Revenue Distribution Training
Spring 2020

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

INTRODUCTION

Donna Newman

Judicial Council of California

Funds and Revenue Unit

Training Goals

- Provide an opportunity to learn important information
- Present information and updates on collections and revenue distribution
- Share resource materials for distribution calculations, analysis, and research
- Review and discuss frequently asked questions about collections and distributions
- Provide experienced coaching on using distribution worksheets

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Agenda

- Faculty
- Introduction
- Legislative updates
- Collections updates
- Trial Court Revenue Distribution Guidelines
- FAQs and other resources
- Distribution Audit Issues

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Training Materials

- PowerPoint Presentation
- Training Agenda
- Resources & Links
- Distribution of Fines, Penalties & Fees
- Legislative Updates
- Uniform Bail and Penalty Schedules
- Materials for all Break-out Sessions
- FAQs (optional)

Training Materials on Website

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

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Evaluations & Certificates

- Training Evaluation Questionnaire
  - Your feedback is important to us
  - Evaluation via Survey Monkey: https://www.surveymonkey.com/r/April2020RevDistTraining
  -
- Training Completion Certificate
  - Emailed upon receipt of evaluations

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Asking Questions

- Questions are welcome and encouraged
- Your questions may be used for FAQs

- Email questions to:
  RevenueDistribution@jud.ca.gov

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Faculty:

Judicial Council

Governmental Affairs:

Andi Liebenbaum, Attorney — Andi.Liebenbaum@jud.ca.gov

Mark Neuburger, Legislative Advocate — Mark.Neuburger@jud.ca.gov

JUDICIAL COUNCIL OF CALIFORNIA

Faculty:

Judicial Council

Funds and Revenues Unit:

Donna Newman, Fiscal Supervisor

Maria Lira, Senior Fiscal Analyst

Don Lowrie, Fiscal Analyst

Public Mailboxes:

RevenueDistribution@jud.ca.gov

Collections@jud.ca.gov

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Faculty:

State Controller's Office

Local Government Programs and Services Division:

Sandeep Singh, Manager	SASingh@sco.ca.gov
Marieta Delfin, Supervisor	MDelfin@sco.ca.gov

Division of Audits:

Doug Brejnak, Auditor (Specialist)	DBrejnak@sco.ca.gov
Chris Ryan, Audit Manager	CRyan@sco.ca.gov

Public Mailbox: LocalGovPolicy@sco.ca.gov

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Faculty:

Subject Matter Experts

Court-Ordered Debt Collection Program :

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

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

Public Mailbox: — CODClientServices@ftb.ca.gov

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Faculty:

Subject Matter Experts

Inyo Superior Court:
Danielle Sexton, Court Finance Manager

Riverside Superior Court:
Tapuwa Makombe, Asst. Deputy Executive Officer

Merced Superior Court:
Keri Brasil, Chief Financial Officer

Ventura Superior Court:
Richard Cabral, Director Collections and Finance

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Introduction to Distributions

Interrelationships

&

Resources

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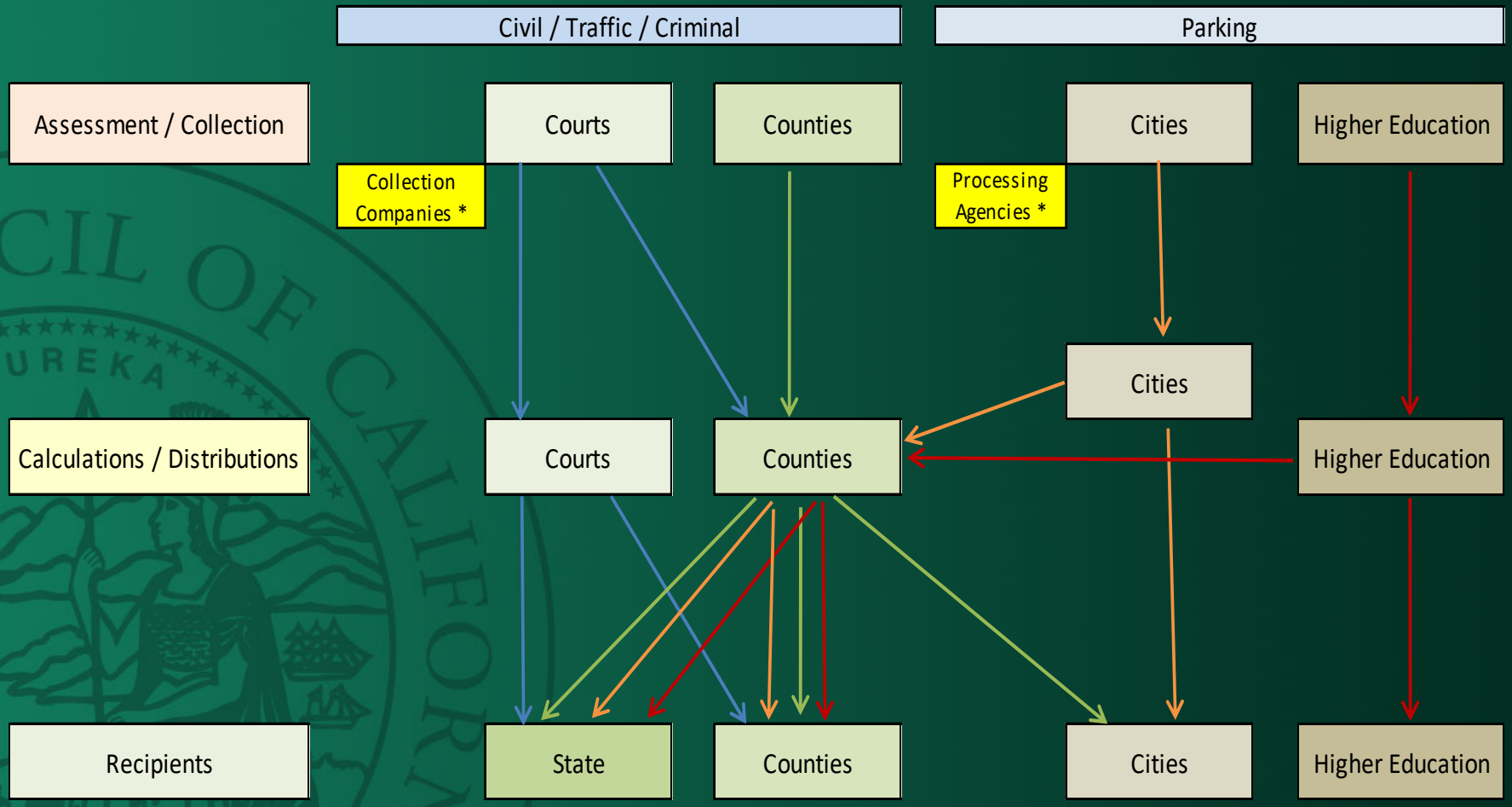
ASSESSMENT, COLLECTION, AND DISTRIBUTION COMPLEXITY OF THE PROCESS



