

## **Revenue Distribution Training Spring 2019**



Presented by the  
Judicial Council of California  
and the State Controller's Office

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# **INTRODUCTION**

Donna Newman  
Judicial Council of California  
Funds and Revenue Unit

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**San Diego**  
**Opening Remarks**

Jeff Gately

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**Sacramento**  
**Opening Remarks**

George Lolas  
Zlatko Theodorovic

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## **Good Things to Know**

- Restrooms: down the hall
- Lunch 60 minutes; provided 3<sup>rd</sup> floor, Rooms 363-A and 363-B
- Attendee Packet
  - Wi-Fi Connection
  - 2 blank "Question Forms"
  - Evaluation Questionnaire

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## **More Good Things to Know**

- Training Evaluation Questionnaire
  - Your feedback is important to us
  - Complete sections on front and back in real time during the training
  - Place in drop box at registration desk when you leave (or after the break-out session)
- Training Completion Certificate
  - 4 hours after plenary, request by email
  - 6 hours after break-out session, handed out

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## Asking Questions

- Questions welcome at any time
- Your questions used for FAQs
- Use microphone for verbal questions
- Use "Question Form" for written questions
- Staff helpers with mics and forms

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## Training Goals

- Provide an in-person opportunity to learn and share information
- Present information and updates on collections and revenue distribution
- Futures Traffic Working Group
- Share resource materials for distribution calculations, analysis, and research
- Review and discuss frequently asked questions about collections and distributions
- Gain hands-on experience using distribution worksheets

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## Agenda

- Faculty
- Introduction
- Legislative updates
- Uniform Bail and Penalty Schedule
- Collections updates
- Franchise Tax Board overview
- Trial Court Revenue Distribution Guidelines
- FAQs and other resources
- Distribution Audit Issues

Note: All materials or links to materials available at:  
<http://www.courts.ca.gov/revenue-distribution.htm>

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## Training Agenda Print Outs

### Training Materials on Website

<http://www.courts.ca.gov/revenue-distribution.htm>

- PowerPoint Presentation
- Training Agenda
- Resources & Links
- Distribution of Fines, Penalties & Fees
- Legislative Updates
- Uniform Bail and Penalty Schedule
- Crosswalk Guide (Updated)
- Materials Break-out Sessions "A" and "B"
- FAQs (optional)

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## **Breakout Sessions Using the Distribution Worksheets 1:30-3:30pm**

### **Session A:**

Hands-on experience using worksheets to perform basic calculations and distributions.

### **Session B:**

Hands-on experience using worksheets to perform more complex (special) distributions.

**Dismissed at 3:30pm – No Regroup**

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## **Faculty**

### State Controller's Office

#### **Local Government Programs and Services Division:**

Sandeep Singh, Manager	<a href="mailto:SSingh@sco.ca.gov">SSingh@sco.ca.gov</a>
Marieta Delfin, Supervisor	<a href="mailto:Mdelfin@sco.ca.gov">Mdelfin@sco.ca.gov</a>
Don Lowrie, Policy Analyst	<a href="mailto:DLowrie@sco.ca.gov">DLowrie@sco.ca.gov</a>
Alexandria Green, Policy Analyst	<a href="mailto:AGreen@sco.ca.gov">AGreen@sco.ca.gov</a>

#### **Division of Audits:**

Chris Ryan, Audit Manager	<a href="mailto:CRyan@sco.ca.gov">CRyan@sco.ca.gov</a>
Public Mailbox: <a href="mailto:LocalGovPolicy@sco.ca.gov">LocalGovPolicy@sco.ca.gov</a>	

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# Faculty

## Franchise Tax Board

### **Court-Ordered Debt Collection Program :**

Rashan Anderson, Supervisor      Rashan.Anderson@ftb.ca.gov

Valorie Reynon, Program Manager      Valorie.Reynon@ftb.ca.gov

### **Interagency Intercept Collection Program:**

Alex Escobar, Administrator II      Alex.Escobar@ftb.ca.gov

Arlene Cochrane, Supervisor      Arlene.Cochrane@ftb.ca.gov

Public Mailbox: COD - CODClientServices@ftb.ca.gov

IIC - IICGroup@ftb.ca.gov

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# Faculty

## Court Experts

### **San Bernardino Superior Court:**

Michael Garcia, Business Process Specialist II

### **Merced Superior Court:**

Keri Brasil, Chief Financial Officer

### **Ventura Superior Court:**

Richard Cabral, Director Collections and Finance

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# Faculty

## Judicial Council

### **Criminal Justice Services:**

Jamie Schechter, Attorney

Jamie.Schechter@jud.ca.gov

### **Governmental Affairs:**

Mark Neuburger, Legislative Advocate

Mark.Neuburger@jud.ca.gov

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# Faculty

## Judicial Council

### **Funds and Revenues Unit:**

Donna Newman, Fiscal Supervisor

Maria Lira, Senior Fiscal Analyst

Karen Zhou, Fiscal Analyst

### **Public Mailbox:**

- RevenueDistribution@jud.ca.gov
- Collections@jud.ca.gov

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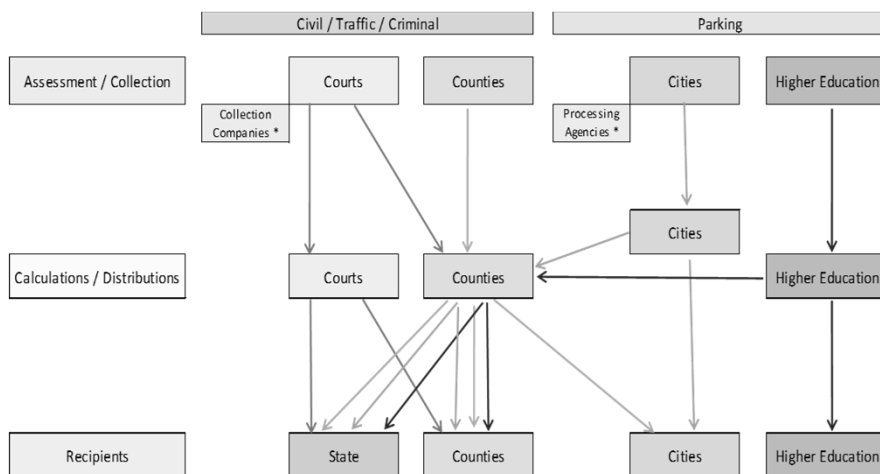


# Introduction to Distributions

## Interrelationships & Resources

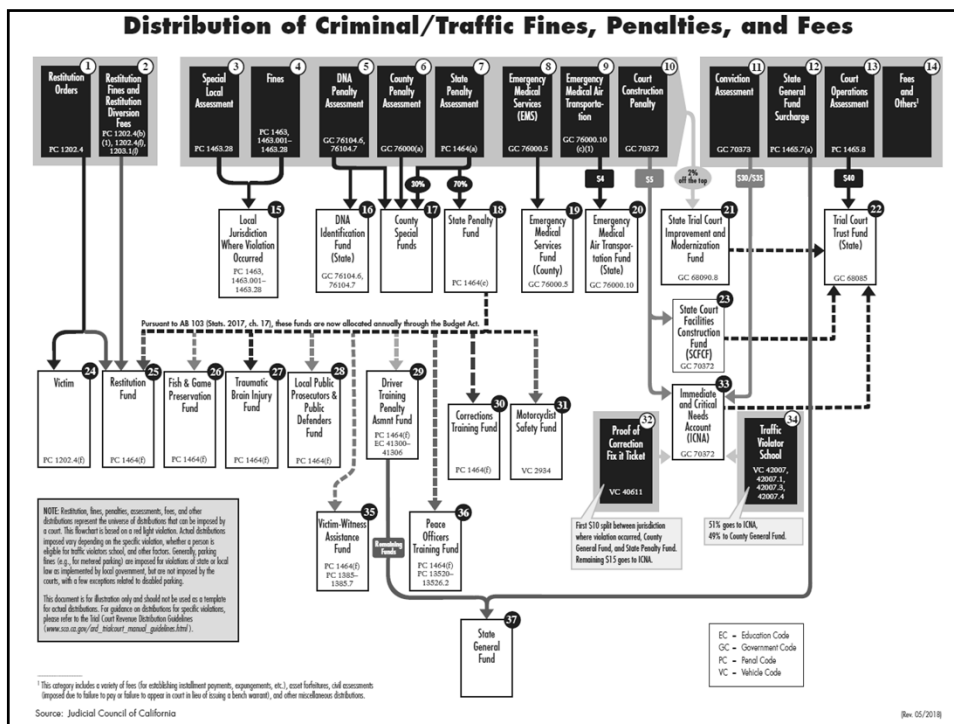
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### ASSESSMENT, COLLECTION, AND DISTRIBUTION COMPLEXITY OF THE PROCESS



\* Entities under contract to perform collections

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## Revenue Distribution Resource Interrelationships

- Distribution Guides:
  - Statutes
  - Trial Court Revenue Distribution Guidelines (formerly Appendix C)
  - Uniform Bail and Penalty Schedule
  - Revenue Distribution Worksheets
  - FAQs

## **Legislative Update**

The Judicial Council tracks many legislative bills that, if passed and signed into law, may have a impact on fines, fees, assessments and penalties.

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## **2019 Session Statistics**

- 2,801 bills introduced
- 874 bills Government Affairs tracking
- 91 with Court operations impact
- 17 with impacts to revenues

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## **Legislative Update**

The six bills with significant revenue impacts:

- SB 144-Eliminates several fees
- SB 369-Safe parking program
- AB 927-Misd./Felony ability to pay
- AB 1076-Criminal record automatic relief
- AB 1077-Diversion-Waive most fees
- AB 1348-Repeal 20% General Fund surcharge
- AB 1401-Repeals some parking fee surcharges

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## **Legislative Update**

**SB 144-Mitchell: Criminal Fees**

- Repeals 137 code sections
- Fiscal Impacts
  - County
  - Courts
  - Executive
- Uncollected Debt

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## Legislative Update

Interested in following the progress of these bills?

Visit the courts website at: <http://www.courts.ca.gov/4121.htm>

View Links for:

- Active Legislation, and/or
- Legislative Status Charts.

Check periodically to see how the bills you care about change over the course of the legislative session.

OR, visit California Legislative Information at:

<http://leginfo.legislature.ca.gov/faces/billSearchClient.xhtml>

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## Legislative Update

California State Senate:

<http://senate.ca.gov/senators?sortbyalpha=DESC>

California State Assembly:

<http://assembly.ca.gov/assemblymembers>

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**Questions?**

**(Evaluation)**

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**Judicial Branch  
Online Ability to  
Pay/Traffic Pilot**

## **Online Ability to Pay/Traffic Pilot**

Beginning: 2016

- Federal "Price of Justice Initiative"
- Ability to Pay Work Group Assembled
- 5 Pilot Courts
- Software Development

## **Online Ability to Pay/Traffic Pilot**

Initial grant to create software that:

- Easy navigation for public
- Interfaces with many Court CMS's
- Customizable calculator
- Clerk and Judge review queue
- Link to Court payment processor

## Online Ability to Pay/Traffic Pilot

**Key:  
Phone App**



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## Online Ability to Pay/Traffic Pilot

Expansion: 2018

- 2018 State Budget, additional funding
- More features
- 3 Additional Pilot Courts
- This phase has not started yet

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## **Online Ability to Pay/Traffic Pilot**

### Expanded software capabilities:

- Online trials
- Ability to schedule court hearing
- Posting bail installments
- Full CMS integration
- Spanish language information
- Chat Bot

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## **Online Ability to Pay/Traffic Pilot**

### Pilot Courts:

- Santa Clara
- San Francisco
- Shasta
- Tulare
- Ventura
- El Dorado
- Fresno
- Monterey

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## **Online Ability to Pay/Traffic Pilot**

### **Future Milestones**

- Sept. 2019: Federal US DOJ Final Report
- Jan. 2020: 1<sup>st</sup> Report to Legis.
- Jan. 2021: 2<sup>nd</sup> Report to Legis.
- June 2022: Final Report to Legis.

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## **Questions?**

### **(Evaluation)**

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# **DISCHARGE DEBT**

from accountability, NOT liability

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## **Discharge**

- What is discharge from accountability?
- Why should we discharge debt?
- Who can discharge court-ordered debt?
- How is court-ordered debt discharged?
- What circumstances make debt no longer worth accounting for?

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## **Discharge**

Account: A record or statement of financial expenditure or receipts relating to a particular period or purpose. The amount of court-ordered debt a violator owes related to specific violations is an account.

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## **Discharge**

Q: What is discharge from accountability?

A: When we find that court ordered debt is no longer worth accounting for.

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# Discharge

## Key Points:

- The violator is still **LIABLE** and **RESPONSIBLE** for paying the debt.
- The court is not going to account for the debt anymore because it's unlikely to be collected.

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# Discharge

Q: Why should we discharge debt?

A: To provide the courts, counties and Legislature with an accurate accounting of how much court-ordered debt is outstanding.

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## Discharge

The current \$10 billion in uncollected debt:

- Gives the Legislature the impression we are not doing our job collecting it.
- Provides an inaccurate sense of collectible debt.

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## Discharge

It is likely that at least half of the \$10 billion in cumulative delinquent that we report is not collectible.

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## Discharge

Most importantly, the Legislature provided us with tools to discharge debt so that the amount of outstanding debt would be more realistic.

