

# Revenue Distribution Training Spring 2024

May 16, 2024

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**Cathy Leal, Acting Chief Operating Officer  
State Controller's Office**

**Zlatko Theodorovic, Director  
Budget Service, Judicial Council**



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## Housekeeping



Mute the mic.



Pre-recorded and  
"live" presentation.



RAISE HAND

...or use "Chat"  
feature to share  
information/ask  
question(s).



Tell us how we did in  
the survey!

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## Training Agenda

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Introduction

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Legislative updates

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Trial Court Revenue Distribution Guidelines

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Collections updates

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Franchise Tax Board Program Overview

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TC- 31 Form

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Distribution Audit Issues

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## Presenters:

<p><b>Judicial Council</b></p> <p><b>Governmental Affairs:</b> Morgan Lardizabal, Legislative Advocate</p> <p><b>Funds and Revenues:</b> Maria Lira, Senior Analyst Don Lowrie, Fiscal Analyst Nicholas Duffy, Fiscal Analyst Jason Haas, Budget Supervisor</p>	<p><b>State Controller's Office:</b></p> <p><b>Local Government Programs and Services Division:</b> Marieta Delfin, Supervisor Henry Mathews, Policy Analyst</p> <p><b>Division of Audits:</b> Doug Brejnak, Staff Management Auditor (Specialist)</p>	<p><b>Franchise Tax Board:</b></p> <p><b>Court-Ordered Debt (COD) Program:</b> Jennifer Jacobsen, Program Supervisor</p> <p><b>Interagency Intercept Collections (IIC) Program:</b> Rikki Saldana, Program Supervisor</p>
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## Subject Matter Expert:

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Martha Wright, Manager

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Ability to Pay Program

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Criminal Justice Services, Judicial Council

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# Introduction to Distributions



HISTORY



COMPLEX INTERRELATIONSHIPS



RESOURCES

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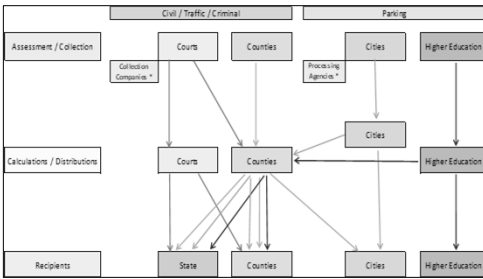
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# Interrelationships



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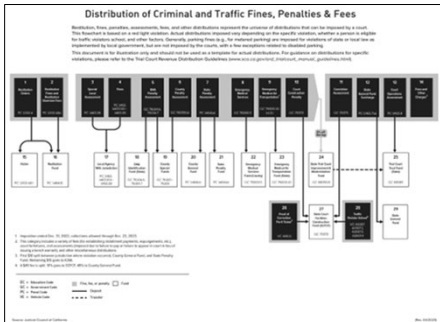
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TRIAL COURT REVENUE DISTRIBUTION GUIDELINES  
DISTRIBUTION WORKSHEETS

**RESOURCES** TC- 31

FAQs  
**Uniform Bail & Penalty Schedules**  
JCC, SCO and FTB staff

LEGINFO  
Breakout Session B  
Case studies/worksheets  
PowerPoint Presentations  
Resources & Contacts

CROSSWALK

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

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**Uniform Bail and Penalty Schedules**  
2024 EDITION  
(Cal. Rules of Court, rule 4.102)

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

JUDICIAL COUNCIL OF CALIFORNIA

Available at: <https://www.courts.ca.gov/7532.htm>

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## Training Goals

- PROVIDE UPDATES ON RECENT LEGISLATION
- PROVIDE UPDATE ON ABILITY TO PAY BACKFILL PROCESS
- PROVIDE COLLECTIONS RELATED INFORMATION AND UPDATES
- REVIEW CHANGES TO TRIAL COURT REVENUE DISTRIBUTION GUIDELINES (REV. 24)
- PROVIDE OVERVIEW OF AUDIT FINDINGS RELATED TO DISTRIBUTION

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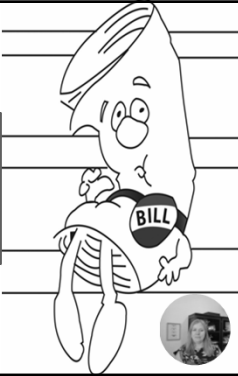

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# LEGISLATION: 2024

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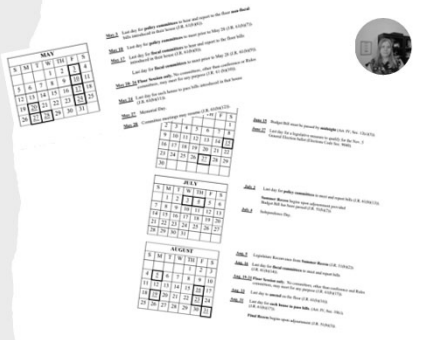

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## Legislative Calendar

- Halfway through the legislative year.
- Two-year session ends on September 30, 2024.
  - New legislators and bill numbers come January

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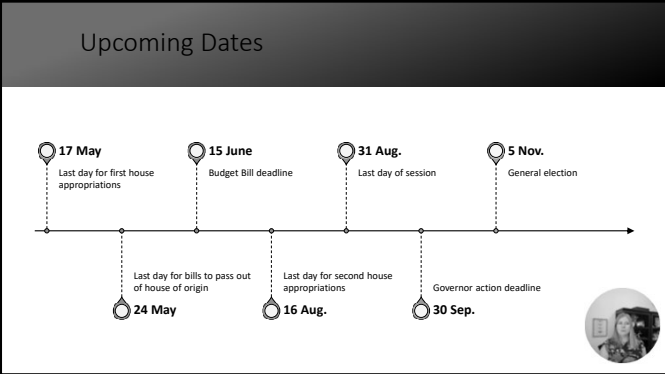

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## Upcoming Dates

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## 2-year outcomes

- AB 786 (Bains): Restraining Orders: filing fees
  - Died in committee
- SB 516 (Skinner): Franchise Tax Board Debtor Bill of Rights
  - Gutted and amended to relate to health care
- SB 662 (Rubio): Courts: court reporters
  - Held in Assembly Appropriations



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## 2024 Bills – Fines, Fees, Penalty, Assessments

 AB 977 (Patterson): New \$2,000 criminal fine

 AB 1909 (Quirk-Silva): Restitution orders made enforceable after successful diversion

 AB 2021 (Bauer-Kahan): New series of misd. or civil fines based on first, second, or subsequent offenses.

