

Revenue Distribution Training Spring 2017



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

1

INTRODUCTION

Andi Liebenbaum
Judicial Council of California
Governmental Affairs

2

San Diego
Opening Remarks

Sean Sander

Jeff Gately

Jim Reisinger

3

Sacramento
Opening Remarks

George Lolas

Zlatko Theodorovic

4

Good Things to Know

- Restrooms: out the door to the left
- Lunch 60 minutes; provided in lobby
- Attendee Packet
 - Wi-Fi Connection
 - Description of Sessions A and B
 - 2 blank "Question Forms"
 - Evaluation

5

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
 - Pick up your training certificate at the registration desk when you leave
 - 4.5 hours training credit for full day
 - 2.5 hours credit if you cannot attend a workshop

6

Training Goals

- Provide an in-person opportunity to learn and share information
- Present information and updates on revenue distribution and collections
- 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

7

Agenda

- Faculty
- Introduction
- Legislative Update and Futures Commission recommendations
- 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>

8

Breakout Sessions Using the Distribution Worksheets 1:00-3:00pm

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 3:00pm – No Regroup

9

Faculty

State Controller's Office

Division of Accounting and Reporting:

Jenny Jones, Supervisor

JJones@sco.ca.gov

Don Lowrie, Fiscal Analyst

DLowrie@sco.ca.gov

Josh Buchanan, Fiscal Analyst

Jbuchanan@sco.ca.gov

Jim Reisinger, Manager

JReisinger@sco.ca.gov

Audit Division:

Shadi Guinee, Auditor

Public Mailbox: LocalGovPolicy@sco.ca.gov

10

Faculty

Franchise Tax Board

Non-Tax Debt Collection Program:

Gretchen Moe, Section Manager Gretchen.Moe@ftb.ca.gov

Court-Ordered Debt Program:

Jennifer Jacobsen, Supervisor Jennifer.Jacobsen@ftb.ca.gov

Interagency Intercept Collections Program:

Kasia Killgore, Supervisor Kasia.Killgore@ftb.ca.gov

Pubic Mailbox: nontaxdebtcollections@ftb.ca.gov

11

Faculty

Court Experts

Merced Superior Court:

Keri Brazil, Chief Financial Officer

San Bernardino Superior Court:

Michael Garcia, Sr. Accounting Assistant

Ventura Superior Court:

Richard Cabral, Director Collections and Finance

12

Faculty

Judicial Council

Audit Services:

Robert Cabral, Supervisor

Robert.Cabral@jud.ca.gov

Criminal Justice Services:

Kim DaSilva, Attorney

Kimberly.DaSilva@jud.ca.gov

Governmental Affairs:

Andi Liebenbaum, Legislative Advocate

Andi.Liebenbaum@jud.ca.gov

13

Faculty

Judicial Council

Funds and Revenues Unit

Angela Guzman, Manager

Natalie Daniel, Fiscal Supervisor

Maria Lira, Senior Analyst

Public Mailboxes:

RevenueDistribution@jud.ca.gov

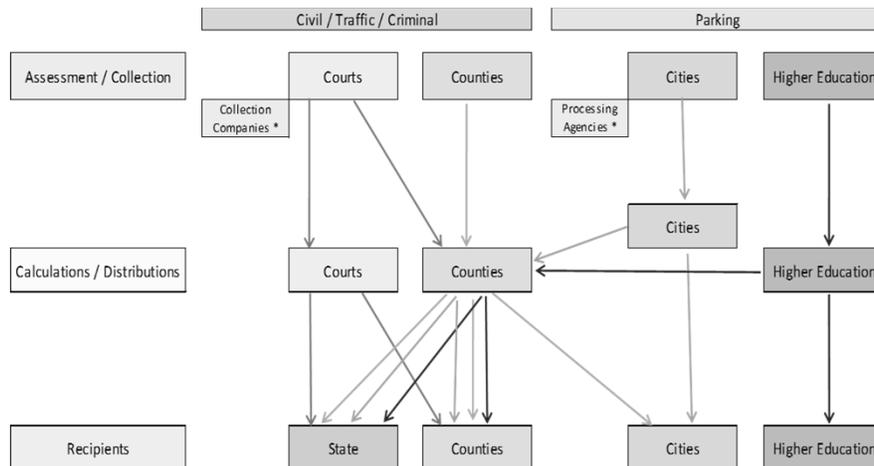
Collections@jud.ca.gov

14

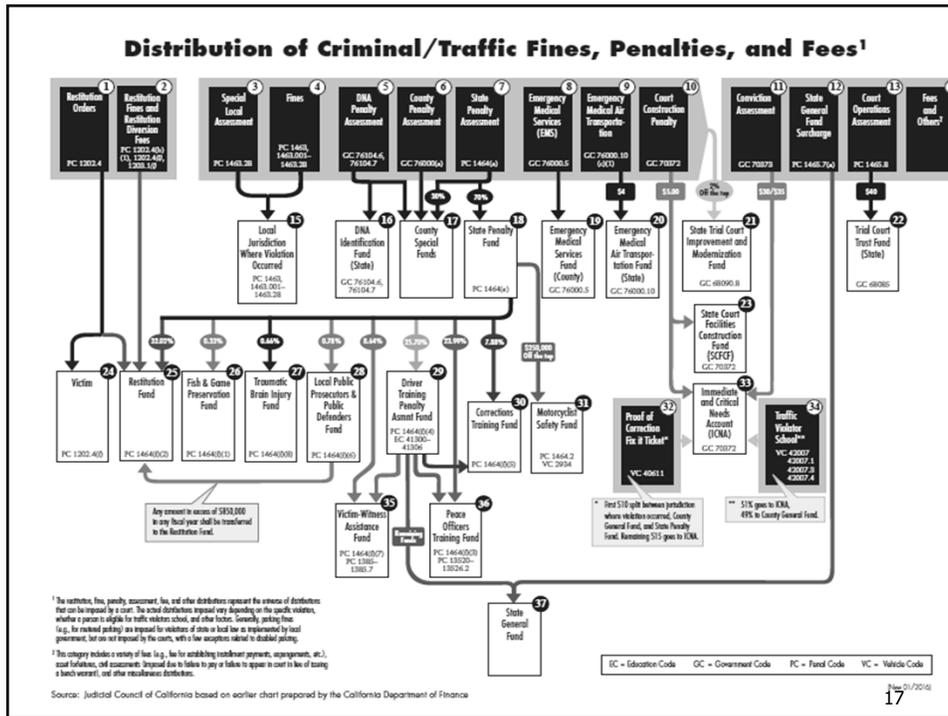
Introduction to Distributions:

Interrelationships & Resources

ASSESSMENT, COLLECTION, AND DISTRIBUTION COMPLEXITY OF THE PROCESS



* Entities under contract to perform collections



Revenue Distribution Resource Interrelationships

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

Legislative Update

Judicial Council tracks hundreds of bills in the California Legislature that, if passed and signed into law, may have an impact on fines, fees, assessments and penalties.