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## Discharge

Q: Who can discharge debt?

A: You. (*Well, you can help.*) The collecting entity, the court or the county, may discharge debt pursuant to Government Code sections 25257 and 25259.7.

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## Discharge

**Highlight:** Gov. Code, §25257-25259.95

- Authorizes and establishes eligibility criteria for discharging court-ordered debt.
- Separates by the entity responsible collecting debt
- Has criteria for infractions, misdemeanors, and felonies.

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## Discharge

Q: How is court-ordered debt discharged?

A: On authority of the presiding judge (*if the court collects debt*) OR the board of supervisors (*if the county collects debt*) or both.

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## Discharge

An application for discharge must be submitted by the collecting entity (*this could be you*) to either:

- The court (*the Presiding Judge*) OR,
- The County (*Board of Supervisors*) for approval.

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## Discharge

The application must include:

- the total amount owing;
- the names of the persons liable and the amount owed by each;
- the estimated cost of collections OR
- the likelihood of collecting AND

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# Discharge

AND...

- any other relevant information that will explain why discharge is a good idea.

THEN, the county or the court may authorize (*vote, deem, proclaim*) the debt discharged.

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# Discharge

Within 45 days after discharge, the court and county should report to each other all court-ordered debt discharged from accountability.

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## Discharge

The report should include the following:

- Case number;
- Case type (*infraction, misdemeanor, felony*);
- Amount discharged; and
- Number of years since the debt became delinquent (*or last payment*).

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## Discharge

What circumstances make debt no longer worth accounting for?

- The balance is too small
- Unlikely to collect the debt
- All PC §1463.007 efforts made
- Debtor is deceased (*need certificate*)
- Required time has passed

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## Discharge

Required time has passed since debt became delinquent:

- At least 5 years for infractions.
- At least 10 for misdemeanors and felonies.

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## Discharge: summary

- Discharge from accountability is not release from liability.
- Reporting uncollectible debt gives the wrong impression.
- We have express authority to discharge.

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## **Discharge: resources**

More detailed information, including forms and report templates, can be found at:

<http://www.courts.ca.gov/partners/455.htm>

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## **Questions?**

**(Evaluation)**

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# JUDICIAL COUNCIL

## UNIFORM BAIL AND PENALTY SCHEDULES (UBPS)

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## ROAD MAP

- Bail in this context
- Uniform Bail and Penalty Schedules
- Traffic Infraction Schedule
- "Total Bail" explained
- Additional resources



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## **DETOUR: WHAT IS BAIL?**

### **“Regular” bail:**

Cash is used to ensure the presence of the defendant before the court.

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## **BAIL/PRE-TRIAL DETENTION**

- SB 10 changed the cash bail system by removing cash bail and replacing it with risk assessment.
- A referendum on SB 10 to approve or reject SB 10 in November 2020 election. Judicial Council is not taking action to implement SB 10 until the election.

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## **JUDICIAL COUNCIL'S ACTION**

- The Chief Justice appointed a Pretrial Reform and Operations Workgroup (PROW).
- "This work group will help continue progress toward reform that benefits the branch, enhances public safety and promotes equitable treatment of all who come through our criminal justice system."

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## **PRE-TRIAL DETENTION UPDATES**

- Governor included \$75 million in proposed budget for Pretrial Pilot Projects. If passed funding is available July 1, 2019.
- Ongoing state and federal litigation regarding the current cash bail system.

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## TRAFFIC "BAIL" UNDER UBPS

- For certain offenses a penalty in the form of **a fine** can be "forfeited" and cancel the need for any further court proceedings. (VC § 40512 Emphasis added.)
- Payment is treated as a conviction for the offense. (VC §13103.)

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### Uniform Bail and Penalty Schedules

2019 EDITION

(Cal. Rules of Court, rule 4.102)

TRAFFIC  
BOATING  
FORESTRY  
FISH AND GAME  
PUBLIC UTILITIES  
PARKS AND RECREATION  
BUSINESS LICENSING



JUDICIAL COUNCIL  
OF CALIFORNIA

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## WHAT UBPS INCLUDES

### Mandatory Schedule for

- traffic infractions



### Suggested base fines for

- traffic misdemeanors
- boating
- forestry
- fish and game
- public utilities
- parks and recreation
- business licensing

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## EXCEPTIONS TO THE UBPS

The following counties may exceed the UBPS traffic infraction schedule:

- |                 |                 |                 |
|-----------------|-----------------|-----------------|
| 1. Alpine       | 11. Lassen      | 21. San Joaquin |
| 2. Amador       | 12. Los Angeles | 22. Santa Clara |
| 3. Butte        | 13. Madera      | 23. Sierra      |
| 4. Calaveras    | 14. Mariposa    | 24. Stanislaus  |
| 5. Contra Costa | 15. Mendocino   | 25. Sutter      |
| 6. Del Norte    | 16. Modoc       | 26. Trinity     |
| 7. Fresno       | 17. Mono        | 27. Tulare      |
| 8. Humboldt     | 18. Plumas      | 28. Tuolumne    |
| 9. Kings        | 19. San Benito  | 29. Yolo        |
| 10. Lake        | 20. San Diego   | 30. Yuba        |

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# TRAFFIC INFRACTION SCHEDULE

Unless otherwise specified traffic violations default to the infraction category. Therefore, the vast majority of the annual revisions to the UBPS are to the traffic infraction schedule. The Council has classified traffic infractions into four penalty categories, according to the severity of offenses.

Infraction Category	Severity of Offense	Base Fine
1	Bicyclist, motorized scooter, pedestrian, pocket bike, vehicle registration and equipment offenses	\$25
2	Driver's license, operation of vehicle, and size and load offenses	\$35
3	Substance abuse infractions, VC 2818 (trespassing electronic beacon), VC 20004 (reporting deaths,) VC 21706.5 (operation of vehicle in emergency accident zone), VC 27375 (modified limousines)	\$70
4	Miscellaneous offenses for which the penalties or the fee for dismissal with proof of correction are specifically set by the Vehicle Code, speeding offenses (refer to Speed Chart), and infractions pursuant to PC 19.8	Depends

Certain offenses are eligible for correction and, if the defendant can show proof of the correction, only require payment of a \$25 court processing fee.

## TOTAL BAIL FOR INFRACTIONS

**Base + Penalties & Surcharge + Fees = Total Bail**

For infractions, the "Total Bail" for an offense not specifically listed in the Uniform Traffic Infraction Bail and Penalty Schedule is the amount set for the general category of that offense unless a California code or regulation specifies otherwise.

**Category 1** Bicyclist, motorized scooter, pedestrian, pocket bike, vehicle registration and equipment offenses

$$\begin{array}{rcl} \text{Base} + \text{Penalties \& Surcharge} + \text{Fees} & = & \text{Total Bail*/Fees} \\ \$ 25 + \$96 & + & \$75 & = & \$196 \end{array}$$

**Category 2** Driver's license, operation of vehicle, and size and load offenses

$$\begin{array}{rcl} \text{Base} + \text{Penalties \& Surcharge} + \text{Fees} & = & \text{Total Bail*/Fees} \\ \$ 35 + \$127 & + & \$75 & = & \$237 \end{array}$$

**Category 3** Substance abuse infractions, VC 2818, VC 20004, VC 21706.5, and VC 27375

$$\begin{array}{rcl} \text{Base} + \text{Penalties \& Surcharge} + \text{Fees} & = & \text{Total Bail*/Fees} \\ \$ 70 + \$221 & + & \$75 & = & \$366 \end{array}$$

**Category 4** Miscellaneous offenses, correctible offenses, speeding offenses, offenses where base fine is specified in the Vehicle Code.

# TOTAL BAIL cont...

The suggested minimum "Total Bail" (or penalty) for an offense not specifically listed in the following schedules, unless a California code or regulation specifies otherwise, are:

### Traffic Misdemeanor

	<b>Base</b>	<b>+</b>	<b>Penalties &amp; Surcharge</b>	<b>+</b>	<b>Fees</b>	<b>=</b>	<b>Total Bail*/Fees</b>
M	\$ 75	+	\$251	+	\$70	=	\$396

### Public Utilities

	<b>Base</b>	<b>+</b>	<b>Penalties &amp; Surcharge</b>	<b>+</b>	<b>Fees</b>	<b>=</b>	<b>Total Bail*/Fees</b>
M	\$185	+	\$588	+	\$70	=	\$843

### Boating, Business Licensing, Fish and Game, Forestry, or Parks and Recreation

	<b>Base</b>	<b>+</b>	<b>Penalties &amp; Surcharge</b>	<b>+</b>	<b>Fees</b>	<b>=</b>	<b>Total Bail*/Fees</b>
M	\$100	+	\$310	+	\$70	=	\$480
I	\$ 35	+	\$123	+	\$75	=	\$233

# EXCERPT FROM UBPS

TRAFFIC INFRACTION FIXED PENALTY SCHEDULE  
 (\*See Preface, Section III) (\*\*See Preface, Section IV)  
 (Vehicle Code)

Section	Notes	Offense	Base Fine/ Fee	State PA*	County PA**10	DNA PA*	Court PA**10	Surcharge*	EMS PA**10	EMAT PA* PA**10	Fine Surcharge & PA Subtotal	Court OPS	Court-Areas Night Court	TAP Fee	Total Bail **/Fee	Category	DMV Points
				10/10	7	5/10	5	20%	2	4		40	35	1	0		
24002	(a)	Unlawful to Operate Unsafe Vehicle-Safety Hazard	35	40	28	20	20	7	8	4	162	40	35	1	0	238	2a 1
24002	(b)	A Unlawful to Operate Vehicle Not Equipped as Provided	35	40	28	20	20	7	8	4	162	40	35	1	0	238	2a 1
24002	(b)	B Unlawful to Operate Vehicle Not Equipped as Provided	25	0	0	0	0	0	0	0	0	0	0	0	0	25	4a 0
24003	A	Vehicle With Unauthorized Lamps	25	30	21	15	15	5	6	4	121	40	35	1	0	197	1a 0
24003	B	Vehicle With Unauthorized Lamps	25	0	0	0	0	0	0	0	0	0	0	0	0	25	4a 0
24004		Unlawful Operation After Notice of Unsafe Condition	35	40	28	20	20	7	8	4	162	40	35	1	0	238	2a 1

# EXCERPT FROM UBPS

## TRAFFIC INFRACTI (\*See Preface, Secti

Section	Offense	Base Fine/ Fee	Night Court	TAP Fee	Total Bail **/Fee	Category	DMV Point
		5	1	0			
		5	1	0	238	2a	1
		5	1	0	238	2a	1
		0	0	0	25	4a	0
		5	1	0	197	1a	0
		0	0	0	25	4a	0
		5	1	0	238	2a	1
24002	(a) Unlawful to Operate Unsafe Vehicle-Safety Hazard	35					
24002	(b) Unlawful to Operate Vehicle Not Equipped as Provided	35					
24002	(b) Unlawful to Operate Vehicle Not Equipped as Provided	25					
24002	(b) Vehicle With Unauthorized Lamps	25					
24003	Vehicle With Unauthorized Lamps	25					
24003	Unlawful Operation After Notice of Unsafe Condition	35					
24004							

# EXCERPT FROM UBPS cont...

Base Fine/ Fee	State PA*	County PA*/10	DNA PA*	Court PA*/10	Surcharge/ 20%	EMS PA*/10	EMAT PA	fine Surcharge & PA Subtotal	Court OP*	Conv. Ass*	Night Cou*	TAP Fee	Total Bail **/Fee	Category	DMV Point
	10/10	7		5/10	5	20%	2	4	40	35	1	0			
35	40	28		20	20	7	8	4	162	40	35	1	0	238	2a 1
35	40	28		20	20	7	8	4	162	40	35	1	0	238	2a 1
25	0	0		0	0	0	0	0	0	0	0	0	0	25	4a 0
25	30	21		15	15	5	6	4	121	40	35	1	0	197	1a 0
25	0	0		0	0	0	0	0	0	0	0	0	0	25	4a 0
35	40	28		20	20	7	8	4	162	40	35	1	0	238	2a 1

Type	Code & Section	Formula	Use	Misc.
State penalty assessment "State PA"	Penal code § 1464	\$10 assessment for every \$10 or part of \$10 fine	State penalty fund, goes to law enforcement training, restitution fund, etc.	
County penalty assessment "County PA"	Gov Code § 76000	\$7 assessment for every \$10 or part of \$10 fine	County treasury	
County and state DNA funds penalty assessment "DNA PA"	Gov Code §§ 76104.6, 76104.7	\$5 assessment for every \$10 or part of \$10 fine	DNA identification	
State surcharge "State surcharge"	Penal code § 1465.7	20% of base fine	General fund	
Emergency medical services penalty assessment "EMS PA"	Gov Code § 76000.5	\$2 assessment for every \$10 or part of \$10 fine	County emergency medical services	
EMAT "EMAT PA"	Gov Code § 76000.10(c)(1)	\$4 assessment	Emergency medical air transport	
Court operations fee "Court ops"	Pen. Code § 1465.8	\$40	Court operations	
Criminal conviction assessment "Conv. Assess."	Gov Code § 70373	\$35	Maintain adequate funding for court facilities	
Night or weekend court fee "Night court"	Veh. Code § 42006	\$1	Night or weekend court program	Optional special assessment by court
Traffic assistance program "TAP fee"	Veh. Code § 11205.2(c)	Varies, but cannot exceed actual court cost of traffic assistance program	Traffic assistance program	Optional by court

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## ADDITIONAL RESOURCES

Judicial Council Reports:

<http://www.courts.ca.gov/jcmeetings.htm>

Judicial Council Bail Schedules:

<http://www.courts.ca.gov/7532.htm>

## CONTACTS

Any questions about bail and penalty schedules may be directed to:

- Jamie Schechter
  - Phone: (415) 865-5327
  - Email: [Jamie.Schechter@jud.ca.gov](mailto:Jamie.Schechter@jud.ca.gov)

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# **Questions?**

**(Evaluation)**

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# **The Futures Traffic Working Group**

**(FTWG)**

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## REPORT

In 2017, a report to the Chief Justice from the Commission on the Future of California's Court System (Futures Commission) recommended changes to:

*"improve access to justice, increase criminal court efficiency and effectiveness, and address the potentially disproportionate negative consequences of minor criminal violations."*

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## CHARGE

The Chief formed FTWG to develop a proposal to implement and evaluate a civil model for adjudication of minor vehicle infractions.