 AB 2808 (Wicks): New \$2,500 civil penalty

 SB 1414 (Grove): Increases existing fine limit



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## General Court Topics

- Court Reporters
- Artificial Intelligence
  - SB 970 (Ashby)
- CEQA
- Retail Theft



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**Budget Act of 2024**

- Growing deficit
- Legislature and Governor agreed to lower spending
- Will impact bills with fiscal impacts

Governor's Proposed Budget – [ebudget.ca.gov](http://ebudget.ca.gov)

- Criminal Justice and Judicial Branch Summary

19

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**2024 Takeaways**

- Individual crime/civil cause of action interest

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**Q&A**

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**Trial Court Revenue Distribution Training  
May 2024**



MALIA M. COHEN  
California State Controller

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**Introduction**

**Trial Court Revenue Distribution Guidelines**

- Henry Mathews, Policy Analyst, Local Government Policy Unit

**TC-31 Forms**

- Marieta Delfin, Supervisor, Tax Accounting Unit

**Common Audit Findings**

- Doug Brejnak, Staff Management Auditor (Specialist)

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

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**Overview of SCO Guidance**

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

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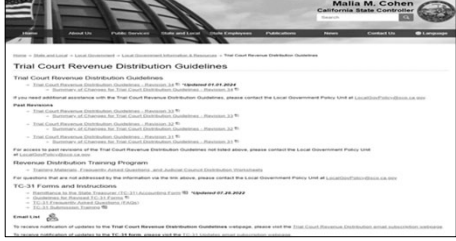
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## SCO Trial Court Website

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



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## SCO Trial Court Website, cont.

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

**On the Trial Court Website you will also find:**

- Urgency Legislation, training materials, and other useful resources.
- Link to Revenue Distribution Training Website which contains:
  - Training materials, FAQs, and Judicial Council Distribution Worksheets.
  - Schedules, worksheets, and guides.
  - Presentations, PDFs, and other resources related to Revenue Distribution Training Programs for previous years.

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## Trial Court Guidelines - Overview

**Trial Court Guidelines:**

- Provide direction on the distribution of fines, fees, forfeitures, penalties, and assessments from criminal and civil violations.
- Updated at least once a year.
- Required by California code.
- Consist of nine distribution tables.
  - Each table is preceded by a narrative, as well as any special rules or background information that may apply.
  - Narratives provide guidance on questions.

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## Trial Court Guidelines – Overview, cont.

### Changes to Trial Court Guidelines

- Majority of changes to the Trial Court Guidelines happen through the annual legislation process.
- After each legislation cycle, Policy Unit reviews the legislations for Trial Court distribution related changes and includes the relevant codes that were added or amended or repealed.
- A new Revision to the Guidelines is published at the beginning of every year.
- A Summary of Changes to the Guidelines is also published at the beginning of every year.



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## 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)



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## 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



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## Standard Criminal/Traffic Fine Equation

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

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## 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.

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## 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)

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

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

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

<b>Base Fine:</b>		<b>\$ 35</b>
State Penalty (\$10 x 4):	\$40	
Local Penalty (\$7 x 4):	\$28	
DNA Penalties (\$5 x 4):	\$20	
Court Construction Penalty (\$5 x 4):	\$20	
EMS Penalty (\$2 x 4):	\$ 8	
<b>Total Penalties:</b>	<b>\$116</b>	
<b>State Surcharge</b> (\$35 x 20%):		<b>\$ 7</b>
Criminal Conviction Assessment:	\$35	
Court Operations Assessment:	\$40	
<b>Total Assessments:</b>		<b>\$ 75</b>
<b>TOTAL BAIL/FINE:</b>		<b>\$233</b>

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### Distribution of Trial Court Revenue

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

- Penalties and assessments added to base fines are distributed to the proper funds, according to law.
- 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 **PEN §1463.002**.
- Base fines **with** a specified distribution are allocated to the proper funds, as described in the Trial Court Guidelines.

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### Penal Code §1463.002

**PEN §1463.002:**

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

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

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## 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:** Access the link to the online FAQs at [http://www.sco.ca.gov/ard\\_trialcourt\\_manual\\_guidelines.html](http://www.sco.ca.gov/ard_trialcourt_manual_guidelines.html).

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

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## Legislative Information: LegInfo

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



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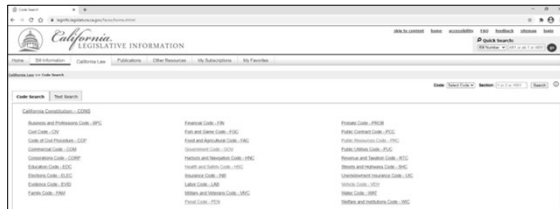
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## LegInfo: Researching the Codes

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



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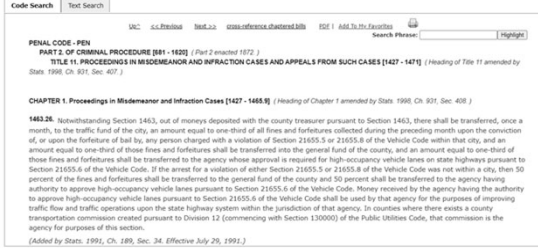
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## LegInfo: Viewing the Codes

Here is a screenshot of Penal Code §1463.26 as an example.



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## Reading Entries in the Guidelines

Tables in the Guidelines include five or six columns listed below:

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).

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## Reading Entries in the Guidelines, cont.

CODE SECTION	VIOLATION/SITUATION	DISTRIBUTION	APPLICABLE FUND	FUND USE/SPECIAL PROVISION
CIV 1798.155 – California Consumer Privacy Act	Violations of CIV 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 CIV 1798.100-1798.199.

### CIVIL CODE

#### DIVISION 3. OBLIGATIONS [1427 - 5273]

#### PART 4. OBLIGATIONS ARISING FROM PARTICULAR TRANSACTIONS [1738 - 3273]

#### TITLE 1.81.S. 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.)

43

## Updates to the Guidelines

Revision 34 of the *Trial Court Revenue Distribution Guidelines* was released in December 2023, and reflected changes due to legislation signed into law last year. The following slides include a list of those changes.

44

## Updates Due to Legislation

Added, Amended, or Removed	Code Section	Description
Removed	GOV 76000.10	Emergency Medical Air Transportation Penalty is removed since the assessment and collections are terminated.
Removed	PEN 1203.426	No reimbursement required per Section 1203.426, for a person seeking relief pursuant to this section and who meets the criteria set forth in GOV 68822. This code section is repealed and affects 4 entries in the guidelines - PEN 1203.4, 1203.41, 1203.42, and 1203.45. This is effective July 10, 2023. (AB 134)
Removed	PEN 1203.4	Actual court costs, county costs, or city costs up to \$150 for withdrawal of guilty plea or setting aside of verdict (Probation) is removed. This is effective July 10, 2023. (AB 134)
Removed	PEN 1203.41	Actual court costs, county costs, or city costs up to \$150 for withdrawal of guilty plea or setting aside of verdict (Mandatory Supervision) is removed. This is effective July 10, 2023. (AB 134)
Removed	PEN 1203.42	Actual court costs, county costs, or city costs up to \$150 for withdrawal of guilty plea or setting aside of verdict (Pre-Realignment offense) is removed. This is effective July 10, 2023. (AB 134)
Removed	PEN 1203.45	Actual court costs, county costs, or city costs up to \$150 for an order sealing a record for a person who is 26 years of age or older is removed. This is effective July 10, 2023. (AB 134)
Added	BPC 22948.55	A person who knowingly engages, has engaged, or proposes to engage in a violation of Chapter 36 (commencing with Section 22948.50) on In-Vehicle Cameras shall be liable for a civil penalty as stipulated. If the action is brought by the Attorney General, the penalty shall be deposited into the General Fund. If the action is brought by a district attorney, the penalty shall be paid to the treasurer of the county in which the judgment was entered. (SB 296)
Added	BPC 22949.85	A covered entity failing to submit a report as required by this section may be required to pay a penalty as ordered by the court. Moneys collected pursuant to this section shall be deposited in the Civil Rights Enforcement and Litigation Fund established pursuant to Section 3207 of the Government Code. (SB 54)
Amended	HSC 25192	Language updates which include adding "county counsel" among the recipients of the 25% distribution. (SB 642)
Amended	BPC 26038	Cannabis enforcement by local jurisdictions: Updates to the existing language to reflect the distribution of civil penalties based on whether the action is brought by the Attorney General, County Counsel, or City Attorney. (AB 1448)

