearing, or they may waive the hearing or stipulate to the amount ordered.

This bill provides that if the court finds that restitution is owed to any victim as a result of the diverted offense, the court must order its payment during the period of diversion.

This bill prohibits a defendant’s inability to pay restitution due to indigence or mental disorder from being used as grounds for denial of diversion or a finding that the defendant has failed to comply with the terms of diversion.

This bill requires, if the defendant withdraws from diversion or fails to complete the terms of diversion, that a restitution order is suspended until criminal proceedings are resolved.

This bill states that if the defendant completes diversion, a restitution order may be enforced in the same manner as a civil judgment pursuant to existing provisions of law.

This bill states that it is the intent of the Legislature that a victim of a crime who incurs an economic loss as a result of the commission of a crime shall receive restitution directly from a defendant who enters a diversion program resulting from that crime.

This bill makes other conforming changes.

COMMENTS

1. Need For This Bill

According to the author:

Since its creation following the 1982 Victims' Bill of Rights, restitution has always been tied to a formal conviction. As diversion programs have expanded in use as rehabilitative tools, more cases resolve without convictions. Of the 14 diversion programs currently in law, 10 are silent regarding a defendant's responsibility to pay restitution to their victim while others create a patchwork of partial or limited restitution depending on whether and which diversion was applied. The inconsistencies in diversion statutes often leave courts without jurisdiction to order a victim's losses to be repaid or result in unequal treatment for comparable offenses. AB 2297 seeks to balance the interests of victims—ensuring they are made whole—while also maintaining equitable access to diversion as an alternative to incarceration or formal conviction, particularly for first-time or low-level offenders. AB 2297 reduces disparities in the legal process, creates reasonable and consistent expectations for defendants and victims alike, and ensures that as newer forms of diversion are contemplated, they will never be created at the expense of a victim's right to restitution.

2. Diversion

Diversion is the suspension of criminal proceedings for a prescribed period of time with certain conditions. A defendant may not be required to admit guilt as a prerequisite for placement in a pretrial diversion program. If diversion is successfully completed, the criminal charges are dismissed and the defendant may, with certain exceptions, legally answer that they have never been arrested or charged for the diverted offense. If diversion is not successfully completed, the criminal proceedings resume.

Diversion programs may be pre-plea or post-plea (often called deferred entry of judgment). Pre-plea programs allow a defendant to participate in the program without admitting guilt. In post-plea programs, the defendant must first admit guilt before participating in the program. The primary difference between the two types of diversion is that in a pre-plea program, criminal proceedings resume if the defendant does not successfully complete the program, and the defendant has the option to plead guilty or pursue a defense against their case. In a post-plea

diversion program, the defendant (having already pled guilty) would be sentenced if they do not successfully complete the program.

In recent years, the Legislature has enacted several pre-plea diversion programs such as military diversion (SB 1227 (Hancock), Chapter 658, Statutes of 2013), mental health diversion (SB 215 (Beall), Chapter 1005, Statutes of 2018), diversion for primary caretakers (SB 394 (Skinner), Chapter 593, Statutes of 2019), and court-initiated misdemeanor diversion (AB 3234 (Ting), Chapter 334, Statutes of 2020). Drug diversion was enacted as a pre-plea program and changed to a post-plea program in 1997 (SB 1369 (Kopp), Chapter 1132, Statutes of 1996), then changed back to a pre-plea program (AB 208 (Eggman), Chapter 778, Statutes of 2017).

Existing law also authorizes a city or county prosecuting attorney or county probation department, until January 1, 2031, to create a diversion or deferred entry of judgment program for individuals who commit a theft offense or repeat theft offenses. (Pen. Code, § 1001.81.) Penal Code section 1001.81 specifies that the prosecuting attorney must determine who to refer to the program and who is appropriate for placement in the program. For purposes of the program, “repeat theft offenses” means being cited or convicted for misdemeanor or felony theft from a store or vehicle two or more times in the previous 12 months and failing to appear in court when cited for these crimes or continuing to engage in these crimes after release or after conviction. (Pen. Code, § 1001.81.)