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## **A CIVIL MODEL**

- No criminal consequences (e.g., avoidance ≠ stiffer penalties)
- No civil assessments for FTA or FTP
- Judgements (including default judgements)

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## **MINOR VEHICLE VIOLATIONS**

- All Vehicle Code infractions (not just driving offenses)
- NOT misdemeanors (or felonies)

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## NEXT STEPS

- The FTWG has drafted a legislative proposal. It is currently out for public comment
- <https://www.courts.ca.gov/policyadmin-invitationstocomment.htm>

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## TIMELINE

Invitation of Comment	April 8 – July 8
FWTG Reviews comments	June 10 – August 2
Judicial Council Approval	Fall 2019
Introduced as legislation	2020

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## **IMPACT OF NEW LAW**

- Collections still required
- Distributions not likely impacted
- Potential for less money because no civil assessments and no criminal sanctions/penalties

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## **FTWG: MORE INFO**

To follow the work of the Futures Traffic Working Group, please visit:

<http://www.courts.ca.gov/37510.htm>

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[andi.liebenbaum@jud.ca.gov](mailto:andi.liebenbaum@jud.ca.gov)

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# Questions?

(Evaluation)

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## Collections Activities

- Summary: FY 2017-18 Statewide Collections Report
- Update: FY 2018-19 Reporting Requirement:
  - PC 1463.010
  - GC 68514
  - Performance Measures and Benchmarks
- Statewide Collections Master Agreement

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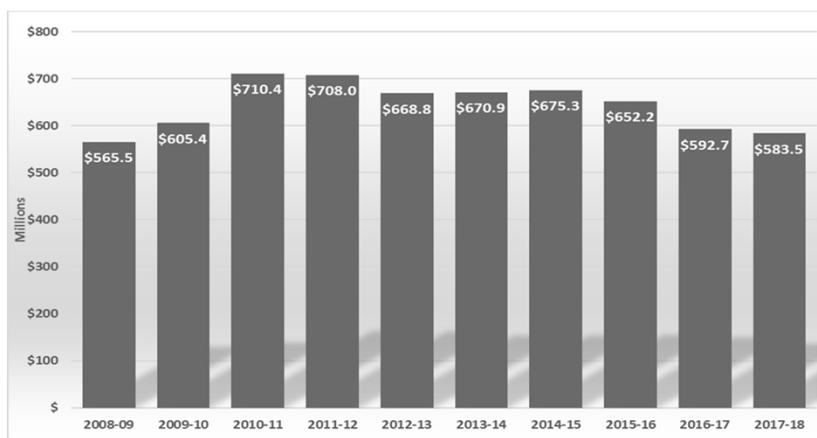
## Statewide Collections

FY 2017-18 totals:

- \$922M — non-delinquent revenue collected
- \$583M — delinquent revenue collected
- \$113M — operating costs recovered
- \$166M — uncollectible debt discharged
- \$465M — court-ordered adjustments
- **\$10.3B** — outstanding delinquent debt

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## Statewide Delinquent Court-Ordered Debt Collections since 2008–09



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## Reported Data Comparison

	July	Sept.	Change
Revenue:			
-Delinquent	\$458M	\$583M	+ <b>\$125M</b>
-Non delinquent	\$670M	\$922M	+ <b>\$252M</b>
Adjustments:	\$273M	\$465M	+ <b>\$192M</b>
Discharged debt:	\$128M	\$163M	+ <b>\$35M</b>

*Report on Statewide Collection of Delinquent Court-Ordered Debt for 2017-18:  
[www.courts.ca.gov/7466.htm](http://www.courts.ca.gov/7466.htm)*

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## Reporting Requirement: Two Reports

**Government Code section 68514:** Requires the Judicial Council to report to the Department of Finance and the Joint Legislative Budget Committee specified information on revenue collections associated with criminal fine and fees for misdemeanors and infractions, **by October 1.**

**Penal Code section 1463.010 (c):** Each superior court and county shall jointly report to the Judicial Council, as provided by the Judicial Council, information requested in a reporting template **on or before September 1.**

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## Benchmarks

- Penal Code section 1463.010 requirement
- Established in 2008-09:
  - Gross Recovery Rate, set at 34%
  - Success Rate, set at 31%
- Reevaluate in 2019-20

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## Due dates to remember:

GC 68514 information:

- On Collections Reporting Template (CRT) by July 16
- Report to Legislature due October 1

Other collections data, per PC 1463.010:

- CRT still due September 1
- Report to Legislature due December 31

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## **SAVE THE DATE! CRT WebEx Training**

Two sessions:

- June 4, 10:00 a.m. to 12:00 p.m.
- June 5, 2:00 to 4:00 p.m.

Questions? [collections@jud.ca.gov](mailto:collections@jud.ca.gov)

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## **Statewide Collections Master Agreements**

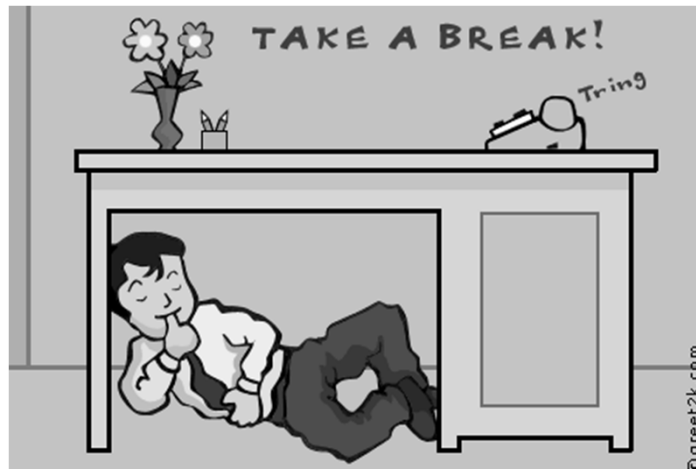
- New Master Agreements effective January 2019
- Agreements, User Instructions, Project Manager Contact List, and Pricing List posted here:  
<https://www.courts.ca.gov/partners/455.htm>

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# Questions? (Evaluation)

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STATE OF CALIFORNIA  
Franchise Tax Board

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**Revenue Distribution Training**  
An Overview of FTB's Non-Tax Debt Programs

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Rashan Anderson, Court-Ordered Debt Collection Program  
Alex Escobar, Interagency Intercept Collection Program

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April 2019



## Court-Ordered Debt (COD)

- Program Overview

## COD Objectives



- Background and Funding
- Program Eligibility and Enrollment
- How the Program Works
- Automated System Process
- Detailed Collection Cycle and Collection Notices
- Distribution of Funds
- Online Services
- Program Statistics and Case Highlights
- Keys to our Success and What's Ahead
- Program Support

## Background

- In 1994, the State Legislature authorized the FTB to collect delinquent court-ordered debt as a pilot program.
- In 2004, the Legislature made the program permanent and expanded it statewide. (California Revenue and Taxation Code Sections 19280–19282).

## Funding

- Funding is provided by the participating courts and agencies. These costs cannot exceed 15 percent of the amount COD collects on behalf of their clients.

## Program Eligibility

- State Agencies:
  - Any type of restitution orders and fines imposed by Juvenile or Superior Court of the State of California.
- Courts:
  - Any type of fines, state or local penalties, bail and forfeitures.
  - All offenses involving a violation of the Vehicle Code, and any amounts due pursuant to Section 903.1 of the Welfare and Institutions Code.

## Enrollment

- Memorandum of Understanding
- Onboarding
- Testing

## Debt Criteria

The following criteria must be met when submitting cases:

- Your case should be 90 days or more delinquent
- Minimum case balance must be \$25.00
- Minimum account balance due of \$100.00
- Must include your debtor's first and last name
- Must have either a social security number, date of birth, or drivers license number
- Addresses must be complete

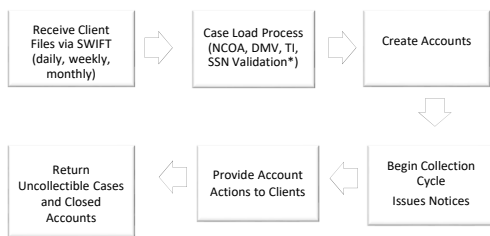
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## How the Program Works

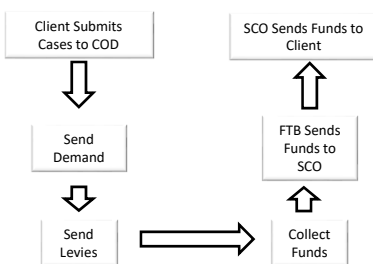
- Validate Information
- Create a COD account
- Begin the collection cycle
  - Demand Notice
  - Wage Garnishment
  - Bank Levy
- We will return the case if:
  - We are unable to locate a good SSN
  - Case is deemed uncollectable

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## Automated System Process



## Detailed Collection Cycle



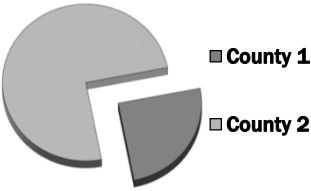
## Collection Notices

Demand	<ul style="list-style-type: none"><li>• Only notice sent to the debtor's last valid address</li></ul>
Installments	<ul style="list-style-type: none"><li>• Payment arrangements made per debtor's financial status</li></ul>
EWO or COTW	<ul style="list-style-type: none"><li>• Levy sent to debtor's employer or contractor for self employed</li></ul>
OTW	<ul style="list-style-type: none"><li>• Levy sent to the debtor's financial institution</li></ul>
Levy Modification	<ul style="list-style-type: none"><li>• Modify terms, reduce balance, delay or withdraw actions</li></ul>

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## Distribution of Funds

**Payments collected are pro-rated**  
If a debtor has multiple cases with you, or cases in addition to yours with another county, the money is prorated and disbursed among all cases with the largest case balance receiving the largest portion.



County	Relative Portion
County 1	Large
County 2	Small

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## Aged Case Recall Process

- **Case is returned to client if no activity for up to 24 months**
- **COD will return the case sooner if:**
  - Case is deemed uncollectable
  - Client withdraws the case
  - Event related activity

**Online Services**

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**My Court-Ordered Debt (COD) Account**

[Español](#)

**My COD Account**

- View your balance due.
- View your last 25 payments.
- Make a payment.
- Complete an Installment Agreement request if you are unable to pay in full.

**Log in**

You will need your:

- Billing Number (Demand for Payment or Installment Agreement)
- Last Name
- Social Security Number

**Time limit**

- You will receive a two-minute warning and an option to continue your session.
- You will automatically be logged out after 20 minutes of inactivity.

**MyFTB**  
Learn more

- Program Overview
- Payment Options
- Withholding Calculator
- My COD Account
- FAQs - Debtor
- Representative Seeking Account Information
- Earnings Withholding Order - Employer Info
- Record Layout
- Contact Info

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**2017-2018 Fiscal Year Collection Totals**

<i>Case Inventory</i>		<i>Collection Notices</i>	
Beginning Inventory	1,111,685	Demand Notices	841,081
Accepted Cases	501,890	Installment Agreements	69,869
Withdrawn Cases	74,859	Bank Levies	375,463
Returned Cases	485,872	Wage Garnishments	1,287,262
Ending Inventory	1,761,783	<b>Total Collection Activities</b>	<b>2,581,725</b>

## Case Highlight

- Client: *SANTA BARBARA PROBATION DEPARTMENT*
- Balance due: \$19,737.11
- Agent received a call from a debtor who was embarrassed after he received a wage garnishment. The agent explained that we will collect through his employer unless he pays in full. Debtor made a \$19,737.11 payment immediately and the case was closed.

## Case Highlight

- Client: *SACRAMENTO COUNTY DEPARTMENT OF REVENUE*
- Balance due: \$86,064.99
- Case received July 2007 but returned in January 2010 after we were unable to locate assets. The case was then resubmitted December 2013 and a bank levy was issued. The bank levy captured \$86,064.99 and paid the account in full. The debtor never contacted the client or our department regarding the collection action.

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## Keys to our Success

- Experienced Contact Center Staff
- Client Services Staff
- IT Help Desk
- Interactive Voice Response
- Web Services

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## What's Ahead

- Interactive Voice Response(IVR)  
Skip Payment and Bill Delay
- Non-Tax Debt Collection System
- Best Address

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## Program Support

### Court-Ordered Debt Client Services

Phone: 916.845.7503

Email:

[CODClientServices@ftb.ca.gov](mailto:CODClientServices@ftb.ca.gov)

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# Questions?