19

Legislative Update cont'd

Here is a list of the bills we are currently looking at:

- AB 583
- AB 1250
- AB 1257
- SB 185
- SB 493

20

Legislative Update cont'd

If you are interested in watching the progress of these bills in the Legislature, you can go to the courts website at:

<http://www.courts.ca.gov/4121.htm>

Once you are on this page, you can select from a number of options including links for "Active Legislation" and "Legislative Status Charts." We encourage you to check back periodically to see how the bills that you care about are changing over the course of the legislative session.

Or, you can visit California Legislative Information at:

[http://leginfo.legislature.ca.gov/faces/
billSearchClient.xhtml](http://leginfo.legislature.ca.gov/faces/billSearchClient.xhtml)

21

Futures Commission

Commission on the Future of
California's Court System

22

Futures Commission cont'd

1. Civil
2. Criminal/Traffic
3. Family/Juvenile
4. Fiscal/Court Administration
5. Technology

23

Futures Commission cont'd

- 2.2 Reduce certain misdemeanors to infractions
- 2.3 Refine adjudication/settlement of fines, fees & assessments
- 2.4 Implement a civil model for adjudication of minor traffic infractions

24

Futures Commission cont'd

- 4.2 Restructure fines and fees for infractions and unify the collection and distribution of revenue

25

Futures Commission cont'd

Visit the Commission online at:

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

Find the full report here:

<http://www.courts.ca.gov/documents/futures-commission-final-report.pdf>

26

Questions?

(Evaluation)

27

UNIFORM BAIL AND PENALTY SCHEDULES (UBPS)

Every year the Judicial Council is required* to establish a mandatory penalty schedule for:

- traffic infractions

The UBPS also includes suggested base fines for the following schedules:

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

*(See Pen. Code § 1269b(c) and Veh. Code § 40310.)

28

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 |

THE UBPS 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, to allow convenient notice and payment of the scheduled penalty.

Infraction Category	Applicable Offenses	Base Fine
1	Bicycles, unlicensed vehicles, pedestrian, pocket bikes, vehicle registration and equipment offenses	\$25
2	Driver's license, operation of vehicle, and driver's test offenses	\$25
3	Substance abuse infractions, VC 2310 (impeding electronic device), VC 23004 (reporting deaths), VC 21706.5 (operation of vehicle in emergency accident zone), VC 21215 (modified business)	\$50
4	Misdemeanor offenses for which the penalty of the fine for dismissal with proof of correction was specifically set by the Vehicle Code, speeding offenses (refer to Speed Chart), and infractions pursuant to VC 21215	\$25

Certain offenses are eligible for correction and, if the defendant signs the citation signifying his or her promise to correct, only require payment of a \$25 court processing fee.

COUNTYWIDE BAIL SCHEDULES

The Council is not the only entity required to publish a bail schedule. Each individual court is required to prepare, adopt and annually revise a uniform countywide schedule of bail for all bailable felony offenses and for all misdemeanor and infraction offenses, except Vehicle Code infractions. Thus, while the Council is required to publish the traffic infraction schedule, the counties are responsible for all of the others.

Rule 4.102 additionally requires that, when performing those duties, counties "give consideration to the (UBPS) approved by the Judicial Council." After adopting their countywide bail schedule, courts must send a copy of their countywide schedule to the Council "with a report stating how the revised schedule differs from the (UBPS)."

UBPS AS A GUIDE

Although the UBPS began as a penalty schedule for traffic offenses, over time the Council adopted additional schedules under the rule, including boating, forestry, fish and game, public utilities, parks and recreation, and business licensing.

The amounts listed in the non-traffic schedules serve as guidelines for the courts' countywide schedules. The rule requirement that the UBPS provide this guidance to the counties for non-traffic schedules is the reason that, on an annual bases, this committee revises those schedules based upon changes in law during the preceding year.



Uniform Bail and Penalty Schedules

2016 2017 EDITION
1461
(Cal. Rules of Court, rule 4.102)

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



JUDICIAL COUNCIL
OF CALIFORNIA

- F. "Total Bail" shall not exceed statutory limits. Vehicle Code section 40310 specifies that the "fine" amount of the total bail shall not exceed the limitations specified by Vehicle Code sections 42001 and 42001.5.
- G. Rule 4.105 of the California Rules of Court provides that with certain exceptions deposit of bail is not required to appear for arraignment or trial for an infraction case. Deposit may be required by statute, such as trial by written declaration; if a person does not sign a promise to appear as ordered by the court, or a judicial officer states a reason for a deposit to schedule a trial.

In cases where a court appearance is required by a court, the amounts set forth in the Uniform Bail and Penalty Schedules do not necessarily indicate the appropriate total penalties; rather, they ensure that, in most cases, when bail is posted, sufficient funds will be available to meet the defendant's obligations. Upon conviction, however, "additional penalties" are added to any fine. It is incumbent upon the judge who hears each case to determine the proper total penalty (fine and "additional penalties") based on the particular facts presented.

With the exception of juveniles under age 18, there shall be no mandatory court appearance for any infraction of the California Vehicle Code punishable by fine only. A court may require a mandatory appearance for an infraction violation of the Vehicle Code when a statutory driver's license restriction, suspension, or revocation is authorized; community service or proof of payment or correction is mandatory; or a violation requires specific action under the Vehicle Code in addition to a fine. This paragraph does not apply to violations of local ordinances based on Vehicle Code sections.

- H. 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. The court operations assessment and criminal conviction assessment are collected in addition to the "Total Bail." The suggested minimum "Total Bail" for an offense *not specifically listed* in the Uniform Traffic Misdemeanor Bail and Penalty Schedule, unless a California code or regulation specifies otherwise, is:

	Base + Additional Penalties* & Surcharge	+	Fees	=	Total Bail*/Fees (*See sections II-IV)
Misdemeanor	\$ 75 + \$251		+ \$70		= \$396
Infraction	\$ 35 + \$127		+ \$75		= \$237

The suggested minimum "Total Bail" for an offense *not specifically listed* in the Uniform Public Utilities Bail and Penalty Schedule, unless a California code or regulation specifies otherwise, is:

Misdemeanor	\$185 + \$588		+ \$70		= \$843
-------------	---------------	--	--------	--	---------

The suggested minimum "Total Bail" for an offense *not specifically listed* in the Uniform Boating, Business Licensing, Fish and Game, Forestry, or Parks and Recreation Bail and Penalty Schedules, unless a California code or regulation specifies otherwise, is:

Misdemeanor	\$100 + \$310		+ \$70		= \$480
Infraction	\$ 35 + \$123		+ \$75		= \$233

TRAFFIC INFRACTION FIXED PENALTY SCHEDULE

(*See Preface, Section III) (**See Preface, Section IV)

(Vehicle Code)