45

## Updates Due to Legislation, cont.

Added, Amended, or Removed	Code Section	Description
Added	GOV 12527.6	The court may award the remedy of disgorgement in an action brought by the Attorney General under the unfair competition laws or false advertising laws in addition to the remedies provided in these statutes. Funds recovered by the Attorney General shall be deposited into the Victims of Consumer Fraud Restitution Fund. (AB 1366)
Added	GOV 54222.3.1(g)	If a city disposes of land in violation of this section, the city shall be liable for civil penalty calculated as per GOV 54222.3.1 (g). A penalty assessed pursuant to this subdivision shall, except as otherwise provided, be deposited into a local housing trust fund. The city may elect to instead deposit the penalty money into the Building Homes and Jobs Trust Fund or the Housing Rehabilitation Loan Fund. This section shall remain in effect only until January 1, 2034, and as of that date is repealed. (AB 1734)
Amended	HSC 25515.5(b)	Language updates which include adding "county counsel" among the recipients of the 50% distribution. (SB 642)
Added	HSC 26275	A manufacturer or an owner who violates this section on Trash Receptacles and Storage Containers shall be guilty of an infraction punishable by fines as stipulated. The fines shall be deposited into the Accident Prevention and Road Safety Fund. Moneys in the fund are available upon appropriation by the Legislature. This section shall become operative on January 1, 2025. (SB 806)
Added	HSC 104559.5	An enforcing agency may assess civil penalties for violation of subdivision (b) according to the schedule in BPC 22958 (a) (1) which shall be deposited in the State Treasury to the credit of the Sale of Tobacco to Veterans Control Account. California Department of Tax and Fee Administration may also assess a civil penalty which shall be deposited into the Cigarette and Tobacco Products Compliance Fund which shall be made available to the CDTFA upon appropriation by the Legislature for the purposes of meeting its duties prescribed in HSC 104559.5 (f) (2). (AB 935)
Added	HSC 123622	Any person or entity that conducts ultrasound in violation of Section 123621 is liable for a civil penalty of two thousand five hundred dollars (\$2,500) for a first offense and five thousand dollars (\$5,000) for each subsequent offense. Any person or entity that violates this section is liable for any costs, fees, and civil penalties which shall be paid to the office that brought the action. (AB 1720)

46

## Updates Due to Legislation, cont.

Added, Amended, or Removed	Code Section	Description
Added	LAB 181	Moneys recovered by the Attorney General, a district attorney, a city attorney, a county counsel, or any other city or county prosecutor under this code in violation of Division 2 and Division 3 (exclusions specified in the section) shall be applied first to payments, such as wages, damages, and other penalties, due to affected workers. All civil penalties recovered by a public prosecutor pursuant to this chapter shall be paid to the General Fund of this state, unless otherwise specified by this code. This section shall remain in effect only until January 1, 2025, and as of that date is repealed. The repeal of this statute shall not apply to any action initiated in court by a public prosecutor prior to January 1, 2025. (AB 594)
Added	LAB 276.8	The Labor Commissioner under Section 186.3, 98.7, 98.7A, or 137.1, or the Attorney General, a district attorney, a city attorney, a county counsel, or any other city or county prosecutor, as defined in subdivision (a) of Section 181, may alternatively recover the penalties set forth in subdivisions (b) and (c) as damages payable to the employee. An employee is entitled to either recover the damages or to enforce a civil penalty, but not both, for the same violation. (AB 594)
Added	LAB 2510	An aggrieved employee shall be awarded front pay or back pay, the value of the benefits the employee would have received under any benefit plans, punitive damages pursuant to Section 3294 of the Civil Code, and reasonable attorney's fees and costs. An employer, agent of an employer, or other person who violates Part 9.5 of the Labor Code or causes a violation of this part may be subject to civil penalties as mentioned in LAB 2510 (a). Additional amounts as liquidated damages may be recovered as per LAB 2510 (e) and deposited into the Labor and Workforce Development Fund and paid to the employee as compensatory damages. (AB 647)
Added	PCC 10510.53	An aggrieved employee shall bring a civil action for violation of Article 2.7 (commencing with Section 10510.50) against a vendor who violated this article and may be awarded compensation, penalties, reasonable attorney's fees and costs. (SB 27)
Added	PRC 3236.2	Civil penalties are imposed for violations of oil and gas laws pursuant to this section. Fifty percent of the civil penalties collected to be paid to the agency or office prosecuting the action and fifty percent to be deposited in the Oil and Gas Environmental Remediation Account. In addition to these civil penalties, a person found liable shall also pay a penalty in an amount equal to the cost to plug and abandon any well associated with the violation. This penalty shall be distributed to the division for deposit in the Oil and Gas Environmental Remediation Account. (AB 633)

47

## Updates Due to Legislation, cont.

Added, Amended, or Removed	Code Section	Description
Added	PRC 42488.3	Civil penalties collected pursuant to Chapter 8.6 (commencing with Section 42488) shall be paid to the office of the city attorney, county counsel, district attorney, or Attorney General, whichever office brought the action. The penalties collected pursuant to this section by the Attorney General shall be deposited into the Public Rights Law Enforcement Special Fund. This section shall become operative on July 1, 2024. (SB 246)
Added	PROB 2351.2	If a conservator does not file a care plan as required by subdivision (a), the court may impose a civil penalty in any amount up to five hundred dollars (\$500), payable to the estate of the conservatee. The requirement to file a care plan is effective January 1, 2025. (SB 280)
Removed	CV 1788.99.82	This entry is removed since the code section currently charges civil penalties that are levied as a result of court action to administrative penalties levied directly by the enforcing agency.
Amended	CCP 491.150	The sunset date of June 30, 2023 for the \$60 fee for filing a motion as per GOV 70637 (a) is removed. The reference to this sunset date within CCP 491.150 in the Guidelines is removed. This is effective June 30, 2023. (AB 133)
Amended	CCP 704.750	The sunset date of June 30, 2023 for the \$60 fee for filing a motion as per GOV 70637 (a) is removed. The reference to this sunset date within CCP 704.750 in the Guidelines is removed. This is effective June 30, 2023. (AB 133)
Amended	CCP 708.160	The sunset date of June 30, 2023 for the \$60 fee for filing a motion as per GOV 70637 (a) is removed. The reference to this sunset date within CCP 708.160 in the Guidelines is removed. This is effective June 30, 2023. (AB 133)
Amended	CCP 2029.620	The sunset date of June 30, 2023 for the \$60 fee for filing a motion as per GOV 70637 (a) is removed. The reference to this sunset date within CCP 2029.620 in the Guidelines is removed. This is effective June 30, 2023. (AB 133)
Amended	GOV 28721.2(a)	Fee for serving a summons for an action commencing in superior court is changed from \$40 to \$50. (SB 564)
Amended	GOV 28721.2(b)	Fee for cancelling a summons prior to its completion is changed from \$40 to \$50. (SB 564)
Amended	GOV 28721.2(c)	Fee for making a not-found return on a summons certifying that the person cannot be found at the address specified is changed from \$40 to \$50. (SB 564)
Amended	GOV 28750	Fee for serving an earnings withholding order under CCP 706.010-706.154 is changed from \$35 to \$45. (SB 564)