3. Constitutional Right to Victim Restitution

The California Constitution guarantees victims the right to restitution. Specifically, the California Constitution provides that, in order to preserve and protect a victim’s rights to justice and due process, a victim shall be entitled to specified rights, including among others, restitution. (Cal. Const., art. I, § 28, subd. (b)(13); added by Proposition 8, approved by California voters in the general election on November 8, 1982.) It also states that “[i]t is the unequivocal intention of the People of the State of California that all persons who suffer losses as a result of criminal activity shall have the right to restitution from the persons convicted of the crimes for losses they suffer. Restitution shall be ordered from the convicted persons in every case, regardless of the sentence or disposition imposed, in which a crime victim suffers a loss, unless compelling and extraordinary reasons exist to the contrary.” (Cal. Const., art. I, sec. 28, subd. (b).) “A victim’s right to restitution is, therefore, a constitutional one; it cannot be bargained away or limited, nor can the prosecution waive the victim’s right to receive restitution.” (*People v. Gross* (2015) 238 Cal.App.4th 1313, 1317-1318.)

As directed by the voters, the Legislature enacted Penal Code section 1202.4 to implement the Victims’ Bill of Rights. (*Gross, supra*, 238 Cal.App.4th at p. 1318; *People v. Seymour* (2015) 239 Cal.App.4th 1418, 1435.) This statute provides that “in every case in which a victim has suffered economic loss as a result of the defendant’s conduct, the court shall require that the defendant make restitution to the victim or victims in an amount established by court order.” (Pen. Code, § 1202.4, subd. (f).) The statute further provides that a “defendant’s inability to pay shall not be a consideration in determining the amount of a restitution order.” (Pen. Code, § 1202.4, subd. (g).) Rather, victim restitution orders must be of a dollar amount that is sufficient to fully reimburse the victim, which can include an assortment of expenses such as medical expenses, mental health counseling expenses, wages or lost profits, noneconomic losses like psychological harm, actual and reasonable attorney’s fees, and relocation fees. (Pen. Code, § 1202.4, subd. (f).) The victim restitution order must also include interest at the rate of 10% per annum. (Pen. Code, § 1202.4, subd. (f)(3)(G).)

If the amount of restitution cannot be ascertained at the time of sentencing, the court must include a provision in the restitution order that the restitution amount must be determined at a future time. (Pen. Code, § 1202.4, subd. (f).) The trial court must incorporate the restitution order in the defendant's conditions of probation. (Pen. Code, § 1202.4, subd. (l).) If part of a restitution order has not been paid after a defendant is no longer on probation, it remains enforceable by the victim as though it were a civil judgment. (Pen. Code, § 1202.4, subd. (i); Pen. Code, § 1214.)¹ Notably, if a defendant is unable to pay full restitution within the initial term of probation, the court can modify and extend the period of probation to allow the defendant to pay off all restitution within the probation term. (Pen. Code, § 1203.3, subd. (b)(4); *People v. Cookson* (1991) 54 Cal.3d 1091, 1097.) Generally, the probation term may be extended up to, but not beyond, the maximum probation period allowed for the offense. (*People v. Medeiros* (1994) 25 Cal.App.4th 1260, 1267-1268.)

Payment of victim restitution goes directly to the victim and compensates them for economic losses they have suffered because of the defendant's crime (i.e., to make the victim reasonably whole). (*People v. Guillen* (2013) 218 Cal.App.4th 975, 984.) A victim restitution order is an enforceable civil money judgment, and typical post-judgment enforcement tools are available to the victim. (Pen. Code, § 1214, subd. (b).) Victims have access to all available resources to enforce the order, including wage garnishment and lien procedures, even if the defendant is no longer in custody or on supervision. (*Ibid.*)

Last year, the Legislature enacted legislation to clarify that restitution orders take priority over all other fines and fees that may be levied against a defendant based on their conviction. (AB 1213 (Stefani), Chapter 184, Statutes of 2025.)

This bill amends Penal Code section 1202.4 to provide a right to restitution for victims of crimes where the defendant participates in a diversion program. Because existing law requires victim compensation after a conviction, and a defendant who participates successfully in a diversion program would not have a conviction for the underlying offense, courts may only order restitution if the individual diversion statute authorizes it.