* Entities under contract to perform collections

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Revenue Distribution Resource Interrelationships

- Distribution Guides:
  - Statutes
  - Trial Court Revenue Distribution Guidelines
  - Uniform Bail and Penalty Schedule
  - Revenue Distribution Worksheets
  - FAQs

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Legislative Update

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The COVID-19 Impact

CALIFORNIA ALL

Your Actions Save Lives

COVID-19 UPDATES

- gov.ca.gov
- covid19.ca.gov

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The COVID-19 Impact

On Monday, March 16, 2020, Governor Gavin Newsom issued a statewide directive to fight COVID-19.

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The COVID-19 Impact

On Wednesday, March 18, 2020, the Legislature halted all committee hearings pursuant to Assembly Concurrent Resolution (ACR) 189.

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The COVID-19 Impact

- The California Assembly will resume hearings on Monday, May 4. No details yet, but the Senate may return on May 11.
- Each Assembly committee will have only ONE hearing (six is normal).
- Safety precautions will be in place.

The COVID-19 Impact

- Approximately 2,200 bills were introduced by the February 21 deadline.
- Most of these bills have either been withdrawn or will not be passed.
- Priority legislation focused on COVID-19 relief, addressing homelessness, and helping the economy.

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The COVID-19 Impact

Considerations:

- Bills are still in house of origin – possible attempt to "get back on schedule" for second house.
- Governor Newsom hopes to begin to reopen the economy in "weeks, not months"
- Can the Legislature get back on schedule?

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The COVID-19 Impact

- Governor's Jan. 10 budget out the window
- Taxes delayed to July; revenue calcs delayed to August
- Spending priorities radically shifted due to COVID-19

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The COVID-19 Impact

More considerations:

- What if there is a COVID-19 resurgence?
- Safety precautions may be long-term.
- Will the Legislature take a summer recess?
- What does all this mean for collections and distributions?

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The COVID-19 Impact

In sum…

- Many unknowns at this time
- Many variables & new priorities
- Be safe and follow directives to shelter in place
- #StayHomeSaveLives

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Updates on Recent Legislation

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Court-Related Legislation 2019

November 2019

During the first year of the 2019–2020 Legislative Session, the Legislature and Governor enacted numerous bills that affect the courts or are of general interest to the legal community. Brief descriptions of the measures of greatest interest follow, arranged according to subject matter. Also included is a table summarizing new laws that create new crimes or expand existing crimes, as well as an index listing all the bills and the page numbers on which their descriptions can be found.

The effective date of legislation is stated with each measure. Urgency and budget measures normally take effect immediately upon enactment, and some other measures have delayed operative dates.

This *Summary* is intended to serve only as a guide to identify bills of interest; the bill descriptions are not a complete statement of statutory changes. Code section references are to the sections most directly affected by the bill; not all sections are necessarily cited.

Until the annual pocket parts are issued, bill texts can be examined in their chaptered form in *West's California Legislative Service* or *California Deering's Advance Legislative Service,* where they are published by chapter number. In addition, chaptered bills and legislative committee analyses can be accessed on the internet at http://leginfo.legislature.ca.gov. Individual chapters may be ordered directly from the Legislative Bill Room, State Capitol, 10th Street, Room B32, Sacramento, California 95814, 916-445-2323.