## (Evaluation)

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Franchise Tax Board

## Collection Reporting Template (CRT) Assistance

Rashan Anderson, Court-Ordered Debt Collection Program

April 2019

## History

- In July 2018, previous program manager Carrie Deterding prepared a spreadsheet for each of our clients in order to help them complete the CRT for the first time. This was offered as one time service to our clients.
- With the level of effort needed and due to limited resources, we will not be able to provide this as a recurring process.
- Figures on the spreadsheet are located on our fiscal year-end FTB Monthly Report.

## CRT Assistance Guide

### 2017/18 Calculation to Separate Current From Prior Year Data

<b>County</b>	Alameda Central Collections		
Cases 12 months or less:	61.0%		
Cases 12 months or greater:	39.0%		
<b>Case Inventory:</b>	<b>Current Year</b>	<b>Prior Year</b>	<b>Total</b>
Volume (Column B & M)	32,304	20,654	52,958
Value (Column C & N)	\$16,370,669	\$10,466,493	\$26,837,162
<b>Payment Summary:</b>	<b>Current Year</b>	<b>Prior Year</b>	<b>Total</b>
# of Case Payments (Column D & O)	51,220	32,747	83,967
Value of Case Payments (Column E & P)	\$1,534,977	\$981,379	\$2,516,356
Cost of Collections (15%) (Column F & Q)	\$230,247	\$147,207	\$377,453
<b>Value of Cases on Installment Agreements (Column J &amp; U):</b>	<b>Current Year</b>	<b>Prior Year</b>	<b>Total</b>
	\$157,971	\$100,998	\$258,969
<b>Defaulted Installment Agreements (Column K &amp; V):</b>	Unavailable		

## Collection Reporting Template

Select court county (see Contact Information worksheet#1)

REPORTING PERIOD	Col. A
1. Reporting Date/First day of Reporting Period	2/1/2017
2. Reporting Date/Last day of Reporting Period	2/28/17

CURRENT PERIOD: PAID, FEEL, FORFEITURES, PENALTIES AND ASSESSMENTS											
Program	Number of Cases Received/Transferred	Value of Cases Received/Transferred	Number of Cases with Payments Received (Items 1 and 2)	Gross Revenue Collected	Cost of Collections (Perf. Cost 162.80)	Adjustment Amount satisfied by Court-ordered Support, Criminal or Alternative Sentence (Item 2)	Discharge from accountability (Item 3)	Change in Value (Col. C - E - G - H)	Value of Cases on Installment Agreement (Item 5)	Default Balances Installment Agreement (Item 6)	Percentage of Debt Collected On (installment Agmt.) (Col. K / Col. J)
Program	Col. B	Col. C	Col. D	Col. E	Col. F	Col. G	Col. H	Col. I	Col. J	Col. K	Col. L
01. Non-Defaulted Collections											
02. Court Collection Program											
03. Court Collection Program											
04. Public Agency											
05. PFD Court-Ordered Debt											
06. Installment Program											
07. Other											
08. Non-Tax Delinquent											

PRIOR PERIODS: HISTORY: PAID, FEEL, FORFEITURES, PENALTIES AND ASSESSMENTS											
Program	Number of Cases Received/Transferred (Ending Balance from Prior Year)	Value of Cases Received/Transferred (Ending Balance from Prior Year)	Number of Cases with Payments Received	Gross Revenue Collected	Cost of Collections (Perf. Cost 162.80)	Adjustment Amount satisfied by Court-ordered Support, Criminal or Alternative Sentence (Item 2)	Discharge from accountability (Item 3)	Change in Value (Col. M - P - R - S)	Value of Cases on Installment Agreement (Ending Balance from Prior Year)	Default Balances Installment Agreement	Percentage of Debt Collected On (installment Agmt.) (Col. V / Col. U)
Program	Col. M	Col. N	Col. O	Col. P	Col. Q	Col. R	Col. S	Col. T	Col. U	Col. V	Col. W
01. Non-Defaulted Collections											
02. Court Collection Program											
03. Court Collection Program											
04. Public Agency											
05. PFD Court-Ordered Debt											
06. Installment Program											
07. Other											
08. Non-Tax Delinquent											

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## FTB Monthly Report

### FRANCHISE TAX BOARD COURT ORDERED DEBT COLLECTIONS ALAMEDA COUNTY CENTRAL COLLECTIONS

June, 2018

Fiscal YTD July 2017 - June 2018

#### Case Inventory Summary

	Volume	Value
Received New Cases	16,067	
Accepted	13,488	\$ 6,005,214.27
Rejected	2,579	
Withdrawn Cases	66	\$ 34,455.00
Returned Cases	1,060	\$ 267,062.25
<b>Net Inventory Change</b>	<b>12,359</b>	

#### Case Inventory Summary

	Volume	Value
Received New Cases	39,206	
Accepted	32,897	\$ 16,376,717.63
Rejected	6,309	
Withdrawn Cases	357	\$ 212,433.33
Returned Cases	18,140	\$ 7,004,959.48
<b>Net Inventory Change</b>	<b>14,400</b>	

#### Collection Action Summary

	Volume
Demand for Payment Notices	12,964
Installment Agreements	242
Bank Levies	1,614
Wage Levies	2,842
Miscellaneous Levies	17
<b>Total</b>	<b>17,379</b>

#### Collection Action Summary

	Volume
Demand for Payment Notices	40,732
Installment Agreements	2,483
Bank Levies	14,041
Wage Levies	46,624
Miscellaneous Levies	272
<b>Total</b>	<b>104,152</b>

#### Payment Summary

	Volume	Value
Demands for Payment	171	\$ 6,729.37
Installment Agreements	605	\$ 18,189.01
Bank Levies	561	\$ 25,395.60
Wage Levies	4,782	\$ 125,809.69
Miscellaneous Levies	5	\$ 142.19
Dishonored Payments	0	\$ 0
<b>Total</b>	<b>6,324</b>	<b>\$ 178,259.86</b>

#### Payment Summary

	Volume	Value
Demands for Payment	2,566	\$ 207,168.22
Installment Agreements	11,822	\$ 259,969.17
Bank Levies	2,971	\$ 292,018.78
Wage Levies	66,484	\$ 1,751,457.22
Miscellaneous Levies	122	\$ 6,687.49
Dishonored Payments	2	\$ 25.00
<b>Total</b>	<b>83,967</b>	<b>\$ 2,516,355.88</b>

Case Balance	Case Count	Cases Sum	%
\$0 - \$500	40,781	\$ 6,098,232.79	77.0 %
\$501 - \$1000	5,009	\$ 3,427,078.21	9.5 %
\$1001 - \$5000	6,848	\$ 12,273,481.78	12.9 %
> \$5000	320	\$ 2,038,369.52	0.8 %
<b>Total</b>	<b>52,958</b>	<b>\$ 26,837,162.30</b>	<b>100 %</b>

Case Age	Case Count	Cases Sum	%
0 - 6 Months	21,438	\$ 10,905,004.35	40.6 %
7 - 12 Months	10,832	\$ 5,007,808.32	20.5 %
13 - 48 Months	15,561	\$ 8,151,128.78	29.4 %
> 48 Months	5,127	\$ 2,773,220.85	9.7 %
<b>Total</b>	<b>52,958</b>	<b>\$ 26,837,162.30</b>	<b>100 %</b>

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# Where do you Start?

Report captures numbers at specific time and may not be current.  
Use the percentages to calculate the figures.

FRANCHISE TAX BOARD COUNTY CREDITED DEBT COLLECTIONS ALAMEDA COUNTY CENTRAL COLLECTIONS					
June 2018			Fiscal YTD July 2017 - June 2018		
Case Inventory Summary			Case Inventory Summary		
	Volume	Value		Volume	Value
Received New Cases	10,007		39,206		
Accepted	13,488	\$ 6,005,214.27	32,897	\$ 16,376,717.03	
Rejected	2,879		6,309		
Withdrawn Cases			387	\$ 212,433.33	
Returned Cases			8,140	\$ 7,004,050.48	
Net Inventory			4,952		
Case Age	Case Count	Cases Sum	%		
0 - 6 Months	21,438	\$ 10,905,004.35	40.6 %	max	
Demand for Paym				0.732	
Installment Agree				2,483	
Bank Levies	7 - 12 Months	10,832	\$ 5,007,808.32	20.6 %	4,641
Wage Levies				6,524	
Miscellaneous Lev	13 - 48 Months	15,561	\$ 8,151,128.78	29.4 %	272
Total	> 48 Months	5,127	\$ 2,773,220.85	9.7 %	4,952
<b>Total</b>	<b>52,958</b>	<b>\$ 26,837,162.30</b>	<b>100 %</b>		
Demands for Paym				2,598	\$ 207,198.22
Installment Agree				1,822	\$ 288,058.17
Bank Levies	561	\$ 25,365.60	Bank Levies	2,871	\$ 292,018.78
Wage Levies	4,782	\$ 128,859.89	Wage Levies	68,484	\$ 1,751,487.22
Miscellaneous Levies	0	\$ 142.19	Miscellaneous Levies	122	\$ 6,087.46
Discontinued Payments	0	\$ 0	Discontinued Payments	2	\$ 25.00
Total	6,324	\$ 178,359.68	Total	83,967	\$ 2,814,395.88
Case Balance	Case Count	Cases Sum	%		
\$0 - \$500	40,781	\$ 9,098,232.79	77.0 %		
\$501 - \$1000	5,006	\$ 3,427,078.21	12.8 %		
\$1001 - \$5000	6,848	\$ 12,273,481.78	12.9 %		
> \$5000	323	\$ 2,038,369.52	0.8 %		
Total	52,958	\$ 26,837,162.30	100 %		

Current Year  
40.5% + 20.5% = 61%

Prior Year  
29.4% + 9.7% = 39%

# Case Inventory

- Percentage of current year (61%) multiplied by total case count (52,958) = 32,304
- Percentage of prior year (39%) multiplied by total case count (52,958) = 20,654
- Percentage of current year (61%) multiplied by total cases sum (\$26,837,162.30) = \$16,370,669
- Percentage of prior year (39%) multiplied by total case sum (\$26,837,162.30) = \$10,466,493

Case Inventory:	Current Year	Prior Year	Total
Volume (Column B & M)	32,304	20,654	52,958
Value (Column C & N)	\$16,370,669	\$10,466,493	\$26,837,162

Case Age	Case Count	Cases Sum	%
0 - 6 Months	21,438	\$ 10,905,004.35	40.5 %
7 - 12 Months	10,832	\$ 5,007,808.32	20.5 %
13 - 48 Months	15,561	\$ 8,151,128.78	29.4 %
> 48 Months	5,127	\$ 2,773,220.85	9.7 %
<b>Total</b>	<b>52,958</b>	<b>\$ 26,837,162.30</b>	<b>100 %</b>

FRANCHISE TAX BOARD COUNTY CREDITED DEBT COLLECTIONS ALAMEDA COUNTY CENTRAL COLLECTIONS						
June 2018			Fiscal YTD July 2017 - June 2018			
Case Inventory Summary			Case Inventory Summary			
	Volume	Value		Volume	Value	
Received New Cases	10,007		39,206			
Accepted	13,488	\$ 6,005,214.27	32,897	\$ 16,376,717.03		
Rejected	2,879		6,309			
Withdrawn Cases			387	\$ 212,433.33		
Returned Cases			8,140	\$ 7,004,050.48		
Net Inventory Change	4,952		4,952			
Collection Action Summary	Volume	Value	Collection Action Summary	Volume	Value	
Demands for Payment	12,894		Demands for Payment	40,722		
Installment Agreements	2,871		Installment Agreements	2,483		
Bank Levies	561	\$ 25,365.60	Bank Levies	2,871	\$ 292,018.78	
Wage Levies	4,782	\$ 128,859.89	Wage Levies	68,484	\$ 1,751,487.22	
Miscellaneous Levies	0	\$ 142.19	Miscellaneous Levies	122	\$ 6,087.46	
Discontinued Payments	0	\$ 0	Discontinued Payments	2	\$ 25.00	
Total	18,328	\$ 178,359.68	Total	114,662	\$ 2,048,638.46	
Case Balance	Case Count	Cases Sum	%	Case Count	Cases Sum	%
\$0 - \$500	40,781	\$ 9,098,232.79	77.0 %	21,440	\$ 10,925,004.35	60.9 %
\$501 - \$1000	5,006	\$ 3,427,078.21	12.8 %	5,006	\$ 3,427,078.21	12.8 %
\$1001 - \$5000	6,848	\$ 12,273,481.78	12.9 %	10,832	\$ 5,007,808.32	20.6 %
> \$5000	323	\$ 2,038,369.52	0.8 %	5,127	\$ 2,773,220.85	9.7 %
Total	52,958	\$ 26,837,162.30	100 %	42,405	\$ 21,133,111.53	78.8 %



## Payment Summary

- Percentage of current year (61%) multiplied by payment summary volume total (83,967) = 51,220
- Percentage of prior year (39%) multiplied by payment summary volume total (83,967) = 32,747
- Percentage of current year (61%) multiplied by payment summary value total (2,516,355.88) = \$1,534,977.00
- Percentage of prior year (39%) multiplied by payment summary value total (2,516,355.88) = \$981,379.00