48



## Updates Due to Legislation, cont.

Added, Amended, or Removed	Code Section	Description
Amended	GOV 70602.6	The sunset date of June 30, 2023, for the \$40 fee added to \$255 fee for filing first paper under the included Government Code sections is removed. This is effective June 30, 2023. (AB 133)
Amended	GOV 70616	The sunset date of June 30, 2023, for the fee raise from \$550 to \$1000 and maximum fee raise from \$10,000 to \$18,000 is removed. This is effective June 30, 2023. (AB 133)
Amended	GOV 70617(a)	The sunset date of June 30, 2023, for the \$60 fee for filing a motion, application, or any other paper requiring a hearing, as specified is removed. This is effective June 30, 2023. (AB 133)
Amended	GOV 70657	The sunset date of June 30, 2023, for the \$60 uniform fee for filing a motion or other paper requiring a hearing subsequent to the first paper in a proceeding is removed. This is effective June 30, 2023. (AB 133)
Amended	GOV 70662	The sunset date of January 1, 2024, for the \$40 filing fee for a request for special notice pursuant to Sections 1250, 2700, and 17204 of the Probate Code is removed. This is effective June 30, 2023. (AB 133)
Amended	GOV 70677(a)	The sunset date of June 30, 2023, for the \$60 uniform fee for filing any motion, application, order to show cause, or any other paper requiring a hearing subsequent to the first paper is removed. (AB 133)
Amended	GOV 70615	A fee of \$25 for an appeal under Section 22428 of the Vehicle Code of a hearing officer's determination regarding a civil penalty for an automated speed violation, as defined in Section 22425 of the Vehicle Code. This section shall remain in effect only until January 1, 2022, and if that date is repealed, (AB 146)

49

## 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.

**On the SCO Trial Court Website**

- Revenue Distribution Training Program  
 → [Training Materials, Frequently Asked Questions, and Judicial Council Distribution Worksheets](#)  
 For questions that are not addressed by the information via the link above, please contact the Local Government I
- TC-31 Forms and Instructions  
 → [Reference to the State Treasurer, TC-31 Accounts Form](#) (Revised 07-28-2022)  
 → [Guidelines for Revising TC-31 Forms](#)  
 → [TC-31 Frequently Asked Questions \(FAQ\)](#)  
 → [TC-31 Submission Training](#)

**On the Revenue Distribution Training Website**

- Check Trial Court Revenue Distribution Resources:**
- [Uniform Bail and Penalty Schedules](#)
  - [Revenue Distribution Worksheets](#)
  - [FAQs - Trial Court Revenue Distribution](#)
  - [Creditable Guidelines](#)
- This tool was developed to index the Trial Court Revenue Distribution Guidelines (distribution resources), tying the distribution guide's code descriptions and associated Penalty Schedule, Judicial Council distribution worksheets, and FAQs.

50

## Frequently Asked Questions (FAQ) , cont.

The Master FAQs contain over 200 responses in eight categories:

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

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.

51

## Listserv Notifications

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



52

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## SCO Distribution Contact Information

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

MALIA M. COHEN  
California State Controller

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## Guidelines: Poll

The 2% automation charge is added to all fines and penalties.

- a. True
- b. False

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# Collections Updates

Don Lowrie, Budget Analyst

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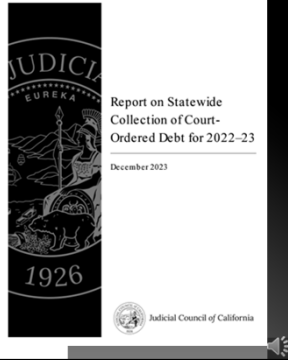
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## REPORT SUMMARY:

- **\$1.0B in revenue:**  
 - \$655.6 million from nondelinquent accounts  
 - \$345.0 million from delinquent accounts
- **\$85.5M in operating costs recovered**
- **\$1.9B in delinquent debt satisfied by means other than payment**
- **\$267.2M in uncollectible debt discharged from accountability**
- **\$5.4B outstanding debt balance**

*Report on Statewide Collection, 2022-23*



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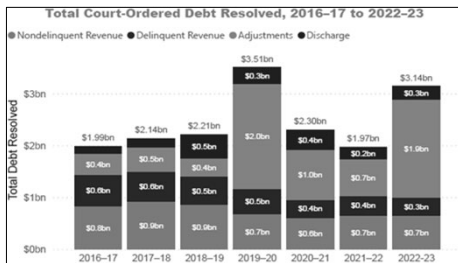
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## Statewide Collections Summary



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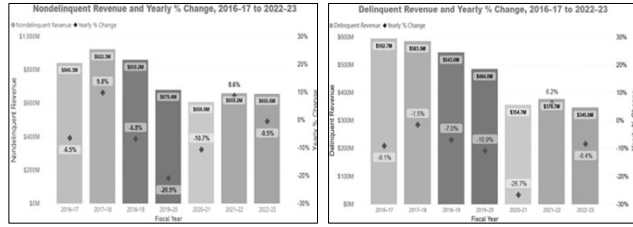
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## Total Revenue Collected



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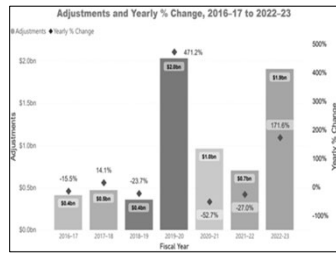
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## Adjustments:

- Record the resolution of court-ordered debt through means other than payment:
- Court waiver or reduction
  - Ability to pay determination
  - Community service or custody credits
  - Vacated through legislation.



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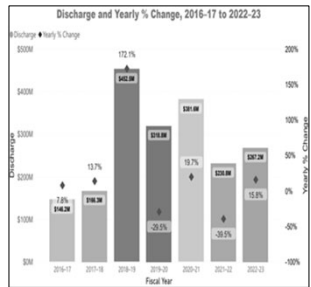
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## Discharge from Accountability:

- Is authorized and can be approved by responsible collecting entity (Government Code § 25257 and 25259.7)
- Relieves entity of obligation to actively pursue the debt, but individual remains liable for payment.
- Any balance that is too small to justify collections cost or likelihood of collection does not warrant the expense.
- Provides realistic accounting of outstanding debt.