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Court-Related Legislation 2019

APPENDIX E

2019 NEW AND EXPANDED CRIMES

BILL NUMBER AND CHAPTER, EFFECTIVE DATE, AND TITLE	CODE SECTION(S)	SUMMARY DESCRIPTION OF NEW LAW
AB 128 (Gloria), CH. 765 ***Effective/Operative Date: January 1, 2020*** **Equines: protection**	CIV 1834.8; F&G 24106	Requires a written bill of sale or written instrument to be provided when any person purchases, consigns, sells, or accepts the donation of an animal at a public or private auction. Expands the crime of perjury by requiring a person who purchases an animal in these circumstances to sign a sworn statement, under penalty of perjury, acknowledging and agreeing to comply with the Prohibition of Horse Slaughter and Sale of Horsemeat for Human Consumption Act of 1998.
AB 164 (Cervantes), CH. 726 ***Effective/Operative Date: January 1, 2020*** **Firearms: prohibited persons**	PEN 29825	Expands the scope of an existing crime by prohibiting any person subject to a valid restraining order, injunction, or protective order issued out-of-state from possessing, receiving or purchasing, or attempting to possess, receive, or purchase a firearm in this state if the out-of-state order is equivalent in the prohibition against possessing, receiving, or purchasing a firearm.
AB 169 (Lackey), CH. 604 ***Effective/Operative Date: January 1, 2020*** **Guide, signal, and service dogs: injury or death**	PEN 600.2, 600.5	Changes the definition of a crime by deleting the requirement that the guide, signal, or service dog be in discharge of its duties when the injury or death occurs from certain crimes against guide, signal, or service dogs. Requires a defendant convicted of these crimes to also make restitution to the person for medical or medical-related expenses, or for loss of wages or income.
AB 189 (Kamlager-Dove), CH. 674 ***Effective/Operative Date: January 1, 2020*** **Child abuse or neglect: mandated reporters: autism service personnel**	PEN 11165.7	Expands the scope of a crime by providing that a qualified autism service provider, a qualified autism service professional, or a qualified autism service paraprofessional provider is a mandated reporter of known or suspected child abuse and neglect for the purposes of the Child Abuse and Neglect Reporting Act.

54

2020 Legislative Update

2019-20 Session so far:

- 4,881 bills introduced
- 1,545 bills Government Affairs tracking
- 175 with Court Operations impact
- 12 with impacts to revenues
- Highlighting 4 of these bills

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2020 Legislative Update

AB 2978

- Makes expungement provided by AB 1076 (2019) retroactive to convictions back to 1973.
- Revenue Impact: ambiguous language may require courts to eliminate all unpaid fines/fees associated with convictions granted relief.

AB 1980

- Eliminates 20% General Fund surcharge
- Identical to AB 1348 from 2019, which failed in Assembly Appropriations.

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2020 Legislative Update

SB 144

- CJS Fee Elimination
- Amends 91 sections in total
- Courts impact by 13 sections
- 25 Technical sections
- 53 County/State Fees

AB 2903

- Allows payment plans longer than 90 days for TVS fees.
- Allows defendants to take TVS after 1 payment.

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Current Situation

The 2019-20 session and the COVID-19 crisis..

- As of April: Temporary suspension of session
  - Legislative Leadership: Members should reduce bill portfolio, focus on bills that address pressing issues (COVID-19, Housing, Wildfire)
- May: Possible return to session
  - Will not likely act on all 2,200 bills.
- Realities
  - Unclear if members will reduce bills/focus priorities
  - State revenue/budget picture rapidly changing
  - May need focus exclusively on state finances

Legislative Update

Interested in following the progress of legislation?

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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Collections Activities

- Collections Reporting Template 2019-20
  - Instructions clarified
  - Worksheets revised
- Discharge from Accountability
- Cost Recovery
- Training

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Collections Reporting

2019-20 reporting Period

- Consolidated reporting (AB 1818)
- Collections Reporting Template Due Date
- Review and approval process

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Changes to CRT: Contact and Other Information

Linked FTB-COD and Private Agency collections and costs to Annual Financial Report entries

10	e. Accepts payment of delinquent debt by credit card.	☐	3	Enter data as part of Category 3, (activity **c**), Row 8 above.			
11	a. Sends delinquent debt to the Franchise Tax Board's Court-Ordered Debt Collections Program.	☐		0			0
12	b. Sends delinquent debt to the Franchise Tax Board's Interagency Intercept Collections Program.	☐	6				
13	c. Initiates driver's license suspension or hold actions when appropriate for a failure to appear in court.	☐	7				
14	d. Contracts with one or more private debt collectors to collect delinquent debt.	☐		0			0
15	e. Sends monthly bills or account statements to all delinquent debtors	☐	2	Enter data as part of Category 2 (activity **b**), Row 7 above.			

Added questions regarding adjustments due to ability to pay, custody credit, community service, and dismissal of charges

	Additional Information:	Number of Cases	Value ($)
23	If available, provide the total value of fines, fees, forfeitures, penalties, and assessments **initially imposed**, prior to any adjustments.		
24	If available, provide the total number and value of cases adjusted (e.g., bail or fine reduced or waived) based on an **ability to pay determination**.		
25	If available, provide the total number and value of cases adjusted (e.g., bail or fine satisfied) with **custody credits** in lieu of cash payment.		
26	If available, provide the total number and value of cases adjusted (e.g., bail or fine satisfied) with **community service** in lieu of cash payment.		
27	If available, provide the total number and value of cases adjusted (e.g., bail or fine satisfied) by **dismissal of charges** in lieu of cash payment.		