Offense	Base Fine /Fee	State PA*	County PA*/10	DNA PA*	Court PA* /10	Surcharge*	EMS PA*/10	EMAT PA*	Fine Surcharge & PA Subtotal	Court OPS	Conv. Assess	Night Court	TAP Fee	Total Bal** /Fee	Category	DMV Points
Failure to Furnish Name and Address to Officer Upon Request	35	40	28.00	20	20	7	8	4	162.00	40	35	1	0.00	238.00	2a	0
Failure to Maintain Registration Card With Vehicle	25	30	21.00	15	15	5	6	4	121.00	40	35	1	0.00	197.00	1a	0
Failure to Maintain Registration Card With Vehicle	25	0	0.00	0	0	0	0	0	0.00	0	0	0	0.00	25.00	4a	0
Failure to Display Temporary Permit-Foreign Commercial Vehicle	25	30	21.00	15	15	5	6	4	121.00	40	35	1	0.00	197.00	1a	0
Failure to Display Temporary Permit-Foreign Commercial Vehicle	25	0	0.00	0	0	0	0	0	0.00	0	0	0	0.00	25.00	4a	0
Reporting Vehicle Sale to the DMV	25	30	21.00	15	15	5	6	4	121.00	40	35	1	0.00	197.00	1a	0
Reporting Vehicle Sale to the DMV	25	0	0.00	0	0	0	0	0	0.00	0	0	0	0.00	25.00	4a	0
Reporting Auction Vehicle Sale to the DMV	25	30	21.00	15	15	5	6	4	121.00	40	35	1	0.00	197.00	1a	0

Addition or modification of infraction offenses for violation of Vehicle Code sections

- 4456(a), reporting vehicle sales to the Department of Motor Vehicles;
- 4456(b), reporting auction vehicle sales to the Department of Motor Vehicles;
- 5011, display of identification plates;
- 11754, rental of vehicle subject to recall;
- 13386(i), prohibition of disclosure of individuals required to install ignition interlock device;
- 21113, unlawful driving on public grounds;
- 21655.1(a), driving in restricted use designated public transit bus lane;
- 22354, failure to abide by speed limits;
- 22500(m), stopping or parking in designated public transit bus lane;
- 23123.5, driving while using a wireless device;
- 24603(a-h), stop lamp requirements and specifications;
- 24612(c), failure to display reflective material on trailer or semitrailer;
- 25300(d)(2), display on warning device near disabled commercial vehicle;

Addition or modification of infraction offenses for violation of Vehicle Code sections cont'd

- 25300(d)(3), placement and display of warning device near disabled commercial vehicle;
- 25300(d)(4), use of flame producing emergency signal near vehicles transporting explosives, flammable liquid, or gas;
- 27000(a), adequate horn required;
- 27003, unlawful use of siren by armored car;
- 27007, use of sound amplification systems;
- 27150.1, sale of exhaust system restricted;
- 27315(d, e), mandatory use of seat belts;
- 27360(a), use of child passenger restraint systems for children under 8;
- 27360.5(a), mandatory use of child passenger restraints for children 8–16;
- 27363(b), transportation for child in emergencies;
- 27363(f), transportation of child in rear-facing child passenger restraint systems in front seat;
- 27400, limitations on use of headsets while driving or biking;

37

Addition or modification of infraction offenses for violation of Vehicle Code sections cont'd

- 27425(a), charter bus emergency lighting;
- 27500(a), pneumatic tire standard regulations;
- 27906, improper display of school bus sign;
- 29200(c), repealed;
- 31407, farm labor vehicle in motion with sharp tool unsecured;
- 34500.3, cargo securement standards;
- 34501(c), multiple safety violations on tour bus;
- 34505.8(a), charter bus trip safety briefing;
- 35401.9, overlength-driveaway-towaway combination; and,
- 38374(a), sirens on off-highway motor vehicles.

38

Addition or Modification of misdemeanor offense for violation of Vehicle Code section cont'd

- 22513.1(a)(1), failure to maintain required information for tow and storage of vehicle;
- 22513.1(b), business taking possession of a vehicle from a tow truck after hours;
- 22513.1(c), failure to maintain and provide required information for tow and storage of vehicle;
- 23152(e), driving under the influence of drug;
- 23152(f), driving under the influence of drug;
- 23152(g), driving under the influence of alcohol and drug;
- 23153(e), driving under the influence of drug causing injury;
- 23153(f), driving under the influence of drug while causing injury;
- 23153(g), driving under the influence of alcohol and drug while causing injury;
- 27317(a), manufacture or sell counterfeit or nonfunctioning airbag; and
- 27317(b), sell or install device that disables a vehicle's counterfeit airbag indicator.

Addition or modification of Business and Professions Code sections cont'd

- 25623(b), sale of powdered alcohol; and
- 25623.5(b), possession of powdered alcohol.
- Revision of a sample calculation in section IV. H on page vii of the preface regarding "total bail" for misdemeanors in the Uniform Public Utilities Bail and Penalty Schedule.
- Revision of a sample calculation in section VII. D.3 on page x of the preface regarding the number of court operations fees and conviction assessments assessed in cases involving multiple offenses.

UBPS 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 schedules may be directed to:

- Kimberly DaSilva
 - Phone: (415) 865-4534
 - Email: Kimberly.dasilva@jud.ca.gov

41

Questions?

(Evaluation)

42

Collections Update

- Amnesty
- Reporting

43

Statewide Amnesty Program

- Status update
 - Collections, costs
 - DL hold renewal reinstatements
- Reporting
 - Final/corrected report due May 31, 2017
 - Judicial Council report to Legislature due August 31, 2017

Questions? amnesty@jud.ca.gov

44

Collections Reporting

- Collections Reporting Template (CRT)
 - CRT due September 1
 - Judicial Council approval by November 17
 - Report to Legislature due December 31
- WebEx Training
 - July 25 (10:30 to 12:00)
 - July 27 (1:30 to 3:00)

45



STATE OF CALIFORNIA
Franchise Tax Board



STATE OF CALIFORNIA
Franchise Tax Board

Revenue Distribution Training

An Overview of FTB's Non-Tax Debt
Collection Programs



Gretchen Moe, Non-Tax Debt Collection Programs
Jennifer Jacobsen, Court-Ordered Debt Collection Program
Kasia Killgore, Interagency Intercept Collection Program



Court-Ordered Debt (COD)

Program Overview

COD Agenda



- Background and Funding
- Program Eligibility and Enrollment
- How the Program Works
- On-line Services
- Program Statistics
- Case Highlight
- Program Support

Court-Ordered Debt Program

Background and Funding

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

Court-Ordered Debt Program

Program Eligibility and Enrollment

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

Court-Ordered Debt Program

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

Court-Ordered Debt Program

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

Court-Ordered Debt Program – On-line Services

CA.GOV

STATE OF CALIFORNIA
Franchise Tax Board

Search

Active Site

Home Individuals Businesses Tax Professionals Contact Us

News & Events | About Us | Español

MyFTB
Learn more

Login Register

Program Overview

Payment Options

Withholding Calculator

My COD Account

FAQs - Debtor

Representative Seeking Account Information

Earnings Withholding Order - Employer Info

Record Layout

Contact Info

My Court-Ordered Debt (COD) Account

Traffic Tickets / Infractions Amnesty Program Information

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.