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## Discharge Data

**\$2.5B** Amount discharged since 2012

**2010** Year legislation authorized courts to approve discharge

**14** Number of collection programs that have discharged \$0

**\$5.4B** Total statewide uncollected delinquent debt (as of June 30, 2023)

**18.6%** Unpaid balance held by 14 programs with no discharge process implemented



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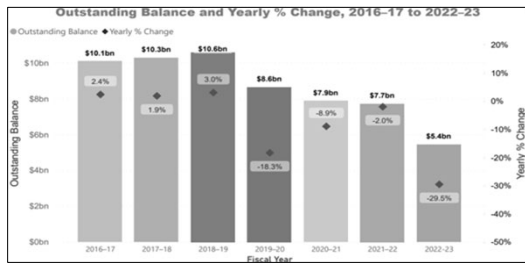
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## Outstanding Balance



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## Traffic Violator School (TVS) Fees & 50-50 Calculation

### Standard TVS (Vehicle Code § 42007)

- 77% of entire TVS included in excess revenue (50-50) calculation per Government Code § 77205

### Red Light TVS (VC § 42007.3)

- First 30% excluded from 50-50 calculation
- Remaining 70% deposited per VC § 42007
- 77% of 70% included in 50-50 calculation

### Railroad Crossing TVS (VC § 42007.4)

- First 30% excluded from 50-50 calculation
- Remaining 70% deposited per Penal Code § 1463.001
- Included in 50-50 calculation to the extent qualifying deposits made to county general fund

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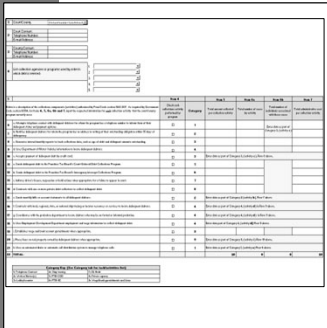
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### Contact and Other Information

- ✓ Missing data (e.g., revenue, costs)
- ✓ Collections activities NOT reported
- ✓ Activities checked/un-checked NOT current
- ✓ Totals NOT reconciled with Annual Financial Report

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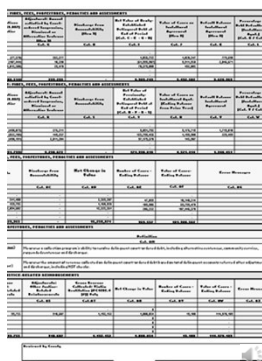
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### Annual Financial Report

- ✓ Missing data
  - ✓ Case counts
  - ✓ Victim restitution
- ✓ Data NOT separated by Period



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### Performance Report

Comments are:

- ✓ NOT provided
- ✓ Lengthy
- ✓ Inconsistent with current performance



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## Ability to Pay (ATP) Update

Nicholas Duffy, Fiscal Analyst

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**As of today: 47 Courts have been onboarded to MyCitations Online.**

**All courts will be online by the June 2024 Deadline.**

Alameda	Alpine	Amador	Butte	Calaveras	Contra Costa
Fresno	Glenn	Humboldt	Imperial	Kings	Madera
Marin	Mariposa	Mariposa	Mendocino	Merced	Modoc
Mono	Napa	Nevada	Placer	Plumas	San Benito
San Diego	San Francisco	San Joaquin	San Luis Obispo	San Mateo	Santa Barbara
Santa Clara	Santa Clara	Santa Cruz	Shasta	Sierra	Siskiyou
Solano	Sutter	Tehama	Trinity	Tulare	Tuolumne
	Ventura	Yolo			

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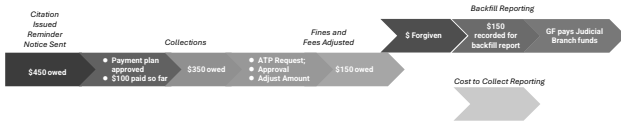
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## ATP Determinations: Delinquent Cases



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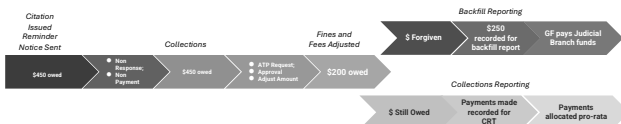
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## ATP Determinations: Non-Delinquent Cases



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## Ability to Pay (AtP) Section

• ALL data calculated by Period, Current, Prior, and Combined:

Period	
Year	
Qtr	
Qtr	Current Period
Qtr	Combined Period

• Nondelinquent, delinquent, and combined revenue totals collected from online and in-person (paper form) AtP requests:

Online AtP Revenue Nondelinquent	Online AtP Revenue Delinquent	Online AtP Revenue Combined	In Person AtP Revenue Nondelinquent	In Person AtP Revenue Delinquent	In Person AtP Revenue Combined
Cat. AN	Cat. AD	Cat. AP	Cat. AN	Cat. AD	Cat. AP

• Number of cases and costs claimed for nondelinquent AtP cases, from Online and In-Person (paper form) requests:

Online AtP Cases w/ Nondelinquent Payments Nondelinquent	Online AtP Cases w/ Nondelinquent Payments Delinquent	In Person AtP Cases w/ Nondelinquent Payments Nondelinquent	In Person AtP Cases w/ Nondelinquent Payments Delinquent
Cat. AN	Cat. AD	Cat. AN	Cat. AD

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## Your ATP Questions

- *What are the parameters and timeframe that courts using MyCitations allow defendants to come back and get Traffic School after a MyCitations order?*
- *How are courts recovering and keeping track of the \$35 recoverable fee?*

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take a  
**COFFEE  
BREAK**  
you deserve it

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## Court Ordered Debt Collection Program Update



STATE OF CALIFORNIA  
Franchise Tax Board



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## Program Overview Objectives

- Background and Funding
- Program Eligibility and Enrollment
- How the Program Works
- Automated System Process
- Collection Cycle and Collection Notices
- Distribution of Funds
- Online Services
- Keys to our Success
- Legislation and Revenue Update
- Program Support



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## Background

In 1994, the California State Legislature authorized the Franchise Tax Board 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).



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## Funding

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



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## Debt Type Referrals

### State Agencies:

Any type of restitution orders and fines imposed by Juvenile or Superior Court of the State of California.

Amounts imposed by the Supreme Court of the State of California for certain debts due to the State Bar.