Discharge from Accountability

- Training
- Focus on *collectible* debt
- Reduced balance = increased performance rate

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Depending on age and other characteristics of the account, certain collections activities tend to perform better. **However, cost should always be a consideration.**

Source: *Forrester Consulting, Inc., Collections Practice Current State Assessment*

Cost Recovery

2018-19 Reporting period totals:

- $110.5M recovered costs
- 20.3% of $543M delinquent revenue collected
- Range from 1.8% to 57.4%

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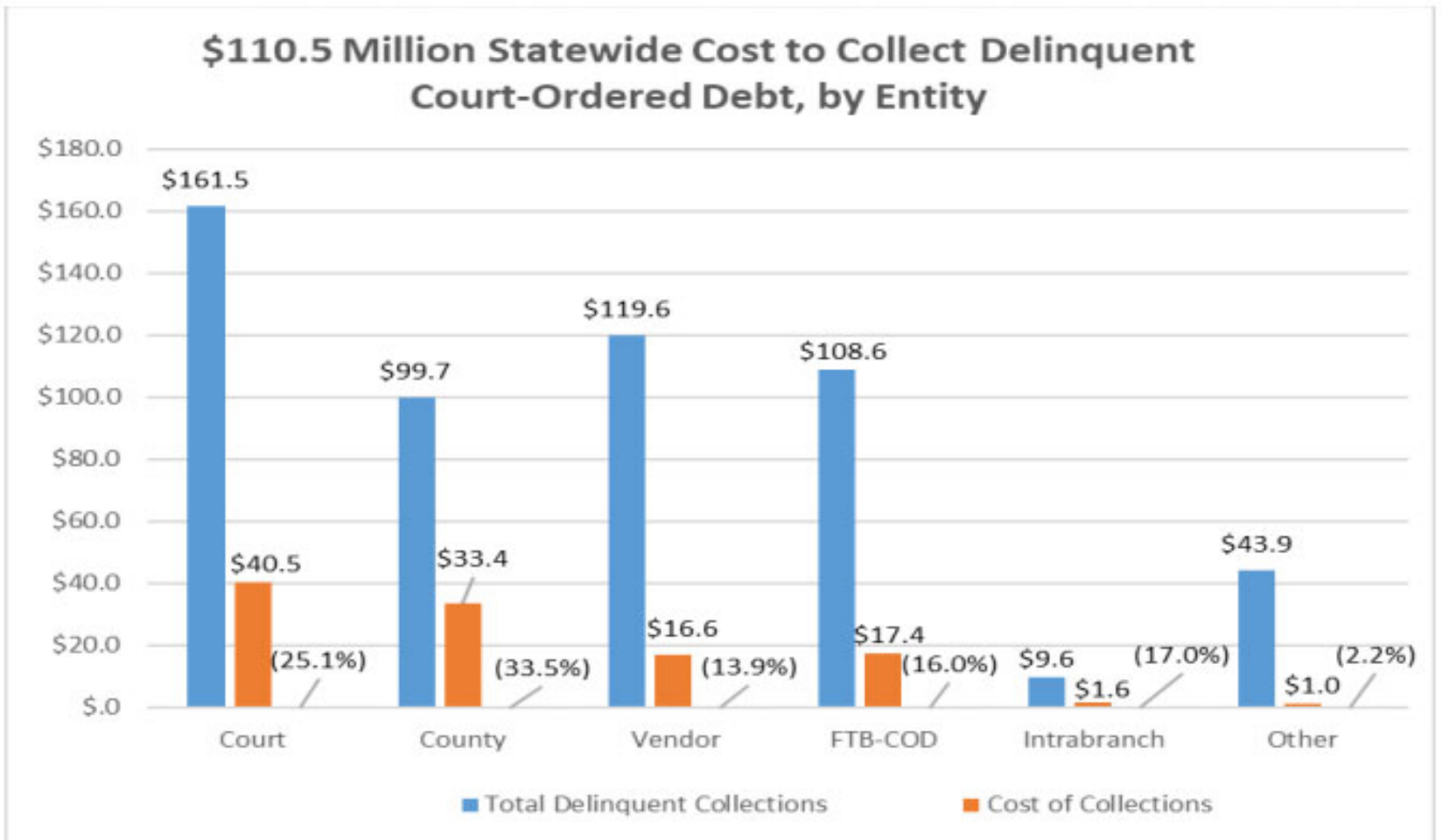
FY 2018-19 Costs



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Penal Code § 1463.007

- Program must comply with Penal Code § 1463.010(b)
- Meet 10 of 16 collections activities
  - Five mandatory
  - Five discretionary
- Eligible v. Non-Eligible Costs
- Calculate Operating and Staffing Costs
- Separate Delinquent from Nondelinquent Revenue

See Guidelines and Standards for Cost Recovery

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Training is important to create standardized practices – to the extent possible – build consensus around terminology and best practices, and to promote communication between entities.