Important security information

- Before you begin, make sure you are using a [compatible browser and operating system](#).
- When you are done, use the Logout tab to exit securely.

Is there anything wrong with this page?

Court-Ordered Debt Program



2015-2016 Fiscal Year Collection Totals

<i>Case Inventory</i>		<i>Collection Notices</i>	
Beginning Inventory	1,667,725	Demand Notices	1,003,774
Accepted Cases	497,362	Installment Agreements	47,797
Withdrawn Cases	101,324	Bank Levies	140,695
Returned Cases	740,794	Wage Garnishments	1,501,321
Ending Inventory	1,346,760	Total Collection Activities	2,696,903

Court-Ordered Debt Program

Case Highlight

Providing Customer Service with "BIG" results!

- COD received a call from a debtor on whom we issued an Earnings Withholding Order with a balance of \$16,486.64.
- Debtor stated he made two payments online; one for \$10,000 and one for \$4,000, and that his employer also garnished \$1,456 out of his most recent paycheck.
- The debtor said he would pay the difference of \$1,030 online the same day.
- The agent was able to verify the payment and release the wage garnishment.

Working this account was a two day process with BIG results!!

Court-Ordered Debt Program Program and Support

Court-Ordered Debt Client Services

Phone: 916.845.7503

Email: CODClientServices@ftb.ca.gov



Interagency Intercept Collection (IIC) Program Overview

Intercept Agenda



- Background
- Program Eligibility
- How the Program Works
- How to Participate
- Yearly Timeline
- Program Cost
- Program Statistics
- Case Highlight
- Program Support

Intercept Program

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

In 2016, the program redirected 960,590 payments valued at over \$324 million dollars.

Intercept Program

Program Eligibility

- State agencies
Any type of debt.
- Courts, 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.

Intercept Program

How the Program Works

- Participating agencies submit debtor accounts via Secure Web Internet File Transfer. Submit debts where:
 - 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.
- We reject debtor accounts that do not meet our criteria.

Intercept Program

How the Program Works

- IIC notifies you when offset occurs.
- IIC sends the debtor an Intercept Notice with:
 - Debtor's account number with the agency
 - Original payment amount
 - Offset amount
 - Remaining refund amount
 - Agency's public contact address and telephone number
 - Government code authorizing the Intercept Program

Intercept Program

How to Participate

Apply with SCO

- Initial Request to Participate (FTB 2282 PC)

Participate with FTB

Review the Interagency Intercept Collection Program Participation Guide (FTB 2645), prior to submitting the following:

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

Intercept Program

How to Participate

Sending a Pre-Intercept Notice to each debtor is **required**.

The Pre-Notice must provide the following:

- Government Codes Section(s) authorizing your agency to submit the debt for intercept.
- 30 days written notice to resolve or dispute the liability before submitting the debt.
- Address or telephone number for your agency.

Intercept Program

Yearly Timeline

September

- Submit all forms.
- Mail all pre-notices.

November

- Submit the annual load file to FTB.

December

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

May

- SCO bills all participants for prior year services.

Intercept Program

Program Cost

SCO charges a fee to reimburse the administrative costs of the program.

- Fee based on actual costs incurred
- Varies each year
- Approximately \$2 per offset

- Bills sent in April/May for each successful offset we collect during the previous calendar year.

Intercept Program



2016 Participation Year Collection Totals

<i>Case Inventory</i>		<i>Intercept Dollars</i>	
PIT Intercepts	911,801	PIT Intercept	\$308,948,134
Lottery Winnings	5,378	Lottery Winnings	\$4,155,967
Unclaimed Property	43,411	Unclaimed Property	\$10,820,196
BOE	228	BOE	\$348,685
EDD	575	EDD	\$49,047
		Total Intercepted	\$324,322,029

Intercept Program

Case Highlight

- September 2016
- Unclaimed Property claim of \$12,553.84
- Offset \$2,998.00 to Napa County Superior Court
- Offset \$200.00 to Contra Costa County Superior Court

- September 2016
- Unclaimed Property claim of \$55,666.91
- Offset \$2,528.80 to Riverside County Superior Court
- Offset \$110.00 to Ventura County Superior Court

Intercept Program

Program and Support

Intercept Client Services

Phone: 916.845.5344

Fax: 916.843.2460

Email: iicgroup@ftb.ca.gov

- Answer client questions.
- Provide copies of missing reports.
- Reconcile weekly reports to monthly fund transfer.
- Register for Secure Web Internet File Transfer (SWIFT).

Non-Tax Debt Collection Contact Information

Jennifer Jacobsen, Program Supervisor - Court-Ordered Debt

Phone: 916.845.5326

Jennifer.Jacobsen@ftb.ca.gov

Kasia Killgore, Program Supervisor - Interagency Intercept Collections

Phone: 916.845.3134

Kasia.Killgore@ftb.ca.gov

Questions?

(Evaluation)

Court Revenue Distribution Training

June 2017



SCO Topics

- Our Website
- Overview of the *Trial Court Revenue Distribution Guidelines*
- Using the *Guidelines*
- Updates to the *Guidelines*
- Frequently Asked Questions

SCO Trial Courts Website

http://www.sco.ca.gov/ard_trialcourt_manual_guidelines.html



[Home](#) → [State and Local](#) → [Local Government](#) → [Local Government Information & Resources](#) → [Trial Court Revenue Distribution Guidelines](#)

Trial Court Revenue Distribution Guidelines

Trial Court Revenue Distribution Guidelines

- [Revision 27 - Distribution Tables - Legislation Effective January 1, 2017](#) **New**
- [Summary of Changes for Trial Court Distribution Guidelines](#)
- [Trial Court Revenue Distribution Guidelines Request Form](#)

Past Revisions

- [Revision 26 - Distribution Tables - Legislation Effective January 1, 2016](#)
- [Revision 26 Addendum #2 - Urgency Legislation - Effective September 13, 2016](#)
- [Revision 26 Addendum #1 - Urgency Legislation - Effective June 9, 2016](#)
- [Revision 25 - Distribution Tables - Legislation effective January 1, 2015](#)
- [Revision 24 - Distribution Tables - Legislation effective March 1, 2014](#)



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

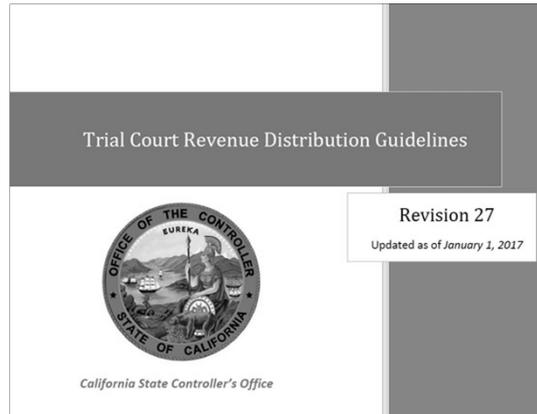
Overview of the *Trial Court Revenue Distribution Guidelines*



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Trial Court Revenue Distribution Guidelines



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)



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Types of Trial Court Revenues

- **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



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Fines, Penalties, and Assessments

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)*

Or, 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, and do not include all possible assessments.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Distribution of Trial Court Revenues

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.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Using the *Guidelines*



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Research: Four Steps

Question:

Should the 2% deposit for automation (GC 68090.8) be applied to public defender fees (PC 987.8)?