### 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.



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## Enrollment

- Memorandum of Understanding
- Onboarding
- Testing



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## Debt Criteria

The following criteria must be met when submitting cases:

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

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## How the Program Works

Validate Information

Create a COD account

Begin the collection cycle
 

- Demand Notice
- Wage Garnishment
- Bank Levy

We will return the case if:
 

- We are unable to locate a good SSN
- Case is deemed uncollectable

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## Automated System Process

Receive Client Files via SWIFT (daily, weekly, monthly)

➔

Case Load Process (NCOA, DMV, TI, SSN Validation\*)

➔

Create Accounts

↓

Return Uncollectible Cases and Closed Accounts

←

Provide Account Actions to Clients

←

Begin Collection Cycle Issues Notices

\*National Change of Address, Department of Motor Vehicles, Taxpayer Information and Social Security Number Validation

87

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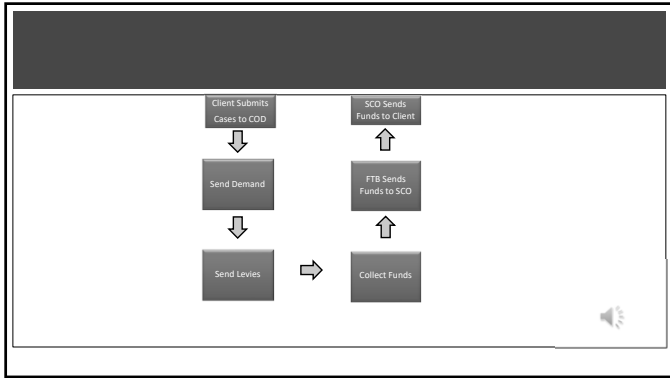
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### COD Program: Poll

Cases can be referred to the COD program once a year.

- True
- False

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### Collection Notices

Demand	Installments	EWO or COTW	OTW	Levy Modification
• Only notice sent to the debtor's last valid address	• Payment arrangements made per debtor's financial status	• Levy sent to debtor's employer or contractor for self employed	• Levy sent to the debtor's financial institution	• Modify terms, reduce balance, delay or withdraw actions

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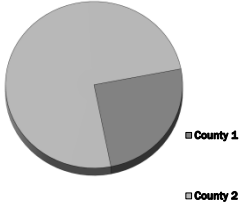
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## Distribution of Funds



**Payments collected are pro-rated.**

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

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## Aged Case Recall Process

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

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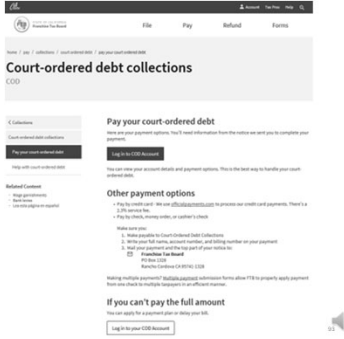
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## Online Services:



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2023-2024 Fiscal Year Collection Totals			
Case Inventory		Collection Notices	
New Cases Received	189,249	Demand Notices	252,049
Accepted Cases	150,958	Instalment Agreements	23,964
Withdrawn Cases	32,377	Bank Levies	619,274
Returned Cases	215,847	Wage Garnishments	681,390
Ending Inventory	(97,266)	<b>Total Collection Activities</b>	<b>1,577,671</b>




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94

## Keys to Our Success

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



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## Revenue Update



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**Program Support**

**Court-Ordered Debt Client Services**

Phone: 916.845.7503

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



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A graphic featuring the letters 'Q&A' in a large, white, 3D-style font, hanging from three thin lines against a dark gray background. The graphic is enclosed in a white border.

98

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**Interagency Intercept Collection Program (IICP)**



STATE OF CALIFORNIA  
**Franchise Tax Board**

EST 1929



May 2024

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## Overview

FTB administers the Interagency Intercept Collection Program (IICP) on behalf of the State Controller's Office (SCO)

The IIC Program has been in existence since 1975

Low-cost collection alternative, fees may vary each year

Different from other collection services

Additional revenue sources



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## Administrative Costs and Billing

- Cost is up to \$10 per successful offset
- SCO and FTB calculate the program's annual cost
- SCO sends a billing notice in April-May for any successful offsets that occurred during the previous calendar year



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## Revenue Sources

- California personal income tax refunds
- California lottery winnings
- California unclaimed property assets



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## IICP Revenue



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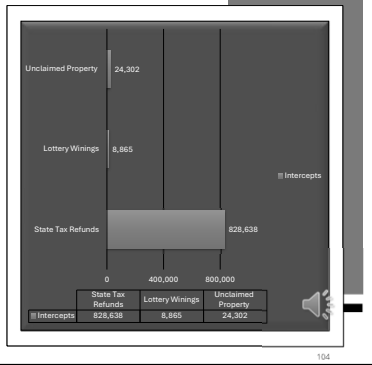
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## 2023 Intercepts



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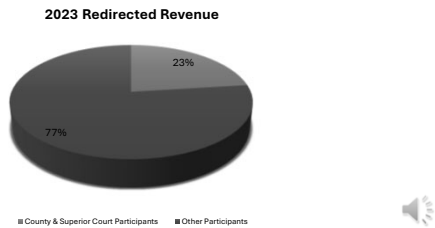
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## County and Superior Court Participants



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## New Participation

Agency sends the Initial Request to Participate to the State Controller's Office (SCO)

After SCO approves the Request to Participate, they will mail an approval notice to FTB and copy the requesting agency



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## Pre-Intercept Notice




Government Code Sections



30 days to resolve or dispute their debts



Agency's contact information for questions or to dispute their debt



107

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## Annual Requirements

- ✓ Pre-intercept Notice
- ✓ Intent to Participate
- ✓ Confidentiality Statement



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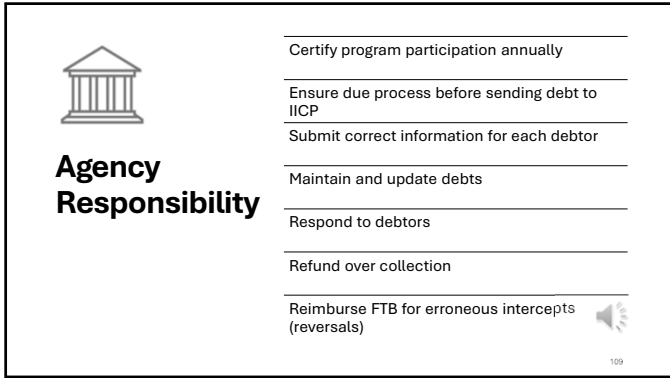
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**Agency Responsibility**

- Certify program participation annually
- Ensure due process before sending debt to IICP
- Submit correct information for each debtor
- Maintain and update debts
- Respond to debtors
- Refund over collection
- Reimburse FTB for erroneous intercepts (reversals)

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**IIC Program: Poll #1**

Agencies are required to send a Pre-Intercept Notice to individuals before submitting the debt to an Intercept program.