Source: Forrester Consulting, Inc., Collections Practice Current State Assessment

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Training:

Most requested training*:

- #1 Discharge from accountability (40%)
- #2 Revenue distribution (28%)
- #3 Cost recovery (24%)

Source: Forrester Consulting, Inc., Collections Practice Current State Assessment

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Trial Court Revenue Distribution Training
April, 2020

BETTY T. YEE

California State Controller

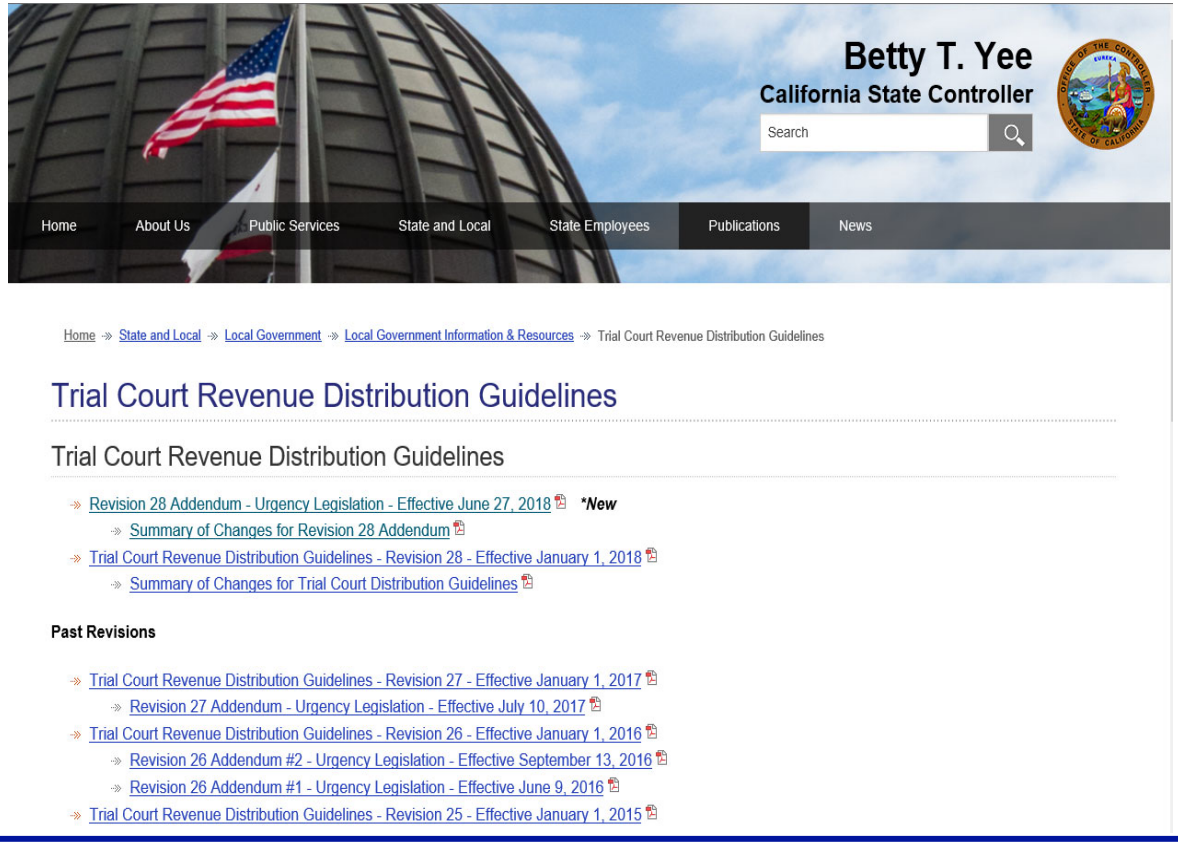
Overview of SCO Guidance

- SCO Website
- Overview of the *Trial Court Revenue Distribution Guidelines*
- Updates to the Guidelines

BETTY T. YEE
California State Controller

SCO Trial Court Webpage

The Trial Court Revenue Distribution Guidelines can be found at:
http://www.sco.ca.gov/ard_trialcourt_manual_guidelines.html



Trial Court Revenue Distribution Guidelines

State of California

Trial Court Revenue Distribution Guidelines

Revision 30

Updated as of January 1, 2020

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

Base Fine + Base Fine Enhancements

=

Total Base Fine

+

Penalties (State, Local, EMS, DNA, Construction, etc.)

+

State Surcharge

+

Fees and Assessments

=

Total Bail or Fine

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…"

Base Fine:		**$ 35**
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	
Total Penalties:		**$116**
State Surcharge ($35 x 20%):		**$ 7**
Criminal Conviction Assessment:	$35	
Court Operations Assessment:	$40	
EMAT Penalty:	$ 4	
Total Assessments:		**$ 79**
TOTAL BAIL/FINE:		**$237**

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

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

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

Step Three: Check the online FAQs at https://www.courts.ca.gov/revenue-distribution.htm#panel32546

Step Four: Contact us at 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).*

Reading Entries in the *Guidelines*

CODE SECTION	VIOLATION/SITUATION	DISTRIBUTION	APPLICABLE FUND	FUND USE/SPECIAL PROVISION
CC 1798.155 – California Consumer Privacy Act ***Effective January 1, 2020***	**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.**	**100% to the State.**	**Consumer Privacy Fund.**	**To offset costs incurred by the state courts and the Attorney General in enforcing CC 1798.100-1798.199.**

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 30 of the *Trial Court Revenue Distribution Guidelines* was released in December 20, 2019, and reflected changes due to legislation signed into law last year. Those changes are on the following slides.