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

(GC 68090.8, PC 987.8, automation, public defender, 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.

Step Four: Contact us at LocalGovPolicy@sco.ca.gov.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Using the Guidelines: Table of Contents

Table of Contents	
How to Use the <i>Trial Court Revenue Distribution Guidelines</i>	1
Resources and Terminology.....	2
Priority of Installment Payments.....	5
Table 1 — General Distribution of Fines and Forfeitures under PC 1463.001.....	7
Table 2 — Special Distributions of Fines and Forfeitures Preceding PC 1463.001 Distribution.....	9
Table 3 — Specific Fine and Forfeiture Distributions.....	13
Table 4 — Drug and Domestic Violence Fine and Fee Distributions.....	40
Table 5 — Restitution Distributions.....	43
Table 6 — Penalty and Assessment Distributions.....	55
Table 7 — Criminal Related Fee Distributions.....	72
Table 8 — Civil Fine and Penalty Distributions.....	80
Table 9 — Civil Fee Distributions.....	95
Index.....	122

Using the Guidelines: Index

An index to the code sections found in the Guidelines, along with page numbers, appears at the end. This allows you to quickly locate a particular code section and determine the appropriate distribution.

LABOR CODE	
LC 98.2 — Filing Fee for Appeal of Labor Commissioner's Decision.....	119
LC 355 — Gratuities; Fines and Forfeitures.....	23
LC 409 — Bonds and Photographs; Fines and Forfeitures.....	23
LC 1305 — Minors; Fines.....	23
LC 1698 — Farm Labor; Fines.....	23
LC 1734 — Public Works; Fines and Forfeitures.....	23
LC 2699 — Labor Code Private Attorneys General Act of 2004; Unfair Labor Practice Civil Penalties.....	66

PENAL CODE	
PC 68 — Restitution Fine; Bribes by Public Officers or Employees.....	44
PC 86 — Restitution Fine; Bribes by Members of the Legislature.....	44
PC 93 — Restitution Fine; Bribes by Judicial Officers or Jurors.....	45
PC 166 — Contempt of Court Protective Orders.....	24
PC 186.22a — Money Damages for Injuries Caused by a Nuisance Created by a Criminal Street Gang.....	66
PC 186.8 — Proceeds from Sales Pursuant to "California Control of Profits of Organized Crime Act".....	25
PC 236.6 — Hurting or Offending Seizure of Assets.....	

Legislative Information: LegInfo

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

The screenshot shows the homepage of the California Legislative Information website. At the top, there is a navigation bar with links for 'skip to content', 'home', 'accessibility', 'FAQ', 'feedback', and 'login'. Below this is a secondary navigation bar with 'Home', 'Bill Information', 'California Law', 'Publications', 'Other Resources', 'My Subscriptions', and 'My Favorites'. The main content area is divided into several sections: 'TODAY'S SCHEDULE' for Tuesday, May 9, 2017; 'FLOOR SCHEDULE' listing various sessions; 'COMMITTEE HEARINGS' for various committees; and a 'WELCOME' message. A search section is prominently displayed with 'Quick Bill Search' and 'Quick Code Search' options, each with input fields for Bill Number, Code, Code Section, and Keywords, and a 'Go' button. On the right side, there are links for 'Daily Updates', 'Daily Files', 'Search Bills by...', and 'Quick Links'.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.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.

The screenshot shows the 'Code Search' page on the California Legislative Information website. The page has a navigation bar at the top with 'Home', 'Bill Information', 'California Law', 'Publications', 'Other Resources', 'My Subscriptions', and 'My Favorites'. A search bar is located at the top right, labeled 'Quick Search:'. Below the navigation bar, the page title is 'California Law >> Code Search'. A search form is highlighted with a red oval, containing a dropdown menu for 'Code' (set to 'GOV'), an input field for 'Section' (containing '68099.8'), and a 'Search' button. Below the search form, there is a list of 29 California codes, including 'California Constitution - CONS', 'Business and Professions Code - BPC', 'Civil Code - CIV', 'Code of Civil Procedure - CCP', 'Commercial Code - COM', 'Corporations Code - CORP', 'Education Code - EDC', 'Elections Code - ELEC', 'Evidence Code - EVID', 'Family Code - FAM', 'Financial Code - FIN', 'Fish and Game Code - FGC', 'Food and Agricultural Code - FAC', 'Government Code - GOV', 'Harbors and Navigation Code - HNC', 'Health and Safety Code - HSC', 'Insurance Code - INS', 'Labor Code - LAB', 'Military and Veterans Code - MVC', 'Penal Code - PEN', 'Probate Code - PROB', 'Public Contract Code - PCC', 'Public Resources Code - PRC', 'Public Utilities Code - PUC', 'Revenue and Taxation Code - RTC', 'Streets and Highways Code - SHC', 'Unemployment Insurance Code - UIC', 'Vehicle Code - VEH', 'Water Code - WAT', and 'Welfare and Institutions Code - WIC'.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

LegInfo: Viewing the Codes

Here is Government Code §68090.8 for your viewing pleasure.

The screenshot displays the California Legislative Information website interface. At the top, there is a navigation bar with links for 'Home', 'Bill Information', 'California Law', 'Publications', 'Other Resources', 'My Subscriptions', and 'My Favorites'. A search bar is located in the top right corner. Below the navigation bar, the breadcrumb trail reads 'California Law >> Code Search >> Code Section'. The main content area shows the search results for 'GOV' and '§68090.8'. The text of the code is displayed, including the title 'TITLE 8. THE ORGANIZATION AND GOVERNMENT OF COURTS [§8070 - 77655]' and the specific section '§68090.8'. The text describes the Legislature's findings and the purpose of the section, which is to make a fund available for the development of automated administrative systems for the trial courts.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Reading Entries in the Guidelines



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

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)*.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Reading Entries in the Guidelines

CODE SECTION	VIOLATION/SITUATION	DISTRIBUTION	APPLICABLE FUND	FUND USE/SPECIAL PROVISION
B&P 18890.4 – Online Child Care Job Posting Services; Background Check Services <i>Effective January 1, 2017</i>	Failure to comply with provisions of B&P 18890-18890.6 by online child care job posting service or background check service provider subject to a civil penalty of \$1,000 per violation.	If the Attorney General brings the action:		
		100% to the State.	General Fund.	Not specified.
		If a county counsel brings the action:		
		100% to the County.	Not specified.	Not specified.
		If a city attorney brings the action:		
		100% to the City.	Not specified.	Not specified.