Payment Summary:	Current Year	Prior Year	Total
# of Case Payments (Column D & O)	51,220	32,747	83,967
Value of Case Payments (Column E & P)	\$1,534,977	\$981,379	\$2,516,356
Cost of Collections (15%) (Column F & Q)	\$230,247	\$147,207	\$377,453

Payment Summary		
	Volume	Value
Demands for Payment	2,566	\$ 207,198.22
Installment Agreements	11,822	\$ 258,969.17
Bank Levies	2,971	\$ 292,018.78
Wage Levies	66,484	\$ 1,751,457.22
Miscellaneous Levies	122	\$ 6,687.49
Dishonored Payments	2	\$ 25.00
<b>Total</b>	<b>83,967</b>	<b>\$ 2,516,355.88</b>

FRANCHISE TAX BOARD  
COUNTY OF HENRIE DEBT COLLECTION DIVISION  
ALABAMA LOANER CENTRAL COLLECTIONS

June 2018 Fiscal YTD July 2017 - June 2018

Case Inventory Summary				Case Inventory Summary			
Received New Cases	Volume	Value	Received New Cases	Volume	Value	Received New Cases	Volume
Assigned	10,000	\$ 1,000,000.00	Assigned	10,000	\$ 1,000,000.00	Assigned	10,000
Completed	2,500	\$ 250,000.00	Completed	2,500	\$ 250,000.00	Completed	2,500
Withdrawn Cases	100	\$ 10,000.00	Withdrawn Cases	100	\$ 10,000.00	Withdrawn Cases	100
Returned Cases	1,500	\$ 150,000.00	Returned Cases	1,500	\$ 150,000.00	Returned Cases	1,500
<b>Net Outstanding Change</b>	<b>10,000</b>	<b>\$ 1,000,000.00</b>	<b>Net Outstanding Change</b>	<b>10,000</b>	<b>\$ 1,000,000.00</b>	<b>Net Outstanding Change</b>	<b>10,000</b>

Collection Action Summary				Collection Action Summary			
Demand for Payment Notices	Volume	Value	Demand for Payment Notices	Volume	Value	Demand for Payment Notices	Volume
Assigned	10,000	\$ 1,000,000.00	Assigned	10,000	\$ 1,000,000.00	Assigned	10,000
Completed	2,500	\$ 250,000.00	Completed	2,500	\$ 250,000.00	Completed	2,500
Withdrawn	100	\$ 10,000.00	Withdrawn	100	\$ 10,000.00	Withdrawn	100
Returned	1,500	\$ 150,000.00	Returned	1,500	\$ 150,000.00	Returned	1,500
<b>Total</b>	<b>10,000</b>	<b>\$ 1,000,000.00</b>	<b>Total</b>	<b>10,000</b>	<b>\$ 1,000,000.00</b>	<b>Total</b>	<b>10,000</b>

Payment Summary				Payment Summary			
Demands for Payment	Volume	Value	Demands for Payment	Volume	Value	Demands for Payment	Volume
Assigned	10,000	\$ 1,000,000.00	Assigned	10,000	\$ 1,000,000.00	Assigned	10,000
Completed	2,500	\$ 250,000.00	Completed	2,500	\$ 250,000.00	Completed	2,500
Withdrawn	100	\$ 10,000.00	Withdrawn	100	\$ 10,000.00	Withdrawn	100
Returned	1,500	\$ 150,000.00	Returned	1,500	\$ 150,000.00	Returned	1,500
<b>Total</b>	<b>10,000</b>	<b>\$ 1,000,000.00</b>	<b>Total</b>	<b>10,000</b>	<b>\$ 1,000,000.00</b>	<b>Total</b>	<b>10,000</b>

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## Cost of Collections

15% of the previously calculated Value of Case Payments

Payment Summary:	Current Year	Prior Year	Total
# of Case Payments (Column D & O)	51,220	32,747	83,967
Value of Case Payments (Column E & P)	\$1,534,977	\$981,379	\$2,516,356
Cost of Collections (15%) (Column F & Q)	\$230,247	\$147,207	\$377,453

15% x Current Year (\$1,534,977) = \$230,247

15% x Prior Year (\$981,379) = \$147,207

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## Value of Cases on Installment Agreements

- Percentage of current year (61%) multiplied by payment summary Installment Agreement value total (258,969.17) = \$157,971
- Percentage of prior year (39%) multiplied by payment summary Installment Agreement value total (258,969.17) = \$100,998

Value of Cases on Installment Agreements (Column J & U):	Current Year	Prior Year	Total
	\$157,971	\$100,998	\$258,969

### Payment Summary

	Volume		Value
Demands for Payment	2,566	\$	207,198.22
Installment Agreements	11,822	\$	258,969.17
Bank Levies	2,971	\$	292,018.78
Wage Levies	66,484	\$	1,751,457.22
Miscellaneous Levies	122	\$	6,687.49
Dishonored Payments	2	\$	25.00
<b>Total</b>	<b>83,967</b>	<b>\$</b>	<b>2,516,355.88</b>

Non-Tax Debt Collection | Franchise Tax Board 131

**Questions?**  
**(Evaluation)**



## Interagency Intercept Collections (IIC)

### Program Overview

## IIC Objectives



- Background
- 2018 Program Statistics
- Program Eligibility
- How the Program Works
- Program Benefits & Cost
- How to Participate
- What's Ahead and Program Support

## Background

- Began in 1975.
- Authorized by Govt. Code Sections 12419.2-3, 12419.5, 12419.7-12.
- Administered by FTB on behalf of the State Controller’s Office (SCO).
  
- Types of intercepted payments:
  - Personal Income Tax Refunds
  - Lottery Winnings
  - Unclaimed Property Disbursements

## 2018 Program Statistics

2018 Participation Year Collection Totals

Intercept Source	Intercepts	Redirected Revenue
Personal Income Tax	996,824	\$370,693,706
Lottery Winnings	5,882	\$4,703,094
Unclaimed Property	41,890	\$9,192,787
<b>Total Intercepted</b>	<b>1,044,596</b>	<b>\$384,589,587</b>

Calls Received	50,086
Calls Answered	41,390
Level of Access	83%
Number of Staff*	5

\*12 additional staff hired for 2019



## Program Eligibility

- **State agencies**

Any type of debt.

- **Counties and cities**

Property taxes, delinquent fines, bails, and other permitted debts.

- **California colleges**

Delinquent registration, tuition, bad check fees, and other permitted debts.

- **Special districts**

Water bills, waste disposal fees, and fire inspection fees.

Non-Tax Debt Collection | Franchise Tax Board 137

## How the Program Works

- Participating agencies submit debtor accounts via Secure Web Internet File Transfer.

- **Debt Criteria:**

- Debt type qualifies under the Intercept Program authority.
  - 30 days have passed since the Pre-Intercept Notice has been mailed.
  - Debt amount is at least \$10.
  - Debtor is not in an active bankruptcy.
  - Debtor has a valid social security number.
  - There is one sum total debt amount for each debtor.
- We flag accounts with an offset indicator.
  - When an offset takes place, we will mail the debtor a notice.

Non-Tax Debt Collection | Franchise Tax Board 138

## Notice to Debtors

### Notice of Intercepted Funds (Various FTB 4141 forms)

- Debtor's account number with the agency.
- Agency's public contact information.
- Original payment amount.
- Offset amount.
- Remaining refund amount.
- Government code authorizing the Intercept Program.
- New in 2018 – IIC phone number

Non-Tax Debt Collection | Franchise Tax Board 139

## Program Benefits & Cost

### **Benefits**

- Additional revenue source
- Low cost collection alternative
- Differ from other collection services

### **Cost**

- Approximately \$2.25 per offset, fee varies each year.
- SCO charges a fee to reimburse the administrative costs of the program.
- SCO will send bill in April/May for each successful intercept

Non-Tax Debt Collection | Franchise Tax Board 140

## How to Participate

### **Apply with SCO**

Initial Request to Participate (FTB 2282 PC)

### **Participate with FTB**

1. Intent to Participate (FTB 2280 PC)
2. Vendor/Contractor Confidentiality Statement (FTB 7904)
3. Copy of your Pre-Intercept Notice

Non-Tax Debt Collection | Franchise Tax Board 141

## Annual Timeline

### **September**

- Submit all forms.
- You must mail all pre-notices to debtors.

### **November**

- Submit the annual load file to FTB.

### **December**

- FTB purges all current year accounts mid month.
- FTB loads all new annual accounts by end of month.

### **May**

- SCO bills all participants for prior year services.

Non-Tax Debt Collection | Franchise Tax Board 142

## Your Role and Responsibility

- Modify accounts when balances change.
- Refund debtors any overpayments.
- Provide timely customer service to debtors.
- Pay the annual Intercept Program service fee.
- Follow the confidentiality guidelines.
- Recognize that unauthorized disclosure of confidential information is a crime.

Non-Tax Debt Collection | Franchise Tax Board 143

## Reports

### Weekly Offset Reports

Separate reports for each payment type:

- Tax refunds
- Lottery winnings
- Unclaimed property

If there is no offset activity, we will not generate a report.

Non-Tax Debt Collection | Franchise Tax Board 144



## Case Highlight

Tax Balance due: \$77,200

- In June 2018, the debtor submitted a winning lottery scratcher in the amount of \$210,000 to the CA Lottery. The debtor's net winnings were \$91,200. The debtor had a balance due with FTB. The lottery winnings were applied to the debt and the debtor ultimately received a refund of \$14k.

Non-Tax Debt Collection | Franchise Tax Board 145

## What's Ahead

- **ID Lookup (expanded pilot)**
  - Allows agencies to submit debts without SSN
  - Currently a pilot with one agency
  - Plan to bring on additional agencies once process is worked out
- **New Agency Codes**
  - Expanding to a 5 digit code for all agencies
  - Impact to record layouts, file name, and SWIFT folder
  - More communication to come

Non-Tax Debt Collection | Franchise Tax Board 146

## What's Ahead Continued

- Ability to suspend intercepts
  - Non-compliance with IIC participation requirements
- Annual Load Fallout sent via SWIFT
  - Will no longer send CDs with encryption codes
  - Fallout records will be sent via SWIFT

Non-Tax Debt Collection | Franchise Tax Board 147

## Program Support Contacts

Program staff can:

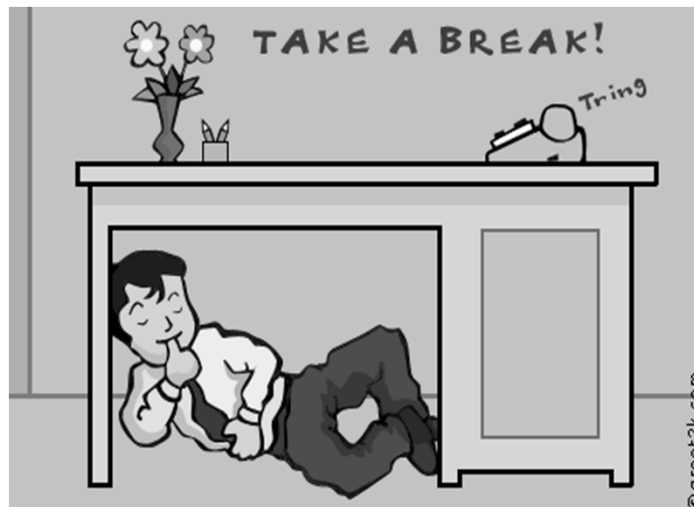
- Help your staff answer debtor questions.
- Provide copies of missing reports.
- Help you reconcile your weekly reports and payments.
- Register you for SWIFT.
- Answer your billing questions.

Liaison Phone: 916.845.5344  
**NEW** Call Center Phone: 1.866.563.2375  
Fax: 916.843.2460  
Email: [IICgroupIncoming@ftb.ca.gov](mailto:IICgroupIncoming@ftb.ca.gov)

Non-Tax Debt Collection | Franchise Tax Board 148

# Questions? (Evaluation)

149



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# Trial Court Revenue Distribution Training Spring 2019



**BETTY T. YEE**  
California State Controller

## Introduction

### **Trial Court Revenue Distribution Guidelines**

- Don Lowrie, Policy Analyst
- Alexandria Green, Policy Analyst

### **TC-31 Forms**

- Marieta Delfin, Supervisor
- Wendy Cutajar, Tax Accounting Specialist

### **Common Audit Findings**

- Christopher Ryan, Audit Manager

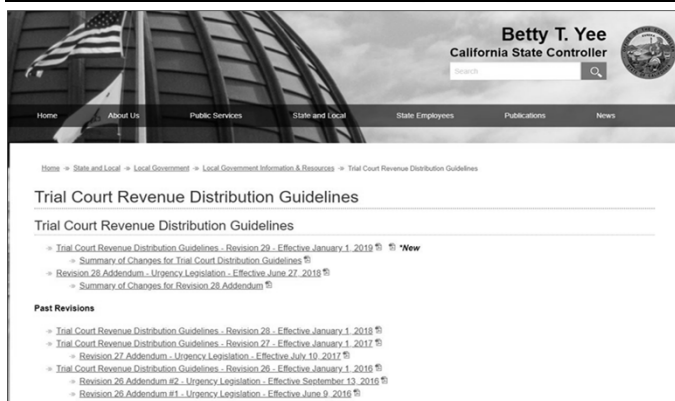
If you have any questions related to trial court revenue distribution, please email [LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov).