Most became effective January 1, 2020, although some bills have a later effective date.

Updates due to Legislation, cont.

Added, Amended Or Removed	Code Section	Description
Added	CC 1798.99.82	Requires data brokers to register with the Attorney General (AG), requires the AG to create a publicly available registry of data brokers on its website, and grants enforcement authority for violations of these requirements to the AG.
Added	ELEC 18503	An employer who violates Section 14004 shall be subject to a civil fine of up to ten thousand dollars ($10,000) per election.
Added	F&A 30526	Requires a public or private shelter or a rescue group to disclose a known dog bite that resulted in a state-mandated bite quarantine prior to selling, giving away, or otherwise releasing the dog.
Added	F&G 2023	Makes it unlawful to sell, offer for sale, display for sale, trade or otherwise distribute for monetary or nonmonetary consideration a fur product in the state, or to manufacture a fur product in the state for sale, with specified exceptions.
Amended	GC 70626	Increases fees on specified court filings by $15 in order to fund an expansion of legal representation for low-income litigants

Updates due to Legislation, cont.

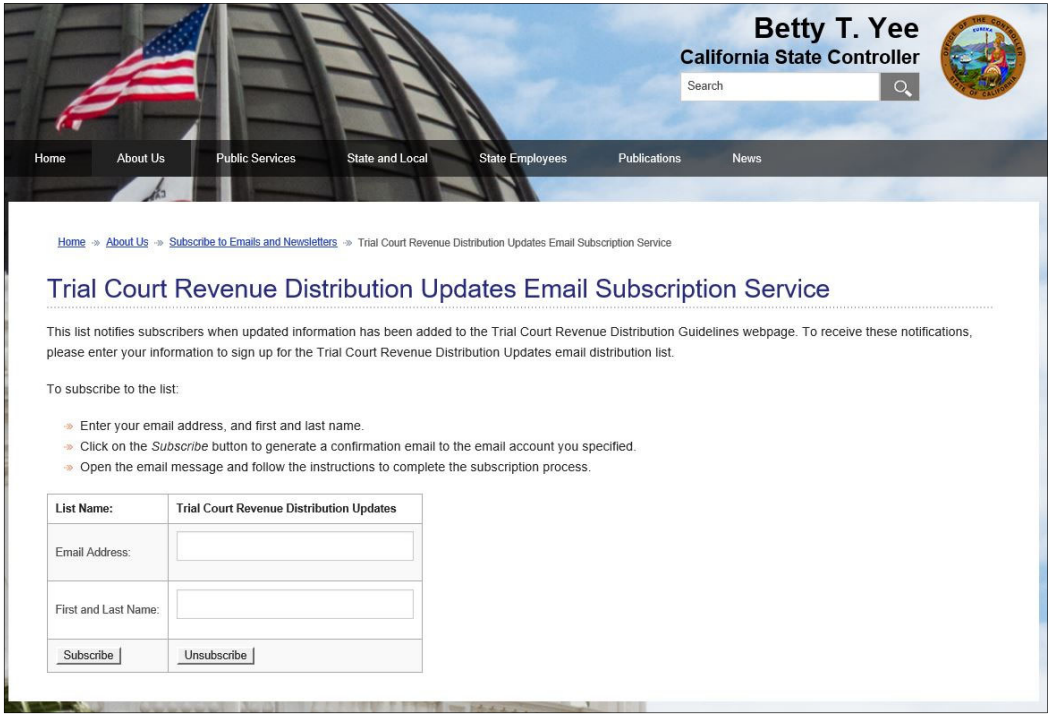
Added, Amended Or Removed	Code Section	Description
Amended	GC 76000.10	Emergency Medical Air Transportation Act penalties shall terminate on July 1, 2020. Penalties assessed before July 1, 2020, shall continue to be collected, administered, and distributed pursuant to this section until exhausted or until December 31, 2021, whichever occurs first.
Amended	H&S 25215.7	H&S 25215.7 was renumbered to read H&S 25215.82.
Added	PC 489	Makes the theft of agricultural equipment in excess of $950 grand theft punishable as an alternate felony misdemeanor.
Added	PC 600.2	Expands the crime of causing injury to, or the death of, any guide, signal, or service dog, and adds the medical expenses and lost wages of the owner to the existing list of recoverable restitution costs.
Amended	PC 600.5	Expands the crime of causing injury to, or the death of, any guide, signal, or service dog, and adds the medical expenses and lost wages of the owner to the existing list of recoverable restitution costs.
Added	PRC 42372	Prohibits lodging establishments from providing small plastic bottles. Effective January 1, 2023 – for establishments with more than 50 rooms. Effective January 1, 2024 – for establishments with less than 50 rooms.

Updates due to Legislation, cont.