4. Restitution in the Various Diversion Statutes

Restitution is specifically authorized in several of the existing diversion statutes. For example, the mental health diversion law provides that “[u]pon request, the court shall conduct a hearing to determine whether restitution, as defined in subdivision (f) of Section 1202.4, is owed to any victim as a result of the diverted offense and, if owed, order its payment during the period of diversion.” (Pen. Code, § 1001.36, subd. (f)(1)(D).) The court-initiated misdemeanor diversion program requires a defendant to “[m]ake full restitution.” (Pen. Code, § 1001.96, subd. (b).) Both statutes provide that a defendant's inability to pay restitution due to indigence “shall not be grounds for denial of diversion or a finding that the defendant has failed to comply with the terms of diversion.” (Pen. Code, §§ 1001.36, subd. (f)(1)(D); 1001.96, subd. (b).)

The theft diversion statute provides that a condition of diversion may include “[m]aking adequate restitution or an appropriate substitute for restitution to the establishment or person

¹ Similarly, any portion of a restitution fine or restitution fee that remains unsatisfied after a defendant is no longer on parole, postrelease community supervision or mandatory supervision, or after a term in custody is enforceable by the Cal VCB. (Pen. Code, § 1214, subd. (a).)

from which property was stolen at the face value of the stolen property, if required by the program.” (Pen. Code, § 1001.81, subd. (e)(2).) The bad check diversion statute contains a similar provision that states that a condition of diversion may include “[f]ull restitution being made to the victim.” (Pen. Code, § 1001.64.) Comparatively, the statutes that established diversion for individuals with developmental disabilities, parental diversion, military diversion, primary caregiver diversion, and drug diversion are silent on victim restitution. (Pen. Code, §§ 1001.20 et seq.; 1001.70 et seq.; 1001.80; 1001.83; 1000.)

5. Effect of This Bill

The bill’s proponents argue that the individual diversion statutes are inconsistent with respect to their approach to victim restitution which has resulted in courts frequently not ordering victim restitution. They contend that placing the authority to order diversion within the general restitution statute—Penal Code section 1202.4—will ensure more even application and provide an avenue for enforcement after the period of diversion has ended. Opponents of the bill assert that it undermines the purpose of diversion.

It is worth noting that Penal Code section 1001.90 requires the court to impose a diversion restitution fee for all individuals charged with a felony or misdemeanor whose case is diverted. The only type of diversion explicitly excluded from this requirement is diversion for individuals with developmental disabilities. The diversion restitution fee that is imposed pursuant to this statute is deposited into the state’s Restitution Fund. In other words, in almost all cases of diversion, the state is entitled to a restitution fee while the victim of the crime is not entitled to direct restitution unless explicitly provided for in the specific diversion statute that is applicable in that case.

As stated above, this bill requires the court to order restitution to the victim or victims when a defendant participates in a diversion program. This bill applies the same rights to a hearing to determine the amount of restitution, if any, as exists for defendants who have been convicted of a crime. Consistent with the diversion statutes that explicitly provide for restitution, this bill prohibits a defendant’s inability to pay restitution due to indigence or mental disorder from being used as grounds for denial of diversion or a finding that the defendant has failed to comply with the terms of diversion. Finally, the bill provides that if the defendant completes diversion, a restitution order may be enforced pursuant to Penal Code section 1214. Section 1214 states that any portion of a restitution fine that remains unsatisfied after a defendant has completed diversion is enforceable by the Cal VCB.

6. Argument in Support

The San Diego District Attorney’s Office, the bill’s sponsor, writes:

Beginning with the Victim’s Bill of Rights in 1983, California prioritized criminal victims by requiring that they be made whole when a person is convicted of an offense resulting in financial harm. In 2008, this effort was emphasized in Marsy’s Law along with the subsequent 2017 amendment to Penal Code section 1202.4, eliminating any justification for a court to decline to order victim restitution following a conviction.

On a separate and parallel timeline, California has made significant efforts to rehabilitate and provide opportunities for offenders who commit crimes that may

have been driven by circumstance or situations such as DSM-listed disorders, developmental disabilities, PTSD resulting from military service, and being a primary caretaker or parent. These individuals now have the ability to avoid criminal convictions through statutory diversion programs. Additionally, for persons without these conditions, similar diversion opportunities have been created for lower-level offenders.

While both victim restitution and diversion opportunities are important objectives, Section 1202.4, the primary restitution statute for criminal cases, only gives courts jurisdiction to order restitution when defendants are convicted. The California Penal Code authorizes fourteen unique forms of diversion by which offenders may avoid the conviction required in Section 1202.4 for their victims to be made whole through restitution. When defendants are diverted, the only way a court can derive authority to order restitution is through the particular diversion statute being used, and ten out of the fourteen diversion statutes are completely silent on restitution, leaving courts without jurisdiction to make victims whole.

