

## GUIDELINES AND STANDARDS FOR COST RECOVERY

### *Penal Code section 1463.007 (Effective July 1, 2012)*

#### **CALIFORNIA PENAL CODE**

**1463.007.** (a) Notwithstanding any other provision of law, any county or court that operates a comprehensive collection program may deduct the costs of operating that program, excluding capital expenditures, from any revenues collected under that program. The costs shall be deducted before any distribution of revenues to other governmental entities required by any other provision of law. Any county or court operating a comprehensive collection program may establish a minimum base fee, fine, forfeiture, penalty, or assessment amount for inclusion in the program.

(b) Once debt becomes delinquent, it continues to be delinquent and may be subject to collection by a comprehensive collection program. Debt is delinquent and subject to collection by a comprehensive collection program if any of the following conditions is met:

(1) A defendant does not post bail or appear on or before the date on which he or she promised to appear, or any lawful continuance of that date, if that defendant was eligible to post and forfeit bail.

(2) A defendant does not pay the amount imposed by the court on or before the date ordered by the court, or any lawful continuance of that date.

(3) A defendant has failed to make an installment payment on the date specified by the court.

(c) For the purposes of this section, a "comprehensive collection program" is a separate and distinct revenue collection activity that meets each of the following criteria:

(1) The program identifies and collects amounts arising from delinquent court-ordered debt, whether or not a warrant has been issued against the alleged violator.

(2) The program complies with the requirements of subdivision (b) of Section 1463.010.

(3) The program engages in each of the following activities:

(A) Attempts telephone contact with delinquent debtors for whom the program has a phone number to inform them of their delinquent status and payment options.

(B) Notifies delinquent debtors for whom the program has an address in writing of their outstanding obligation within 95 days of delinquency.

(C) Generates internal monthly reports to track collections data, such as age of debt and delinquent amounts outstanding.

(D) Uses Department of Motor Vehicles information to locate delinquent debtors.

(E) Accepts payment of delinquent debt by credit card.

(4) The program engages in at least five of the following activities:

(A) Sends delinquent debt to the Franchise Tax Board's Court-Ordered Debt Collections Program.

(B) Sends delinquent debt to the Franchise Tax Board's Interagency Intercept Collections Program.

(C) Initiates driver's license suspension or hold actions when appropriate.

(D) Contracts with one or more private debt collectors to collect delinquent debt.

(E) Sends monthly bills or account statements to all delinquent debtors.

(F) Contracts with local, regional, state, or national skip tracing or locator resources or services to locate delinquent debtors.

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(G) Coordinates with the probation department to locate debtors who may be on formal or informal probation.

(H) Uses Employment Development Department employment and wage information to collect delinquent debt.

(I) Establishes wage and bank account garnishments where appropriate.

(J) Places liens on real property owned by delinquent debtors when appropriate.

(K) Uses an automated dialer or automatic call distribution system to manage telephone calls.

(d) This section shall become operative on July 1, 2012.

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