Added, Amended Or Removed	Code Section	Description
Added	PUC 2893.2	Prohibits an individual from using false government information in a caller identification system (Caller ID) with the intent to mislead, cause harm, deceive, or defraud the recipient of a call, and imposes a civil penalty of up to $10,000 for each violation.
Added	UIC 2117	Any person who, with or without intent to evade any requirement pursuant to UIC 2101-2129. A civil penalty of $1,000, and is also guilty of a misdemeanor.
Added	UIC 2122.5	A fine imposed by the court for Unemployment compensation violations.

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



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.

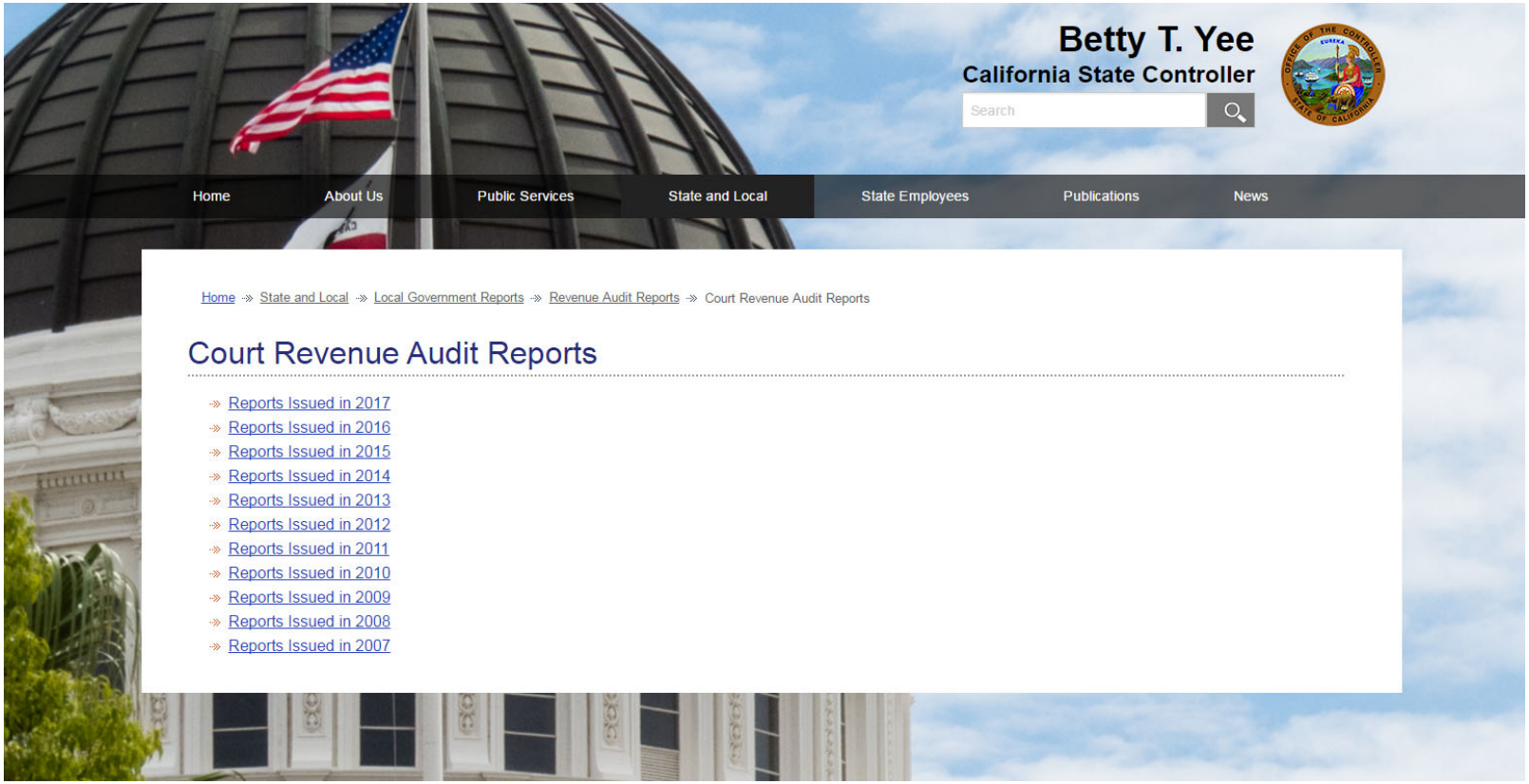
SCO Distribution Contact Information

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

BETTY T. YEE
California State Controller

SCO Court Revenue Audits

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



Agenda

- Status of Audits
- Common Audit Findings
- Audit Tips

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California State Controller

Status of Audits

- Final reports issued: 8
- Reports in process: 3
- Audits in progress: 5
- Next in queue:

○ Sonoma County	○ Monterey County
○ San Joaquin County	○ Alpine County
○ Kern County	

- **For the period of July 1, 2019 through March 31, 2020**

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California State Controller

Common Audit Findings

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

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.

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. This should include the TVS related portion of EMS penalties, local construction funds and city base fines.
- 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.