BUSINESS AND PROFESSIONS CODE

CHAPTER 2.3. Online Child Care Job Posting Services [18890 - 18890.6]

18890.4. (a) An online child care job posting service or background check service provider that fails to comply with the requirements of this chapter may be liable for a civil penalty of one thousand dollars (\$1,000) for each offense. The Attorney General, a city attorney, or a county counsel may bring an action to impose a civil penalty pursuant to this section after doing both of the following:

(1) Providing the online job posting service or background check service provider with reasonable notice of noncompliance. The notice shall inform the online job posting service or background check service provider that it will be subject to a civil penalty if it does not correct the violation within 30 days from the date the notice is sent to the online job posting service or background check service provider.

(2) Verifying that the violation was not corrected within the 30-day period described in paragraph (1).

(b) The civil penalty shall be deposited into the **General Fund if the action is brought by the Attorney General**. If the action is brought by a **city attorney**, the civil penalty shall be paid to the **treasurer of the city** in which the judgment is entered. If the action is brought by a **county counsel**, the civil penalty shall be paid to the **treasurer of the county** in which the judgment is entered.

(Added by Stats. 2016, Ch. 497, Sec. 1. Effective January 1, 2017.)



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Updates to the Guidelines: Changes in Revision 27



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Updates to Guidelines: Urgency Legislation

The codes below were added or amended in 2016 as urgency legislation, and took effect before January 1, 2017.

Added, Amended Or Removed	Code Section	Description
Removed	B&P 19318	Violations of Medical Cannabis Regulation and Safety Act; repealed June 27, 2016.
Amended	B&P 19360	Violations of Medical Cannabis Regulation and Safety Act; fines to be deposited in Medical Cannabis Fines and Penalties Account.
Added	B&P 22958	Raised the legal age to sell tobacco products to 21, except for active duty military personnel 18 or over.
Added	B&P 22963	Prohibits use of mail or delivery services to deliver tobacco products to persons under the age of 21.
Added	CC 1789.37	Prohibits operating a check-cashing business without a permit.
Added	F&G 1615	Civil penalties for violations related to the protection and conservation of fish and wildlife.
Added	F&G 12008.1	Prohibits the import, export, taking, possession, purchase, or sale of any endangered, threatened, or candidate species, or part thereof.
Added	F&G 12157	Proceeds from sale of forfeited devices, apparatus, or vehicles, as specified, to be distributed to State Fish and Game Preservation Fund.
Amended	GC 70626	\$25 or \$30 fees for specified court actions; June 30, 2017 sunset date of fee increase removed.
Amended	LC 2699	Civil penalties for Labor Code violations when action brought by employee pursuant to Private Attorney Generals Act.
Amended	PC 308	Raised the legal age to sell tobacco products to 21, except for active duty military personnel 18 or over.
Amended	PC 2085.5	Collection of restitution fines & orders from prisoners and parolees.
Amended	PC 2085.6	Collection of restitution fines & orders from released prisoners
Added	WC 1845	Failure to comply with cease and desist orders issued related to specified violations of the Water Code.
Added	WC 1847	Violations related to the diversion or use of water for cannabis cultivation.
Added	W&I 1752.81	Collection of restitution fines or orders from trust accounts or civil suit awards of juvenile wards.
Added	W&I 1752.82	Deduction of restitution fines or orders from juvenile ward wages.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Updates to Guidelines: Propositions

The codes below took effect the day after the November 8, 2016 election.

Added, Amended Or Removed	Code Section	Description
Amended	B&P 19360	Violations of Medical Cannabis Regulation and Safety Act; fines to be deposited in Medical Cannabis Fines and Penalties Account of the Marijuana Control Fund, pursuant to passage of Proposition 64.
Added	B&P 26038	Violations of the Adult Use of Marijuana Act; fines to be deposited in the General Fund, except as specified, pursuant to passage of Proposition 64.
Amended	PC 2085.5	Collection of restitution fines & orders from prisoners and parolees. Added 70% deduction of wages or trust accounts of condemned inmates, pursuant to passage of Proposition 66.
Amended	PRC 42285	Prohibits the distribution of single-use carryout bags. Effective November 9, 2016, pursuant to passage of Proposition 67.
Added	R&T 34016	Failure to allow inspection of business premises or other locations by peace officers, as specified, or the filing of false or fraudulent reports to the Board of Equalization by seller of marijuana products, pursuant to passage of Proposition 64.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Updates to Guidelines: Legislation

The codes below were added or amended in 2016, and became effective January 1, 2017.

Added, Amended Or Removed	Code Section	Description
Added	B&P 18890.4	Violations regarding notice requirements for online child care job posting services and background check services.
Added	CCP 1010.6	Service fees for filing documents electronically or for processing payment of court fees.
Added	FC 9001	Fee, not to exceed \$700, to reimburse costs of conducting investigation in stepparent adoption, if performed by court or county employee.
Added	GC 6159	Fees for accepting payment of court charges using credit card, debit cards, or electronic funds transfer.
Amended	GC 70615	Fees for filing appeals of specified rulings by administrative agencies. Added appeal under PC 186.35.
Amended	GC 76000.5	Additional penalty of \$2 for every \$10 or fraction thereof funding local emergency medical services. Sunset date extended to January 1, 2027.
Added	GC 84222.5	Campaign contributions or expenditures made by publicly funded nonprofit organizations in violation of code section. Replaced GC 54964.6, which had similar language.
Amended	H&S 1797.98a	Distribution of funding for emergency medical services in county. Sunset date extended to January 1, 2027.
Added	H&S 43154	Violations regarding the importation or sale of a motor vehicle that does not comply with emissions control laws subject to civil penalties up to \$37,500 for each action.
Amended	PC 1305.3	Reimbursement of actual costs, including attorney's fees, by prosecuting agency for opposing a motion to vacate for forfeiture of bail. Added attorney's fees as reimbursable cost.
Amended	PC 2085.5	Collection of restitution fines & orders from prisoners and parolees. Amended to change administration fee to cover costs of collection.
Added	PC 2085.7	Collection of restitution fines and orders from released county prisoners. Added as a separate code section.
Added	PC 2085.8	Collection of restitution fines and orders from damages awarded to prisoners, parolees, or released prisoners resulting from civil actions brought against jails or correctional facilities, or the officials or agents thereof. Added as a separate code section.
Amended	R&T 30473.5	Fines on the sale or purchase of false, fraudulent, or unaffixed cigarette tax stamps or meter impressions. Added unaffixed stamps as a violation.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Adding New Entries to the Guidelines