## Overview of SCO Guidance

- Our Website
- Overview of the *Trial Court Revenue Distribution Guidelines*
- Research and Using the *Guidelines*
- Updates to the *Guidelines*
- TC-31s

## SCO Trial Court Website

The Trial Court Revenue Distribution Guidelines can be found at:  
[http://www.sco.ca.gov/ard\\_trialcourt\\_manual\\_guidelines.html](http://www.sco.ca.gov/ard_trialcourt_manual_guidelines.html)



# Trial Court Revenue Distribution Guidelines

State of California  
**Trial Court Revenue  
Distribution Guidelines**  
Revision 29  
*Updated as of January 1, 2019*



BETTY T. YEE  
California State Controller's Office

The **Trial Court Revenue Distribution Guidelines** provide direction on the distribution of fees, fines, forfeitures, penalties, and assessments resulting from criminal and civil violations. (*Government Code §71380*)

## Types of Trial Court Revenue

**Fees** – a sum paid or charged for a service

**Fines** – a sum imposed as punishment

**Forfeitures** – the loss of property or money through seizure

**Penalties/Assessments** – a sum imposed as punishment in addition to a fine

## Standard Criminal/Traffic Fine Equation

$$\begin{aligned}
 &\text{Base Fine + Base Fine Enhancements} \\
 &= \\
 &\quad \textbf{Total Base Fine} \\
 &+ \\
 &\text{Penalties (State, Local, EMS, DNA, Construction, etc.)} \\
 &+ \\
 &\quad \text{State Surcharge} \\
 &+ \\
 &\quad \text{Fees and Assessments} \\
 &= \\
 &\quad \textbf{Total Bail or Fine}
 \end{aligned}$$

## Fines, Penalties, and Assessments: Part I

Base fines are typically increased by the following:

**State Penalty:** \$10 for every \$10\*

**Local Penalty:** Up to \$7 for every \$10\*

**EMS Additional Penalty:** \$2 for every \$10\*

**State & Local DNA Penalties:** \$5 for every \$10\*

**State Court Facilities Construction Penalty:** \$5 for every \$10\*

*\*(or portion thereof – round UP)*

In other words, up to **\$29 for every \$10** in base fine (or portion thereof) is added, plus **State Surcharge** (20% of the base fine).

These penalties apply to all criminal fines unless otherwise specified.

## Fines, Penalties, and Assessments: Part II

All criminal convictions are subject to:

**Criminal Conviction Assessment:** (\$35/infractions; \$30/felonies and misdemeanors)

**Court Operations Assessment:** (\$40)

Vehicle Code convictions are subject to:

**Emergency Medical Air Transportation Penalty:** \$4

These apply only to convictions. They do **not** apply to offenses adjudicated in juvenile proceedings, unlike the penalty assessments on the previous slide.

## Sample Traffic Fine: Vehicle Code §24400(b)

“A motor vehicle, other than a motorcycle, shall be operated during darkness, or inclement weather, or both, with at least two lighted headlamps...”

<b>Base Fine:</b>	<b>\$ 35</b>
State Penalty (\$10 x 4):	\$40
Local Penalty (\$7 x 4):	\$28
DNA Penalties (\$5 x 4):	\$20
Court Construction Penalty (\$5 x 4):	\$20
EMS Penalty (\$2 x 4):	\$ 8
<b>Total Penalties:</b>	<b>\$116</b>
<b>State Surcharge</b> (\$35 x 20%):	<b>\$ 7</b>
Criminal Conviction Assessment:	\$35
Court Operations Assessment:	\$40
EMAT Penalty:	\$ 4
<b>Total Assessments:</b>	<b>\$ 79</b>
<b>TOTAL BAIL/FINE:</b>	<b>\$237</b>



## Distribution of Trial Court Revenue

**PC §1463.001** tells how the collected fines, penalties, service charges, and allocations are distributed each month:

1. Penalties and assessments added to base fines are distributed to the proper funds, according to law.
2. Unless specified, base fines are distributed as follows:
  - County arrests** are distributed 100% to **county**.
  - City arrests** are split between **city and county** pursuant to **PC §1463.002**.
3. Base fines **with** a specified distribution are allocated to the proper funds, as described in the Guidelines.

## Penal Code §1463.002

**PC §1463.002:**

“The base fine amounts from city arrests shall be subject to distribution according to the following schedule:”

Sacramento	
Folsom .....	31
Galt .....	25
Isleton .....	13
North Sacramento .....	10
Sacramento .....	21
County percentage .....	26

Note that these percentages represent the **county’s** share of the base fine. For cities and other local agencies not listed, the “County percentage” is used.

For example, the base fine resulting from an arrest by the Citrus Heights Police Department would be split 26% to Sacramento County and 74% to the City of Citrus Heights.

## Research: Four Steps

**Question:**

What was that law you mentioned about having your headlamps on when it's dark and stormy outside (VC 24400)?

**Step One:** Search the Guidelines using keywords or the code section to find the distribution.

(VC 24400, headlamps, darkness, rain, etc.)

**Step Two:** Confirm current law at <http://leginfo.legislature.ca.gov>.

**Step Three:** Check the online FAQs at

[http://www.sco.ca.gov/ard\\_trialcourt\\_manual\\_guidelines.html](http://www.sco.ca.gov/ard_trialcourt_manual_guidelines.html).

**Step Four:** Contact us at [LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov).

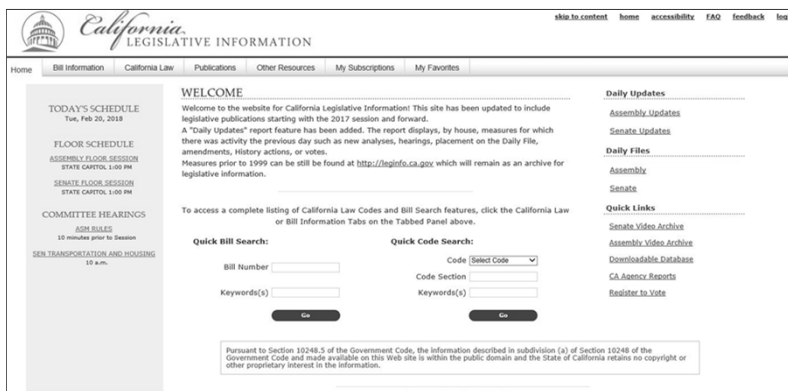
## Research: Using the Guidelines

The Guidelines can be accessed in electronic format, either by going to our website or by downloading the PDF document onto your desktop. Use CTRL+F to open a search box and research your question using key words.

The Guidelines can also be printed out in hardcopy format and stored in a handy binder. The Table of Contents will point you to the various types of court revenue, and the Index in the back of the document lists each entry by Code and section number.

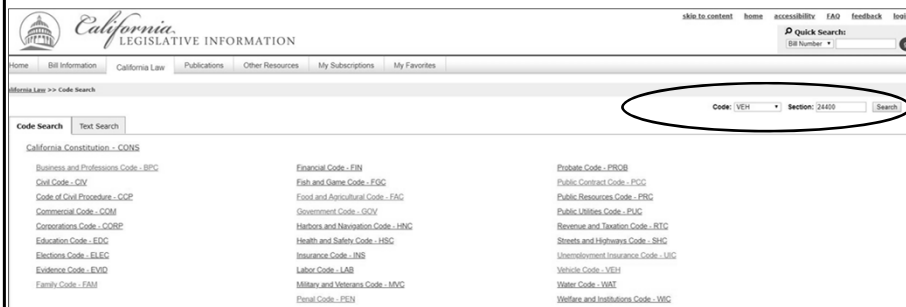
# Legislative Information: LegInfo

LegInfo, the free website for California laws and bills, can be found at: <https://leginfo.legislature.ca.gov/>



# LegInfo: Researching the Codes

LegInfo allows one to enter a specific code section directly, or browse through one of California's 29 codes.



## LegInfo: Viewing the Codes

Here is Vehicle Code §24400 for your viewing pleasure.

Code: VEH Section: 24400 Search

Code Search Text Search

<< Previous Next >> cross-reference chaptered bills PDF Add To My Favorites

VEHICLE CODE - VEH  
 DIVISION 12. EQUIPMENT OF VEHICLES [24000 - 29160] ( Division 12 enacted by Stats. 1959, Ch. 3. )  
 CHAPTER 2. Lighting Equipment [24250 - 26100] ( Chapter 2 enacted by Stats. 1959, Ch. 3. )  
 ARTICLE 2. Headlamps and Auxiliary Lamps [24400 - 24411] ( Article 2 enacted by Stats. 1959, Ch. 3. )

**24400.** (a) A motor vehicle, other than a motorcycle, shall be equipped with at least two headlamps, with at least one on each side of the front of the vehicle, and, except as to vehicles registered prior to January 1, 1930, they shall be located directly above or in advance of the front axle of the vehicle. The headlamps and every light source in any headlamp unit shall be located at a height of not more than 54 inches nor less than 22 inches.

(b) A motor vehicle, other than a motorcycle, shall be operated during darkness, or inclement weather, or both, with at least two lighted headlamps that comply with subdivision (a).

(c) As used in subdivision (b), "inclement weather" is a weather condition that is either of the following:

(1) A condition that prevents a driver of a motor vehicle from clearly discerning a person or another motor vehicle on the highway from a distance of 1,000 feet.

(2) A condition requiring the windshield wipers to be in continuous use due to rain, mist, snow, fog, or other precipitation or atmospheric moisture.

(Amended by Stats. 2010, Ch. 491, Sec. 43. (SB 1318) Effective January 1, 2011.)

## Reading Entries in the *Guidelines*

1. **Code Section** – The law involved, along with a description.
2. **Violation/Situation** – The laws being violated, or the circumstances in which the revenue is to be paid.
3. **Distribution** – Which agencies receive the revenue, and the percentages and/or conditions that apply.
4. **Applicable Fund** – The fund receiving the revenue.
5. **Fund Use/Special Provision** – Any limitations on use of the collected funds.
6. **Priority of Installment Payments** – The priority given to paying this charge according to Penal Code §1203.1d (*for criminal cases only*).

## Reading Entries in the *Guidelines*

CODE SECTION	VIOLATION/SITUATION	DISTRIBUTION	APPLICABLE FUND	FUND USE/SPECIAL PROVISION
<b>CC 1798.155 – California Consumer Privacy Act</b>  <i>Effective January 1, 2020</i>	<b>Violations of CC 1798.100-1798.199 by a business, service provider, or other person subject to civil penalty of \$2,500 for each violation or \$7,500 for each intentional violation.</b>	<b>100% to the State.</b>	<b>Consumer Privacy Fund.</b>	<b>To offset costs incurred by the state courts and the Attorney General in enforcing CC 1798.100-1798.199.</b>

**CIVIL CODE**  
**DIVISION 3. OBLIGATIONS [1427 - 3273]**  
**PART 4. OBLIGATIONS ARISING FROM PARTICULAR TRANSACTIONS [1738 - 3273]**  
**TITLE 1.81.5. California Consumer Privacy Act of 2018 [1798.100 - 1798.199]**  
**1798.155.**  
 (a) Any business or third party may seek the opinion of the Attorney General for guidance on how to comply with the provisions of this title.  
 (b) A business shall be in violation of this title if it fails to cure any alleged violation within 30 days after being notified of alleged noncompliance. **Any business, service provider, or other person that violates this title shall be subject to an injunction and liable for a civil penalty of not more than two thousand five hundred dollars (\$2,500) for each violation or seven thousand five hundred dollars (\$7,500) for each intentional violation, which shall be assessed and recovered in a civil action brought in the name of the people of the State of California by the Attorney General. The civil penalties provided for in this section shall be exclusively assessed and recovered in a civil action brought in the name of the people of the State of California by the Attorney General.**  
 (c) Any civil penalty assessed for a violation of this title, and the proceeds of any settlement of an action brought pursuant to subdivision (b), **shall be deposited in the Consumer Privacy Fund, created within the General Fund pursuant to subdivision (a) of Section 1798.160 with the intent to fully offset any costs incurred by the state courts and the Attorney General in connection with this title.**  
*(Amended (as added by Stats. 2018, Ch. 55, Sec. 3) by Stats. 2018, Ch. 735, Sec. 12. (SB 1121) Effective September 23, 2018. Section operative January 1, 2020, pursuant to Section 1798.198.)*

## Updates to the Guidelines

Revision 29 of the *Trial Court Revenue Distribution Guidelines* was released in December 2018, and reflected changes due to legislation signed into law last year. Those changes are on the following slides.

Most became effective January 1, 2019, although some bills have a later effective date.

Some changes were made as part of the budget bills last summer, and took effect immediately. Those entries are shown next, 2018 Urgency Legislation Updates.