- True
- False

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**SWIFT**

- Secure Web Internet File Transfer (SWIFT) is the only permitted method for file exchange
- Agencies send their debts to FTB through SWIFT on a daily or weekly basis
- FTB sends reports through SWIFT



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**New 2024 Record Layout**

- Agency Code
- SSN
- Last Name, Suffix, First Name, Middle Initial
- Debt Amount
- Account/Case Number



112

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112

**Annual Debtor Accounts**



Due annually in December



1 annual file to add records for new participation year



1 report from FTB with listing of all records accepted / rejected



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113

**Modified Debtor Accounts**

- FTB begins accepting mid-January
- 1 file accepted daily per agency code
- Report from FTB with rejected accounts



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114

## Rejected Accounts

If accounts are rejected, IIC will send the agency a Rejected Account Report/File including the reason the account was rejected

Common Errors:

- Invalid data
- Duplicate data
- Unavailable for Matching
- Multiple SSAN matches found



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## Reports from FTB

Annual listing of accounts

Rejected accounts

Weekly offset detail

- Personal income tax intercepts
- Lottery intercepts
- Unclaimed property intercepts



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## Offset Payments



Agencies receive offset detail reports from FTB weekly



Agencies receive monthly disbursement payments by warrant from State Controller's Office



Agencies reconcile payments to detail reports



117

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## Reversals

If FTB identifies an agency received funds in error, FTB may process an intercept reversal to recover the funds

FTB will process the reversal in the month the error was identified

Agencies are notified through a Reversal Notice 

118

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### IIC Program: Poll #2

Agencies may send their modified debtor records to add, change, or delete on a daily or weekly basis from mid-January to mid-December.

- a. True
- b. False



119

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## ID Lookup

- Different Record Layout for annual file
- Requires additional data elements
- File due in November
- May take longer to process
- Modifications only accepted for change and deletes

120

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## Agency Liaison Support

-  Assist agency Liaisons
-  Provide copies of reports
-  Assist in reconciling weekly reports to monthly payments
-  Assist with payment inquiries
-  Assist agency with registering for SWIFT
-  Answer billing questions



121

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## Debtor Assistance

-  Intercept Program liaisons
-  Respond to debtors within 48 hours
-  Ensure issues are resolved and customer needs are met



122

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## Secure Email

- Secure Email Service enables us to encrypt confidential state tax information and other private or sensitive FTB business emails before sending to customers outside our department
- FTB staff will use secure, encrypted email for debtor assistance referrals and monthly reversal notices



123

123

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Questions



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5-minute stretch break...

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Report to State Controller of Remittance to State Treasurer (TC-31)



MALIA M. COHEN  
California State Controller



126

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## AGENDA

- TC – 31 Process
- Resources and Links
- Tips
- Contacts



127

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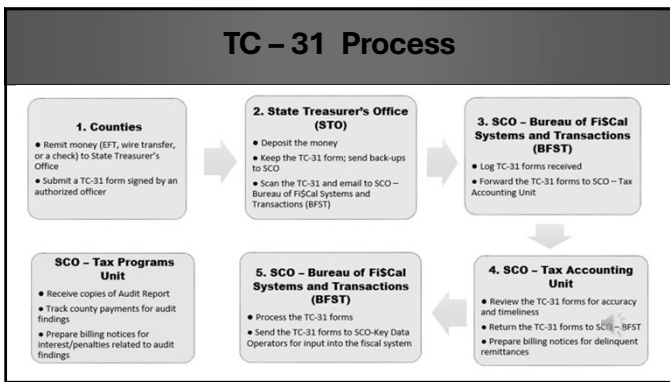
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## TC – 31 Process



128

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## TC – 31 Resources

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

### Revenue Distribution Training Program

→ [Training Materials](#) [Frequently Asked Questions](#) and [Judicial Council Distribution Worksheets](#)

For questions that are not addressed by the information via the link above, please contact the Local Government Policy Unit at [LocalGovPolicy@sco.ca.gov](mailto:LocalGovPolicy@sco.ca.gov)

### TC-31 Forms and Instructions

- [Remittance to the State Treasurer \(TC-31\) Accountancy Form](#) **Updated 07.28.2022**
- [Guidelines for Revised TC-31 Forms](#)
- [TC-31 Frequently Asked Questions \(FAQs\)](#)
- [TC-31 Submission Training](#)

### Email List

To receive notification of updates to the [Trial Court Revenue Distribution Guidelines](#) webpage, please visit the [Trial Court Revenue Distribution email subscription](#) web page

To receive notification of updates to the **TC-31 form**, please visit the [TC-31 Updates email subscription](#) webpage

129

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## TC - 31 Resources

Delinquent Date Schedule  
[https://www.sco.ca.gov/ard\\_state\\_accounting.html](https://www.sco.ca.gov/ard_state_accounting.html)

Accounting Forms and Information

Accounting

- eFITS - Electronic Fiscal Input Transaction System
  - FAQ
  - eFITS Log-In
- Agency Trust Online Inquiry Instruction | PowerPoint (PowerPoint presentation requires MS PowerPoint software)
- Delinquent Date Schedule for Remittance Advices
  - Fiscal Year 2024-25 **NEW!**
  - Fiscal Year 2023-24
- Report to State Controller of Remittance to State Account (TC-31) | EXCEL
- State Department Accounts Receivable Management Representation and Certification Letter

130

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## TC - 31 Tips - #1

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

COB MONTH	REMITTANCE ADVICE NUMBER
59 04	CO 59 0509

REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31  
 COUNTY NAME - NUMBER: ZENITH / 59  
 COLLECTIONS FOR THE MONTH OF (Mo / Yr): APRIL / 2023

FUND	AGENCY	FY	REV / OBJ	AMOUNT	CODE SECTION & DESCRIPTION
0 0 0 1	0 2 5 0 2 0 2 2	1 6 1 4 0 3	No \$Sign	1,000.00	General Fund - Penal Code 1465.7, AB 3000 - 20% surcharge on criminal fines
0 0 0 1	0 8 2 0 2 0 2 2	1 3 1 5 0 0	No \$Sign	500.50	General Fund - Health & Safety 11372.5 - Criminalistics Lab Fee; Health & Safety 11502 - State Fines

131

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## TC - 31 Tips - #2

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

COB MONTH	REMITTANCE ADVICE NUMBER
59 01	CO 59 0509

REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31  
 COUNTY NAME - NUMBER: ZENITH / 59  
 COLLECTIONS FOR THE MONTH OF (Mo / Yr): JANUARY / 2024

FUND	AGENCY	FY	REV / OBJ	AMOUNT	CODE SECTION & DESCRIPTION
0 0 0 1	0 2 5 0 2 0 2 3	1 6 1 4 0 3		1,000.00	General Fund - Penal Code 1465.7, AB 3000 - 20% surcharge on criminal fines
0 0 0 1	0 8 2 0 2 0 2 3	1 3 1 5 0 0		500.50	General Fund - Health & Safety 11372.5 - Criminalistics Lab Fee; Health & Safety 11502 - State Fines
0 0 0 1	9 9 9 0 1	1 3 0 9 0 1			General Fund - Penal Code 290.3 - First Conviction

TC-31s are based on the fiscal year (July 1–June 30); “2023” is the correct entry for FY 2023-24 collections.