Tips to Prepare for an Audit

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

SCO Distribution Contact Information

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

BETTY T. YEE
California State Controller

Training Recap

Today we have covered the following:

- Updates to distribution resources
- Resource materials for distributions, calculations, analysis, and research
- Legislative updates
- Collections updates
- Audit issues from the SCO

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Resources and Contacts

Training Materials:
http://www.courts.ca.gov/revenue-distribution.htm

Court-Related Legislation:
http://www.courts.ca.gov/4121.htm

California Legislative Information:
http://leginfo.legislature.ca.gov

Judicial Council,
Funds and Revenues Unit
Collections@jud.ca.gov
RevenueDistribution@jud.ca.gov

State Controller's Office,
Local Government Programs and Services Division
LocalGovPolicy@sco.ca.gov

Franchise Tax Board,
COD and IIC Programs
CODClientServices@ftb.ca.gov
iicgroup@ftb.ca.gov

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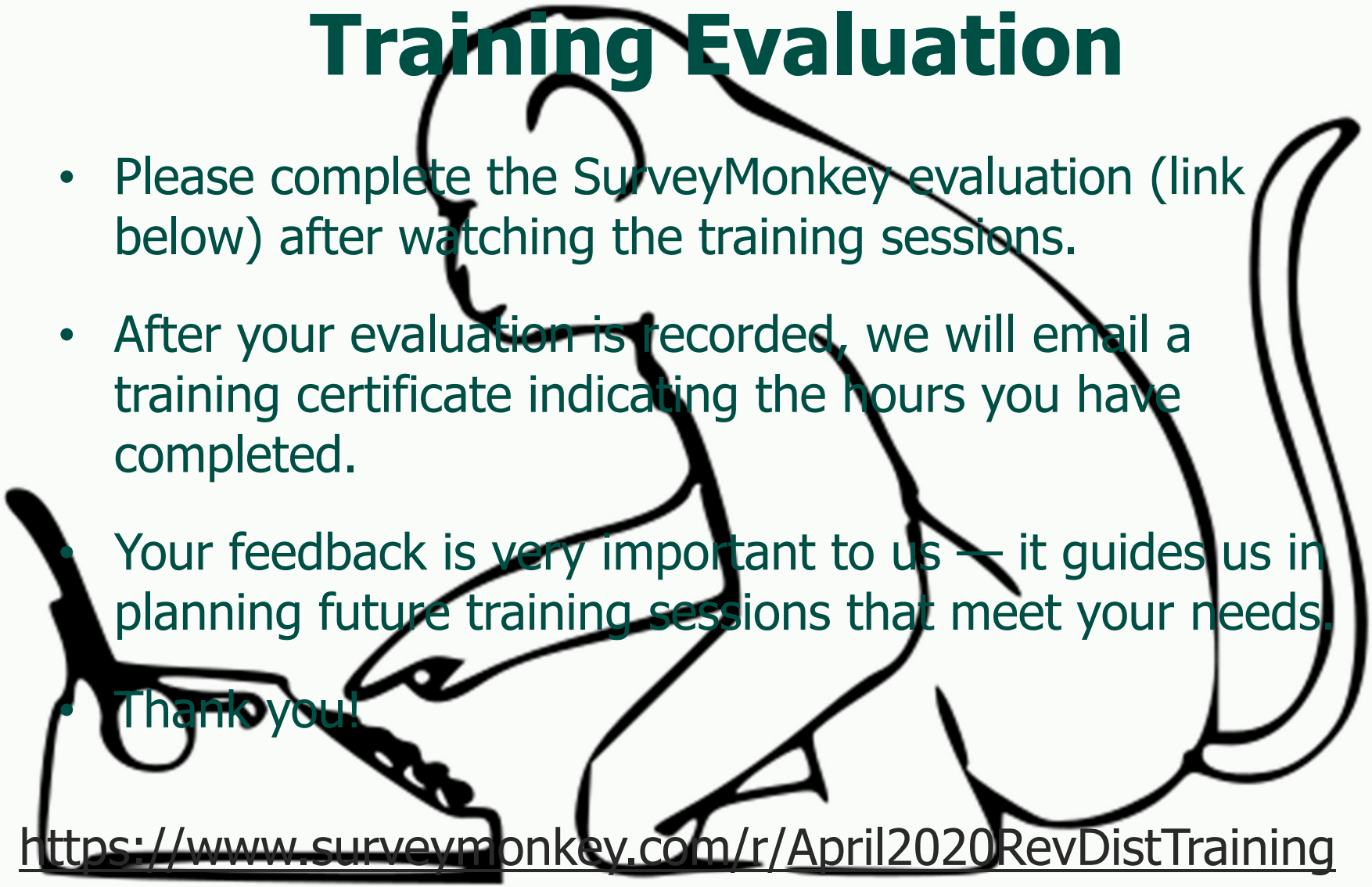
Training Evaluation



- Please complete the SurveyMonkey evaluation (link below) after watching the training sessions.
- After your evaluation is recorded, we will email a training certificate indicating the hours you have completed.
- Your feedback is very important to us — it guides us in planning future training sessions that meet your needs.
- Thank you!

https://www.surveymonkey.com/r/April2020RevDistTraining

Looking forward to the Next Revenue Distribution Updates

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Thank you for Listening!