Trial Court Revenue Distribution Guidelines

Revision 27

Table 8 Civil Fine and Penalty Distributions				
CODE SECTION	VIOLATION/SITUATION	DISTRIBUTION	APPLICABLE FUND	FUND USE/SPECIAL PROVISION
B&P 6126.7— Civil Penalty; Unlawful Translation	Violation of B&P 6126 by any person who is not an attorney to literally translate from English into another language, in any document, implying that the person is an attorney, shall be subject to a civil penalty not to exceed \$1,000 per day for each violation.	The State Bar.	Fund established pursuant to B&P 6033	To provide free legal services related to immigration reform act services to clients of limited means or to a fund for the purposes of mitigating unpaid claims of injured immigrant clients under Section 22447, as directed by the Board of Trustees of the State Bar.
B&P 17535.5 — Civil Penalty; Injunction Violation	A person who intentionally violates any injunction issued pursuant to B&P 17535 shall be subject to a civil penalty not to exceed \$6,000 per violation.	If the Attorney General brings the action:		
		50% to the County.	Not specified.	Not specified.
		50% to the State.	Not specified.	Not specified.
		If a district attorney or county counsel brings the action:		
100% to the County.	Not specified.	Not specified.		
If a city attorney brings the action:				
50% to the City.	Not specified.	Not specified.		
50% to the County.	Not specified.	Not specified.		
If brought at the request of a board within the Department of Consumer Affairs, or local consumer affairs agency, the reasonable expenses incurred in investigation and prosecution:				
To the State Treasurer.	To the special fund of the board if one exists; otherwise to State Treasurer's General fund.			Not specified.
To the county or municipality funding local consumer affairs agency.				Not specified.
B&P 18900.4 — Online Child Care Job Posting Services; Background Check Services Effective January 1, 2017	Failure to comply with provisions of B&P 18900-18900.6 by online child care job posting service or background check service provider subject to a civil penalty of \$1,000 per violation.	If the Attorney General brings the action:		
		100% to the State.	General Fund.	Not specified.
		If a county counsel brings the action:		
		100% to the County.		Not specified.
		If a city attorney brings the action:		
		100% to the City.		Not specified.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Listserv Notifications

To receive automatic notification of updates to the Trial Courts Revenue Distribution Guidelines, please visit our website at:
http://www.sco.ca.gov/ard_trial_courts_notification_email.html

The screenshot shows the website header for Betty T. Yee, California State Controller. Below the header is a navigation menu with links for Home, About Us, Public Services, State and Local, State Employees, Publications, and News. The main content area is titled "Trial Court Revenue Distribution Updates Email Subscription Service" and includes a search bar, a breadcrumb trail, and a form for signing up for email notifications. The form has three input fields: "List Name" (pre-filled with "Trial Court Revenue Distribution Updates"), "Email Address", and "First and Last Name". Below the fields are "Subscribe" and "Unsubscribe" buttons.

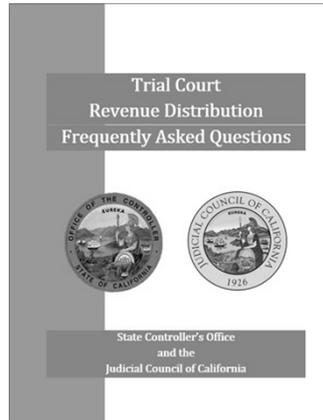


Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Frequently Asked Questions (FAQ)

Each training generates questions from the audience. SCO and the Judicial Council have compiled the most common ones.

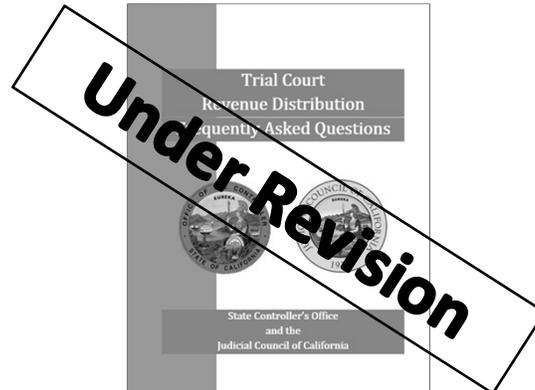


Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Frequently Asked Questions (FAQ)

We are merging the FAQs from our prior sessions into a single master document. The Master FAQ is expected to be posted in August 2017 on the SCO and Judicial Council websites.



Controller Betty T. Yee
California State Controller's Office

LocalGovPolicy@sco.ca.gov

Questions?

(Evaluation)

99

Crosswalk

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

100

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 templates are subject to the effective dates as stated in the specific sections. Refer to the current code to ensure the most current language is implemented.

Table 2 - Special Distributions of Fines and Forfeitures Preceding PC 1463.001 Distribution

Trial Court Revenue Distribution Guidelines (Appendix C) Rev 27 1-1-2017				Uniform Bail & Penalty Schedule v 1-1-2017		
Index	Code Section	Code Description	Violation	FAQ	Description	Pg.
2.1	1	PC 1305.3 <i>Amended January 1, 2017</i> Recovery of Costs and Attorney's Fees by Prosecuting Agency for Opposing Motion to Vacate Forfeiture	Forfeited bail, when a prosecuting agency incurs costs and attorney's fees in successfully opposing a motion to vacate the forfeiture and in collecting on the summary judgment.		Not listed; this is just a cost recovery item	
2.1	2	PC 1463.9 Litter Fines	H&S 13002		Not listed	

Table 2 - Special Distributions of Fines and Forfeitures Preceding PC 1463.001 Distribution

Trial Court Revenue Distribution Guidelines (Appendix C) Rev 27 1-1-2017				Uniform Bail & Penalty Schedule v 1-1-2017		
Index	Code Section	Code Description	Violation	FAQ	Description	Pg.
2.1	2	PC 1463.9 Litter Fines	H&S 13002		Not listed	
			PC 374.3		Not listed	
			VC 23111		Throwing Lighted Substance on Highway Prohibited	14
			VC 23112		Dumping Material on Highway Right-of-Way Prohibited	14
			VC 23113(a)		Failure to Remove Material From Highway	15

www.courts.ca.gov/revenue-distribution.htm

Questions?