## 2018 Urgency Legislation Updates

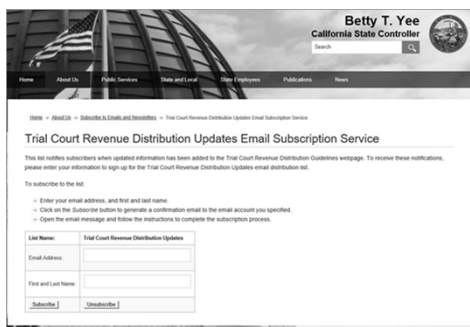
Added, Amended Or Removed	Code Section	Description
Amended	CCP 384	Disposition of unclaimed funds from class action judgments; amended to remove statutory distribution to the state funds
Amended	CCP 491.150	Filing fee imposed if the plaintiff wants to examine an individual before a court; sunset date extended to June 30, 2023
Amended	CCP 704.750	Filing fee for order of sale of a dwelling, if judgment rendered in another county; sunset date extended to June 30, 2023
Amended	CCP 708.160	Filing fee for an abstract of judgment from another court while seeking examination of another person; sunset date extended to June 30, 2023
Added	GC 4216.6	Civil penalty for failing to comply with required procedures related to excavation near subsurface installations.
Amended	GC 70602.6	Additional fee for filing first paper under GC code sections: 70611, 70612, 70650-70653, 70655, 70658, 70670; sunset date extended to June 30, 2023
Amended	GC 70616	Complex case fee in addition to first appearance fee; sunset date extended to June 30, 2023
Amended	GC 70617(a)	A fee for filing a document to require a hearing; sunset date extended to June 30, 2023
Amended	GC 70657	A fee for filing a document for a subsequent hearing; sunset date extended to June 30, 2023
Amended	GC 70662	Filing fee for special notice pursuant to PRO 1250, 2700, 17204; sunset date extended to January 1, 2024
Amended	GC 70677(a)	Filing fee for a motion in family law cases; sunset date extended to June 30, 2023
Amended	H&S 103680	Additional fee for disposition of human remains; change in distribution of funds from Peace Officers' Training Fund to the State Penalty Fund.

## 2019 Guidelines Updates

Added, Amended Or Removed	Code Section	Description
Added	CC 1798.155	Imposes civil penalties for the violations of the California Consumer Privacy Act; <i>effective January 1, 2020</i>
Added	CC 2924.17	Imposes civil penalties against a mortgage servicer who records or files multiple and repeated uncorrected foreclosure-related documents without substantiating the borrower's default
Added	H&S 11107.2	The sale of nonodorized butane is subject to a penalty fee, <i>effective July 1, 2019</i>
Added	H&S 19891	Imposes civil penalties against the manufacture, sale, or installation of residential garage door openers without specified safety features; <i>effective July 1, 2019</i>
Amended	PC 287	Additional fine imposed on behalf of the AIDS Education Program, renumbered from PC 288a; <i>No change in distribution</i>
Added	WC 377	Imposes civil penalties for the violations of specified water conservation statutes and regulations
Added	WC 1846.5	Violations of orders and regulations issued by State Water Resources Control Board related to urban water objectives
<b><i>The renumbering of PC 288a to PC 287 also impacts the following code sections that reference PC 287.</i></b>		
Amended	PC 1463.009	Bail forfeitures for sex crimes, violent and serious felonies
Amended	PC 294(a) & (b)	Restitution fine for sexual offenses

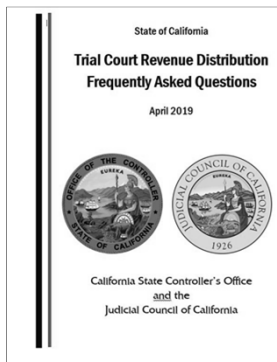
# Listserv Notifications

To receive automatic notification of updates to the *Guidelines*, including Urgency Legislation updates, please visit our website at: [http://www.sco.ca.gov/ard\\_trial\\_courts\\_notification\\_email.html](http://www.sco.ca.gov/ard_trial_courts_notification_email.html)



# Frequently Asked Questions (FAQ)

Each training generates questions from the audience. SCO and the Judicial Council have compiled the most common ones from our trainings sessions since 2013 into a single document.



## Frequently Asked Questions (FAQ)

The Master FAQs contain over 200 responses in nine categories:

- A. General Questions
- B. Guidelines
- C. Statutes
- D. Parking
- E. Collections
- F. Distribution Calculations
- G. Distribution Spreadsheets
- H. Audits
- I. Training

Each entry includes the date it was last updated. Responses may change with new legislation or policy, so be cautious in relying on older responses.

## TC-31 Submission

Remittance to the State Treasurer (TC-31) forms can be found at [https://www.sco.ca.gov/Files-ARD-Local/LocRep/TC\\_31.xlsx](https://www.sco.ca.gov/Files-ARD-Local/LocRep/TC_31.xlsx)



# TC-31 Submission

## Local Government Page

Remittance to the State Treasurer (TC-31) forms can be found at

<https://www.sco.ca.gov>

< Home

< State and Local

< Local Government

< Local Government Information and Resources

< Trial Court Revenue Distribution Guidelines

< Additional Resources

# TC-31 Submission

## Local Government Page

[Specialized Breakout Session PowerPoint Slides](#)

### Frequently Asked Questions

[Trial Court Revenue Distribution Master FAQs](#)

### Judicial Council Distribution Worksheets

[Revenue Distribution Worksheets](#)

### Additional Resources

[Revenue Distribution Training Program Recordings \\*March 2013](#)

[Remittance to the State Treasurer \(TC-31\) Accounting Form](#)



**Email List**

To receive notification of updates to the *Trial Court Revenue Distribution Guidelines* webpage.

# TC-31 Submission

## State Departments Page

Remittance to the State Treasurer (TC-31) forms and the Delinquent Date Schedule for Remittance Advices can be found at

<https://www.sco.ca.gov>

- < Home
- < State and Local
- < State Departments
- < Accounting

# TC-31 Submission

## State Departments Page

- [Agency Trust On-line Inquiry Instruction](#) | [PowerPoint](#) (PowerPoint presentation requires M
- [Claim Schedules](#)
- [Delinquent Date Schedule for Remittance Advices](#)
  - [Fiscal Year 2018-19](#) **NEW!**
  - [Fiscal Year 2017-18](#)
- [PFA Transaction Request Instructions](#)
- [Transaction Request Form \(including Instructions and samples\)](#) | [EXCEL](#)
- [Remittance to the State Treasurer \(TC-30\)](#) | [EXCEL](#)
- [Remittance to the State Treasurer \(TC-31\)](#) | [EXCEL](#)
  - [Guidelines for Revised TC-31 Forms](#)
- [Report to State Controller of Remittance to State Account \(TC-47\)](#) | [EXCEL](#)
- [Request to establish or Amend Special Deposit Fund Account \(AUD 10\)](#)
- [Request to establish or Amend Federal Trust Fund Account \(AUD 10A\)](#)
- [State Department Accounts Receivable Management Representation and Certification Letter](#)
  - [Fiscal Year 2018-19 Letter for Department Use](#)
  - [Fiscal Year 2017-18 Letter for Department Use](#)

# TC-31 Submission

## Tips to remember when completing your TC-31 forms:

- Use a separate Remittance Advice Number for each page of your form, and do not repeat numbers.
- Do not put dollar signs (\$) next to the amounts.

REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31  
 COUNTY NAME - NUMBER: ZENITH / 59  
 COLLECTIONS FOR THE MONTH OF (Mo / Yr): AUDIT /

FUND	AGENCY	FY	REV / OBJ	AMOUNT	COOK SECTION & DESCRIPTION
0 0 0 1	0 2 5 0	2 0 1 8	1 6 1 4 0 3	1,450.00	General Fund - Penal Code 1465.7, AB 3000 - 20% surcharge on criminal fines
0 0 0 1	0 8 2 0	2 0 1 8	1 3 1 5 0 0	(1,443.99)	General Fund - Health & Safety 11372.5 - Criminalistics Lab Fee; Health & Safety 11502 - State Fines
0 0 0 1	9 9 9 0		1 3 0 9 0 1		General Fund - Penal Code 290.3 - First Conviction
0 0 0 1	9 9 9 0		1 3 0 9 0 2		General Fund - Penal Code 290.3 - Second & Subsequent Convictions
0 0 0 4	0 0 0 0		4 0 0 0 0 0		General Fund - Health & Safety 11489 - Asset Forfeitures

REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31  
 COUNTY NAME - NUMBER: ZENITH / 59  
 COLLECTIONS FOR THE MONTH OF (Mo / Yr): AUDIT /

FUND	AGENCY	FY	REV / OBJ	AMOUNT	COOK SECTION & DESCRIPTION
0 2 6 6	8 1 2 0		1 2 8 6 0 0		Peace Officer's Training Fund - Health & Safety 1036000
0 8 5 7	2 8 6 0		1 6 4 3 0 0		Heroin/Substance Abuse - Health & Safety 25109
0 8 8 7	2 8 6 0		1 6 1 4 0 0		Family L...
0 8 2 0			2 0 0 0 0 0		

# TC-31 Submission

Monthly TC-31 forms should be dated for the month of collection, not the date of remittance.

REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31  
 COUNTY NAME - NUMBER: ZENITH / 59  
 COLLECTIONS FOR THE MONTH OF (Mo / Yr): APRIL / 2019

FUND	AGENCY	FY	REV / OBJ	AMOUNT	COOK SECTION & DESCRIPTION
0 0 0 1	0 2 5 0	2 0 1 8	1 6 1 4 0 3		General Fund - Penal Code 1465.7, AB 3000 - 20% surcharge on criminal fines
0 0 0 1	0 8 2 0	2 0 1 8	1 3 1 5 0 0		General Fund - Health & Safety 11372.5 - Criminalistics Lab Fee; Health & Safety 11502 - State Fines
0 0 0 1	9 9 9 0		1 3 0 9 0 1		General Fund - Penal Code 290.3 - First Conviction
0 0 0 1	9 9 9 0		1 3 0 9 0 2		General Fund - Penal Code 290.3 - Second & Subsequent Convictions
0 0 0 4	0 0 0 0		4 0 0 0 0 0		General Fund - Health & Safety 11489 - Asset Forfeitures

TC-31s are based on the fiscal year (July 1–June 30); “2018” is the correct entry for FY 2018-19 collections.

# TC-31 Submission

If you are remitting due to an audit finding, please use a separate form, enter "99" as the month code at the top, and enter "Audit" in the field for month.

C OF MONTH		REMITTANCE ADVISE NUMBER	
59 99		CO 59 0513	
REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31			
COUNTY NAME - NUMBER:		ZENITH 59	
COLLECTIONS FOR THE MONTH OF (Mo) / Yr:		AUDIT	

FUND	AGENCY	FY	REV FDB	AMOUNT	CODE SECTION & DESCRIPTION
0 0 0 1	0 2 5 0	2 0 1 7	1 6 1 4 0 3		General Fund - Penal Code 1465.7, AB 3000 - 20% surcharge on criminal fines
0 0 0 1	0 8 2 0	2 0 1 7	1 3 1 5 0 0		General Fund - Health & Safety 11372.5 - Criminalistics Lab Fee; Health & Safety 11502 - State Fines
0 0 0 1	9 9 9 0		1 3 0 9 0 1		General Fund - Penal Code 290.3 - First Conviction

Enter the prior fiscal year for non-current remittances, such as audit-related payments.

# TC-31 Submission

If you are remitting for a penalty on delinquent remittances, please use the TC-31 form sent with the letter. "PENALTY" is entered in the month field.

C OF MONTH		REMITTANCE ADVISE NUMBER	
59 07		CO 59 0515	
REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31			
COUNTY NAME - NUMBER:		ZENITH 59	
COLLECTIONS FOR THE MONTH OF (Mo) / Yr:		PENALTY	

FUND	AGENCY	FY	REV FDB	AMOUNT	CODE SECTION & DESCRIPTION
0 0 0 1	0 2 5 0	2 0 1 7	1 6 1 4 0 3		General Fund - Penal Code 1465.7, AB 3000 - 20% surcharge on criminal fines
0 2 1 4	7 8 7 0		1 3 0 8 0 6		Restitution Fund - Penal Code 1202.44 - Conditional Sentence Restitution Fines
3 0 6 6	0 2 5 0	2 0 1 8	1 6 1 4 0 6	131.13	Penalties for late remittances to Court Facilities Trust Fund
TOTAL				131.13	STATE TREASURER'S ENDORSEMENT

TO STATE CONTROLLER: I hereby certify that the foregoing report, as it relates to the agency I represent, is a correct statement of the State's share of collections deposited for the

Enter the current fiscal year for penalty remittances.

# TC-31 Submission

An original signature in blue ink is required on each page.

The image shows two TC-31 submission forms side-by-side. Each form has a signature field at the bottom left. In both forms, the signature 'Jane Doe Smith' is circled in blue ink. The forms contain various fields for agency name, county name, month, and year, along with a grid for recording remittance amounts by fund code.

Remittances are due 45 days after the end of the month in which they are collected. This is not always the 15<sup>th</sup> of the month (i.e., remittances for April collections are due by June 14<sup>th</sup>).

# TC-31 Submission

The total amount at the bottom of each page must be a positive number.

The image shows two TC-31 submission forms side-by-side. Each form has a 'TOTAL' field at the bottom right. In both forms, the total amount is circled in blue ink. The forms contain various fields for agency name, county name, month, and year, along with a grid for recording remittance amounts by fund code.