In 2023, the California Supreme Court offered some insight into this issue in *People v. Braden*. In that case, the appellant argued that because Penal Code section 1001.36 provides independent authority to order restitution within a mental health diversion case and because restitution is normally an order made at sentencing, the inclusion of restitution jurisdiction within the mental health diversion statute must support the idea that a trial court has the authority to consider a new diversion request, even after a jury's verdict of guilt. The California Supreme Court disagreed, offering the following explanation for the inclusion of restitution authority in 1001.36:

“The trial court can extend to a defendant all the benefits of mental health diversion, yet also make a victim whole by ordering the payment of restitution that would normally be ordered at sentencing. In this situation, a court is not forced to choose between assisting a defendant with mental health concerns and ordering restitution for a victim... It reflects a legislative policy choice to consider the interests of defendants and victims alike.”

Based on this reasoning, the Court recognized that 1202.4 gives trial courts jurisdiction to order restitution only after a conviction, so when a conviction is avoided through diversion, the victim's only hope for restitution depends on whether the individual diversion statute independently confers jurisdiction. Said a different way, if a diversion statute is silent on restitution, the unintended reality is a situation which favors the perpetrator over the victim, leaving courts unable to make victims whole even when their losses are clear, documented, and directly caused by the defendant's criminal conduct.

Only four out of the fourteen statutory forms of diversion mention restitution at all, and even these four are widely inconsistent in scope and procedure, and none of them offer victims the same strong, enforceable protections or expectations as traditional restitution under 1202.4. As stated, the remaining ten diversion statutes are completely silent on restitution, meaning a defendant who has harmed a victim can also enjoy the ability to leave that victim uncompensated and without a remedy in the criminal case.

...

AB 2297 expands Penal Code section 1202.4 to keep up with the increase in diversion opportunities for defendants. It provides for uniformity in cases by placing all restitution expectations in one place, and it ensures that as newer opportunities for diversion are created in the future, victims will never be forgotten. Rehabilitation and accountability need not conflict, and by allowing restitution in diversion cases, the Legislature can reaffirm its commitment to both.

7. Argument in Opposition

According to the ACLU California Action:

... [AB 2297] is largely duplicative of existing law, undermines the purpose of diversion, and is unlikely to increase collections on restitution while imposing additional costs on courts and counties.

Under current California law, courts already have the authority to order restitution in many diversion contexts. For example, under mental health diversion, courts must determine whether restitution is owed and order its payment during the diversion period. Similarly, misdemeanor diversion requires people to pay restitution in full as a condition of dismissal, while explicitly recognizing that inability to pay due to indigence cannot be grounds for denial of diversion or failure to comply. AB 2297 is largely duplicative of existing statutory authority.

To the extent the bill seeks to expand restitution to diversion programs that do not currently include such provisions — such as drug diversion — or to mandate restitution across local diversion programs, it raises significant concerns. Local jurisdictions have developed diversion programs, including Behavioral Health Courts, Veterans Justice Courts, and reentry-focused programs, that are designed to promote stability, treatment, and long-term accountability. Imposing restitution in all diversion cases would impose a one-size-fits-all mandate that may undermine the effectiveness of these programs.

More fundamentally, requiring restitution from people in diversion runs counter to the purpose of diversion itself. Diversion is premised on the understanding that individuals have not been convicted of a crime and, in many cases, may have their charges dismissed upon successful completion. Treating diverted individuals as if they have been adjudicated guilty — by imposing financial liability tied to an alleged offense — blurs this distinction and risks imposing consequences without conviction.

In addition, this bill is unlikely to meaningfully increase restitution collection. Most people in the criminal legal system, including those referred to diversion programs, are often low-income and facing significant barriers, including behavioral health needs, housing instability, or other economic challenges. Imposing additional financial obligations in these contexts will likely result in low collection rates while increasing administrative and enforcement costs. As with

other forms of court-ordered debt, the costs of collection may outweigh any collections, particularly when imposed on populations with limited ability to pay.

Finally, by layering additional financial obligations onto all diversion programs, AB 2297 risks undermining program success. Diversion programs are most effective when they reduce barriers and support individuals in achieving stability. Adding restitution in all cases may instead create additional hurdles, increasing the likelihood of noncompletion delivering meaningful benefit to people who experience loss or injury.

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