(Evaluation)

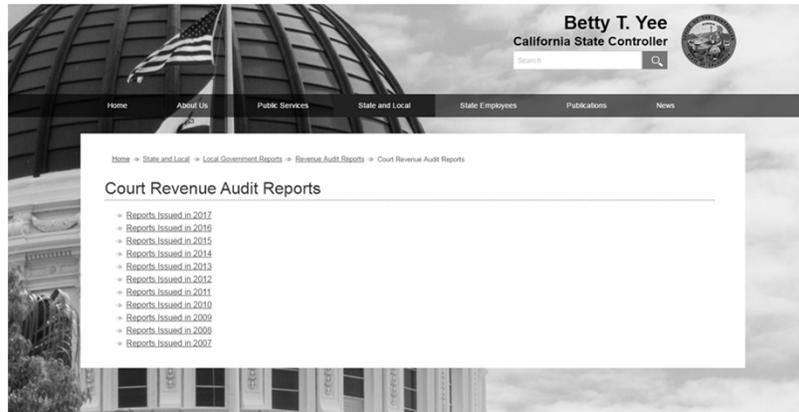
103

Trial Court Revenue Distribution Training



SCO Court Revenue Audits

Court Revenue Audit Reports can be found at:
http://www.sco.ca.gov/aud_court_revenues.html



Agenda

- **SCO common audit issues:**
 - Emergency Medical Air Transportation (EMAT) Penalties
 - Distributions of Parking Surcharges and Penalties
 - Equipment/Tag Violations
 - 50-50 Excess of Qualified Revenues (MOE)
- **TIPS**

EMAT Penalties

EMAT penalties are being incorrectly 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.
- Leads to findings in the TVS portion of the 50-50 Excess of Qualified Revenues.

Distribution of Parking Surcharges and Penalties

Parking surcharges and penalties are not being distributed as required

Parking Surcharges and Penalties:

- 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 Court 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 or entire \$2.00 from CJFF)
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

- These parking surcharges and penalties are not being imposed and collected from some of the parking citation issuing agencies such as universities, colleges, and cities.
- These parking surcharges and penalties are not being remitted or incorrectly distributed (should be \$12.50 or \$11.00 per case) by the issuing agencies.
- The entire amount of \$2 per parking violation are not being deposited into county General Fund GC §76000(c). This leads to incorrect calculation of 50-50 Excess of Qualified Revenues.

Equipment/Tag Violations

Qualified penalties not being distributed to the State

- **VC §40225(d)** allows equipment and registration tag violations entered on notices of parking violations to be processed as civil penalties.
- This is **NOT** distributed like the additional parking penalties. Equipment/Tag violations use any penalty collected (including late penalties) divided equally between the State Treasury and issuing/processing agency.
 - Fix – it tickets which penalties are reduced to \$10 are also included in the 50-50 split between the state treasury and issuing/processing agency.

50-50 Excess of Qualified Revenues

Underremittances to the State, due to incorrect calculation of total collections of qualified revenues

Calculate the revenue the county general fund has received from the eight specified fines, fees, and forfeitures stated 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 of Qualified Revenues

Underremittances to the State, due to incorrect calculation of total collections of qualified revenues

VC §42007 – Traffic Violator School Fee

- Only 77% of the TVS Fee to the County General Fund (CGF) shall be calculated into the MOE (Maintenance of Effort) limit before 50-50 split.
- Counties have been issued 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 penalties

- The \$2.00 are to be calculated into the GC §76000 total collections of the MOE before 50-50 split.
- Counties have received multiple findings for not distributing parking penalties, resulting in an underremittances of excess qualified revenues.

Tips to help prepare for an audit

- Cash Statements
- Maintenance of Effort
- Parking
- Testing
- BOS resolutions
- Prior Audit Findings
- TC-31s

Cash Statements and MOE

- Identify all the different revenues on the cash statements (city, county, state).
- Make sure the cash statements include ALL the revenues and adjustments (not just cash).
- Monthly reconciliation between the cash statements and TC-31s.
- Be able to identify what funds make up the total qualified amounts for the MOE calculation.

Parking

- Have contact information of all parking agencies.
- Inform the parking agencies about the audit.
- Make sure parking entities include breakdown distribution information for each check amount.
- Keep a list of entities that are not remitting parking revenues to the County.

Additional Tips

- Verify your distributions using the Judicial Council distribution testing templates.
- Keep applicable Board of Supervisor resolutions handy.
- Keep records of corrective actions for prior audit findings- even the non monetary ones.
- Notify the State Accounting and Reporting Division to receive electronic stamped copies of TC-31s.

SCO Distribution Contact Information

If you have any questions related to trial court revenue distribution, please email LocalGovPolicy@sco.ca.gov

Questions?

(Evaluation)

117

**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

Systemic revenue distribution issues found on past audits:

- Board of supervisor (BOS) resolutions
 - Imposed and distributed GC 76000 local penalties that are not supported by county BOS resolutions
- Traffic school distributions
 - Transferred the GC 68090.8 2% State Automation amount from the fine and penalty components of the TVS fee
- Emergency Medical Air Transportation (EMAT) penalty
 - Distributed EMAT penalty to State instead of including as part of TVS fee on traffic school cases (exception is child seat traffic school cases)

Systemic revenue distribution issues found on past audits:

- 30% Red Light (RL) and Railroad (RR) allocations
 - Did not calculate the 30% allocation from the base fine and applicable penalties for PC 1463.11 RL and PC 1463.12 RR bail forfeiture cases (new CMS configuration issue)
- Fishing without a license
 - Did not assess the FG 12021 \$15 State Secret Witness penalty for fishing without a license cases

Systemic revenue distribution issues found on past audits:

- Other issues
 - Imposed the VC 40508.6(a) \$10 DMV Administrative assessment on the initial conviction of a Vehicle Code violation instead of for a subsequent Vehicle Code violation.
 - Distributed collections to the city that should have been distributed to the county when the arrests were made by either the CHP outside of city limits or the sheriff. Occurred because citations were incorrectly entered as city arrests instead of as county arrests.

Systemic revenue distribution issues found on recent audits:

- Distribution as a city arrest even though arresting agency was county sheriff
- Distribution of \$1 to Local Courthouse Construction Fund from TVS fee even though county transferred all court facilities and no associated bond indebtedness remains
- Uploaded incorrect \$10 base fine into system instead of \$25 base fine required by statute for violators who subsequently provided proof of valid fishing license at the time of citation
- Used distribution percentages that are inconsistent with percentages required by statute for Proof of Correction cases

Questions?

(Evaluation)

Training Recap

Today we have covered the following:

- Updates to distribution resources
- Resource materials for distributions, calculations, analysis, and research
- Legislative updates and Futures Commission recommendations
- The 2017 Uniform Bail and Penalty Schedule
- Collections updates
- Issues from the Franchise Tax Board
- Audit issues from both the SCO and JCC

125

The rest of your day

- Lunch 12:00–1:00pm
- Workshops 1:00pm to 3:00pm
 - Laptops needed
 - Please share
 - Locations of "A" and "B"
 - Dismissed after workshop

126

Next Revenue Distribution Training Webinar

Save the Dates

- ✓ Dec 6 and 7, 2017
- ✓ New 2017 statutes

127

Reminders

When you leave...

- Training Evaluations in drop box
- Pick up training completion certificate at registration desk

128

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

Note: we will not reconvene after.

**Thank you for joining us
today!**