## TC-31 Submission

If you are remitting for the Department of Consumer Affairs, please use the agency code **1111**. (formerly 1110)

CO# MONTH <b>59 07</b>	REMITTANCE DEVICE NUMBER <b>CO 59 0517</b>				
<b>REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31</b> COUNTY NAME - NUMBER: ZENITH - 59 COLLECTIONS FOR THE MONTH OF (Mo / Yr): JULY / 2018					
FUND	AGENCY	FY	REV / OBJ	AMOUNT	CODE SECTION & DESCRIPTION
0 6 4 1	0 8 2 0		2 9 9 5 0 0		Domestic Violence Restraining Order Reimbursement Fund - Penal Code 1203.097
0 6 4 2	4 2 6 5		1 3 1 7 0 0		Domestic Violence Training and Education Fund - Penal Code 1203.097
0 7 6 7	1 1 1 1	2 0 1 8	1 3 1 7 0 0	2,000.00	Pharmacy Board Contingent Fund - Business & Professions Code 4236-4414
0 8 1 5	7 9 0 0		2 1 6 5 0 0		Government Code 68095(c) - Judges Retirement Fund

## TC-31 Submission

**Submit your TC-31 forms to:**

OR

State Treasurer  
 Cash Management Division  
 915 Capitol Mall, Room 319  
 Sacramento, CA 95814

State Treasurer  
 Cash Management Division  
 P.O. Box 942809  
 Sacramento, CA 94209-0001

**DO NOT submit your TC-31 forms to the State Controller's Office.**

## TC-31 Submission

Note that the TC-31 forms include only the most commonly used codes. For remittances to funds not listed on the form, please email us at [LGPSDTaxAccounting@sco.ca.gov](mailto:LGPSDTaxAccounting@sco.ca.gov).

OR

**Tax Accounting Unit:**

Marieta Delfin – [MDelfin@sco.ca.gov](mailto:MDelfin@sco.ca.gov)

Wendi Cutajar – [wcutajar@sco.ca.gov](mailto:wcutajar@sco.ca.gov)

## SCO Distribution Contact Information

If you have any questions related to trial court revenue distribution, please email [LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov)



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California State Controller

# Questions?

## (Evaluation)

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# Crosswalk

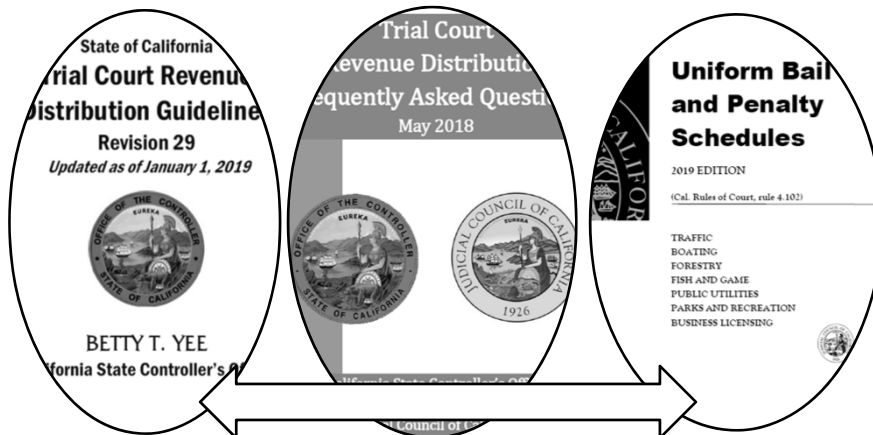
- Resource tying Trial Court Revenue Distribution Guidelines to other resources
- Minimizes Research Time
  - FAQ's
  - Uniform Bail & Penalty Schedule



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# How does the Crosswalk work?



## JUDICIAL COUNCIL OF CALIFORNIA

### CROSSWALK BETWEEN TRIAL COURT REVENUE DISTRIBUTION GUIDELINES (APPENDIX C), THE UNIFORM BAIL & PENALTY SCHEDULE, FAQ'S, AND DISTRIBUTION WORKSHEETS

The codes and any guidance contained in this document, Trial Court Revenue Distribution Guidelines, the Uniform Bail and Penalty Schedule (Appendix C), and distribution worksheets, are subject to the effective dates as noted in the specific sections. Refer to the current code to assure the most current language is implemented.

Table 3 - Specific Fines and Forfeitures Distribution

Trial Court Revenue Distribution Guidelines (Appendix C) Rev 29 1-1-2019				Uniform Bail & Penalty Schedule v 1-1-2019			
Index	Code Section	Code Description	Violation	FAQ	Description	Pg.	
3.5	25	F&G 12012	Fish and Wildlife Poaching	Illegal taking, possessing, importing, exporting, selling, purchasing, bartering, trading, or exchanging of any amphibian, bird, fish, mammal, or reptile.	A14	Illegal Poaching of Wildlife for Profit	97

[www.courts.ca.gov/revenue-distribution.htm](http://www.courts.ca.gov/revenue-distribution.htm)

# Questions?

## (Evaluation)

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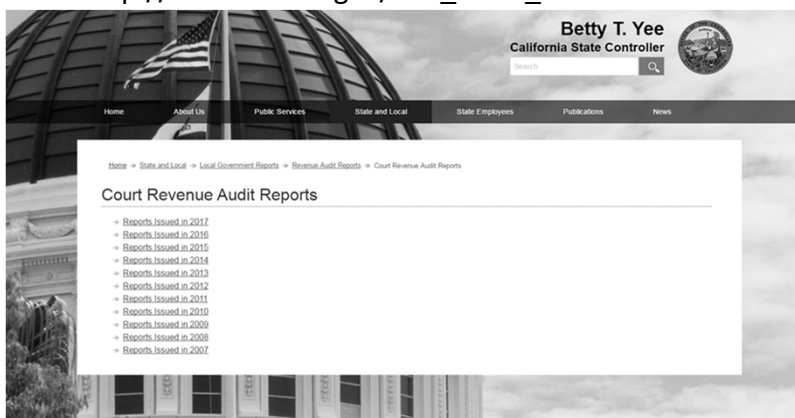
Trial Court Revenue  
Distribution Training  
Spring 2019



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California State Controller

# SCO Court Revenue Audits

Court Revenue Audit Reports can be found at:  
[http://www.sco.ca.gov/aud\\_court\\_revenues.html](http://www.sco.ca.gov/aud_court_revenues.html)



## Agenda

- Status of Audits
- Process Changes
- Common Audit Findings
- Audit Tips



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California State Controller

## Status of Audits

- Final reports issued: 5
- Reports in process: 2
- Audits in progress: 11
- Next in queue:

• Santa Clara	• Los Angeles
• San Francisco	

• For the period of July 1, 2018 through March 31, 2019



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## Process Changes

For parking entities outside the county (cities, colleges and universities):

- Include in status meetings and exit conferences;
- Include as an addressee for draft and final reports;
- Solicit responses to draft report findings; and
- Update report language to:
  - Clarify that the county is not responsible for collecting parking surcharges from parties outside the county;
  - Detail parking surcharge findings by affected entities; and
  - Clarify requirements to pay interest and penalties.



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## Common Audit Findings

- Emergency Medical Air Transportation (EMAT) Penalties
- Distributions of Parking Surcharges and Penalties
- 50-50 Excess of Qualified Revenues calculation



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## EMAT Penalties

**EMAT penalties are not consistently distributed in Red Light Violations & Traffic Violator School (TVS) Violations**

### Red Light Violations

- PC §1463.11 requires certain revenues collected for red light violations to be allocated:
  - **First 30% of PC §1463.001 base fine, PC §1464 state penalty, GC §70372(a) State Court Construction Fund, GC §76000 local additional penalties, and GC §76000.10 EMAT** goes to the city/county general fund.
  - **Remaining 70%** (after deducting 2% automation) is deposited by the county treasurer under PC §1463 and §1464 on a pro rata basis.
- EMAT Penalty (GC §76000.10) should be included in the 30% allocation.

### TVS Violations

- When the defendant elects to take traffic school, the total bail is converted into a TVS fee. (VC §42007)
- EMAT penalty (GC §76000.10) is **not an exception** to VC §42007 and should still be included in TVS fee.
- This leads to findings in the TVS portion of the 50-50 Excess of Qualified Revenues.



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## Parking Surcharges

### Parking surcharges and penalties are not distributed as required

VC §40200.4 requires processing agencies to deposit with county treasurer all sums due to the county from parking violations.

County Criminal Justice Facilities Fund	GC §76000	\$1.50
County Courthouse Construction Fund	GC §76000	\$1.50 (or \$0 depending on BOS resolution)
County General Fund	GC §76000	\$2.00 (\$1.00 from CJFF & \$1.00 from CCF)
State Court Construction Facilities Fund	GC §70372(b)	\$1.50
State Court Construction Facilities Fund ICNA	GC §70372(b)	\$3.00
State Trial Court Trust Fund	GC §76000.3	\$3.00

- Universities, colleges and cities are not consistently imposing and collecting parking surcharges and penalties.
- Issuing agencies are not consistently remitting and distributing parking surcharges and penalties (should be \$12.50 or \$11.00 per case).
- The entire \$2 per parking violation is not consistently deposited into County General Fund per GC §76000(c). This leads to an incorrect calculation of 50-50 Excess of Qualified Revenues.

## 50-50 Excess Calculation

### Underremittance due to errors in the calculation of qualified revenues

Calculate the revenue the county general fund has received from the eight specified fines, fees, and forfeitures in GC §77205; compare that amount to the statutory threshold listed in GC §77201.1; and remit 50% of the difference to State Trial Court Improvement and Modernization Fund and 50% to the County General Fund.

QUALIFIED REVENUE IN GC §77205	AMOUNT TO BE CALCULATED INTO MOE PAYMENTS
PC §1463.001 Base Fines	For county arrests, 75% of base fines and forfeitures (other than parking and H&S base fine). For city arrests, 75% of base fines and forfeitures (other than parking and H&S base fine) from the county percentage as listed in PC §1463.002.
PC §1464 - State Penalty	30% of county share of the state penalty deposited into the County General Fund.
VC §42007 - Traffic Violator School (TVS) Fee	77% of TVS fee collections deposited into the County General Fund.
VC §42007.1 - Traffic Violator School (TVS) Fee	\$24 TVS fee deposited to the County General Fund.
GC §27361(b) - Recording and Indexing Fee	100% of collections of the \$1 fee pursuant to GC §27361(b) deposited to the County General Fund.
PC §1463.07 - Administrative Screening and Citation Processing fee *Formerly GC §29550(f)	100% of collections deposited to the County General Fund.
GC §76000(c) - County General Fund portion of county parking penalty	100% of collections of the \$2 portion of every parking fee deposited to the County General Fund.

## 50-50 Excess Calculation

### Common Calculation Errors

#### **VC §42007 – Traffic Violator School Fee**

- **Only 77% of the TVS Fee** to the County General Fund shall be included in the qualified revenues calculation.
- SCO has identified a number of findings for **excluding EMAT penalties from TVS fee**, resulting in an underremittances of excess qualified revenues.

#### **GC §76000(c) – County General Fund portion of parking surcharges**

- The \$2 surcharge is included in the qualified revenues calculation.
- SCO has reported a number of findings for **not distributing parking penalties**, resulting in underremittances of excess qualified revenues.



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## Tips to Prepare for an Audit

- Cash Statements
- 50-50 Excess of Qualified Revenues
- Parking Fees and Surcharges
- Distribution Testing
- Board of Supervisor's Resolutions
- Prior Audit Findings
- TC-31 Remittance Forms



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## SCO Distribution Contact Information

If you have any questions related to trial court  
revenue distribution, please email  
[LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov)



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California State Controller

# Questions?

(Evaluation)



# **Judicial Council Audit Services**

## **Distribution Audit Issues**

### **Judicial Council Audit Services:**

- Audits superior courts, including review of revenue distribution calculations and distributions
- Revenue distribution review is on current calculations and distributions to provide suggestions for improvements going forward
- Cannot review all distributions, so focus is on high-volume case types, such as speeding, and some common and complex distribution case types, such as traffic school

**Judicial Council Audit Services:**

- Noticed an improvement by courts in their fine and fee calculations and distributions.
- Only 2 of the 8 court audit reports published from January to December 2018 reported a revenue distribution finding.

**Judicial Council Audit Services:**

- Had the two courts used the resources and tools provided at this training the errors could have been avoided.
- The revenue distribution audit worksheet tool could have been used to test, discover, and correct fine and fee calculation and distribution errors.

## Audit Services

If you are interested in reviewing past audits  
you can find them at the link below

<https://www.courts.ca.gov/12050.htm>



## Questions?

(Evaluation)

## **Training Recap**

### **Today we have covered the following:**

- Updates to distribution resources
- Resource materials for distributions, calculations, analysis, and research
- Legislative updates
- The 2019 Uniform Bail and Penalty Schedule
- Collections updates
- Issues from the Franchise Tax Board
- Audit issues from the SCO

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## **Next Revenue Distribution Training Webinar**

### **Save the Dates**

- ✓ December 10 and 11, 2019
- ✓ New 2019 statutes

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## The rest of your day

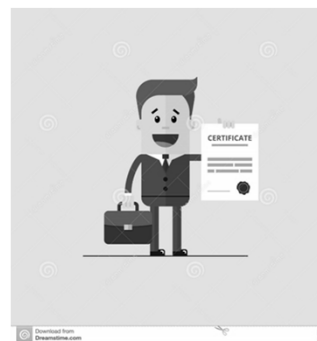
- Lunch 12:30–1:30pm
- Workshops 1:30–3:30pm
  - **Laptops needed**
  - Please share
  - Locations of "A" and "B"
  - Dismissed after workshop



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## Reminders

When you leave...



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**After lunch please proceed  
to Breakout Sessions.**

**Note: we will not reconvene after.**

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**THANKS FOR  
LISTENING  
AND  
HAVE A  
GOOD DAY**