132

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### TC - 31 Tips - #3

Audit Finding (Use a separate TC-31 form)

MONTH CODE: **99**

COLLECTIONS FOR THE MONTH OF: **Audit**

(Mo/Yr): **fiscal years under audit**

FY: **Prior Fiscal Year**

CODE SECTION & DESCRIPTION: Add the "**Audit Finding Number**"

COE - MONTH	REMITTANCE SERVICE NUMBER
59 99	CO 59 0513

#### REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31

COUNTY NAME - NUMBER: **99** / **59**

COLLECTIONS FOR THE MONTH OF (Mo / Yr): **99** / **FY 17/18 TO 2021**

FUND	AGENCY	LS	REV / GRJ	AMOUNT	CODE SECTION & DESCRIPTION
0 0 0 1	0 2 5 8	2 0 2 2	1 8 1 4 0 3	12,400.00	General Fund - Police 1830 - 20% surcharge on criminal fees <b>Audit Finding #1</b>
0 0 0 1	0 8 2 0	2 0 2 2	1 3 1 5 0 0	12,400.00	General Fund - Health & Safety 1315 - <b>Audit Finding #1</b>
0 0 0 1	9 9 9 0		1 3 0 9 0 1		General Fund - Penal Code 290.3 - First Conviction
A . . . .	A . . . .		A . . . . .		General Fund - Penal Code 290.3 - Second & Subsequent

133

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### TC 31: Poll

The Fiscal Year for May 2024 collections is:

- a. 2024
- b. 2023

134

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### TC - 31 Tips - #4

#### Interest/Penalty Remittances

As a result of:

- a) Audit
- b) Delinquent Remittance - Regular Collections

Please submit separately from the regular collections.

Use the TC-31 form sent with the billing letter.

Enter the current fiscal year for all penalty/interest remittances.

135

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## TC - 31 Tips - #5

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

Negative entries must be submitted with supporting documents.

COF MONTH	REMITTANCE ADVISE NUMBER
59 01	CO 59 0516

### REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31

COUNTY NAME, NUMBER: COCONINO / 59  
 COLLECTIONS FOR THE MONTH OF (Mo) / Yr: January / 2023

FUND	AGENCY	FT	REV / OBJ	AMOUNT	CODE SECTION & DESCRIPTION
0 6 4 1	0 8 2 0 2 0 2 2		2 9 9 5 0 0	5,000.00	Domestic Violence Restraining Order Reimbursement Fund - Penal Code 1203.097
0 6 4 2	4 2 6 5 2 0 2 2		1 3 1 7 0 0	377.00	Domestic Violence Training and Education Fund - Penal Code 1203.097
0 7 6 7	1 1 1 1 2 0 2 2		1 3 1 7 0 0	(5,376.99)	Pharmacy Board Contingent Fund - Business & Professionals' Code 4926-4414
TOTAL				0.01	

136

## TC - 31 Tips - #6

### Signature and Contact Information

The signature on the TC-31 forms may be an original wet signature, electronic signature, or a signed and scanned copy.

Unsigned forms are not processed.

Complete all fields clearly at the bottom of the TC-31 form.

TOTAL 7,700.00

TO STATE CONTROLLER: I hereby certify that the foregoing report, as it relates to the agency I represent, is a correct statement of the State's share of collections deposited for the month stated above in accordance with Sections 68101 and 68085.1 of the Government Code. Remittance has been made to the State Treasurer. \*

SIGNATURE: <i>Johanna Doe</i>	
OFFICIAL TITLE: Auditor-Controller	DATE: 6/5/2023
CONTACT PERSON: Mary Smith	E-MAIL ADDRESS: Msmith@coconino.org
PHONE: (916) 123-4568	
ADDRESS: 8910 X Street, City, CA 9XXXX	

137

## TC - 31 Submission

Submit your TC-31 forms to:

OR

CA State Treasurer's Office  
 CTSMD-Financial Services Section  
 901 P Street, 2<sup>nd</sup> Floor, Room 213-B  
 Sacramento, CA 95814

CA State Treasurer's Office  
 CTSMD-Financial Services Section  
 P.O. Box 942809  
 Sacramento, CA 94209-0001

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

For electronic payment inquiries, please email STO:

CTSMD\_In\_Out\_Wires@treasurer.ca.gov  
 cc: finserv@treasurer.ca.gov



138

## TC – 31 Contacts

### Tax Accounting Unit:

TC-31

[lgpsdtaxaccounting@sco.ca.gov](mailto:lgpsdtaxaccounting@sco.ca.gov)

### Tax Programs Unit:

Audit Finding Payment

[lgpsdtaxprograms@sco.ca.gov](mailto:lgpsdtaxprograms@sco.ca.gov)



139

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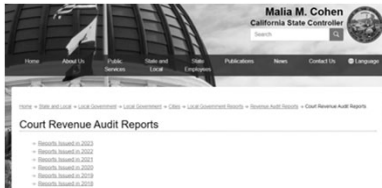
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## Court Revenue Audits

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



141

141

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## Court Revenue Audits

- Status of Audits
- Audit Process
- Common Audit Findings



142

142

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## Status of Court Revenue Audits

- Final reports issued: 4
- Reports in process: 3
- Audits in progress: 14
- Next in queue:

San Benito County	Siskiyou County
Colusa County	Madera County
San Mateo County	Santa Clara County

For 2024, we issued 4 reports, identifying \$1M in under remitted revenues, 18 findings and no observations.  
For 2023, we issued 8 reports identifying \$4.8M in under remitted revenues, 52 findings and 6 observations.



143

143

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## Court Revenue Audit Process

- Initial Contact & Start Letter
- Entrance Conference
- Preliminary Fieldwork & Internal Control
- Analytical Review of Revenues
- 50% Excess of Qualified Revenues
- Distribution Testing
- Parking Testing
- Exit Conference
- Audit Report



144

144

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**Common Audit Findings**

- Priority of Installment Payments
- Incorrect Collection of Parking Surcharges
- 50% Excess of Qualified Revenues



145

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**Priority of Installment Payments**

Payment priority is set forth in PC section 1203.1d\*

- 1) Restitution ordered to *victims* (PC section 1202.4[f])
- 2) 20% State Surcharge (PC section 1465.7)
- 3) Any fines, penalty assessments, and restitution fines (PC section 1202.4[b])
- 4) Other reimbursable costs (Court Operations Assessment, Criminal Conviction Assessment, etc.)

\* Payment priority for individual fines and penalties is included in the SCO Distribution Guidelines



146

146

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**Parking Surcharges**

State and County Parking Surcharges

- GC 76000(b) County Courthouse Construction Fund - \$1.50\*
- GC 76000(b) County Criminal Justice Facilities Construction Fund - \$1.50
- GC 76000(c) County General Fund - \$2.00 (\$1 from LCCF and LCJF)
- GC 70372(b) State Court Facilities Construction Fund - \$4.50
- GC 76000.3 State Trial Court Trust Fund - \$3.00

\* Removed upon transfer of courthouse to JCC or when bond debt has been paid off



147

147

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## 50% Excess of Qualified Revenues

The VC section 42007 – Traffic Violator School Fee line item must include the following revenues collected from TVS cases:

- VC 42007 TVS Fee;
- GC 76100 Courthouse Construction Fund (\$1 penalty)
- GC 76101 Criminal Justice Facilities Construction Fund (\$1 penalty)
- GC 76104 Emergency Medical Services Fund
- GC 76000.5 Emergency Medical Services Fund
- VC 42007(c) City Base Fines.



148

148

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## 50% Excess of Qualified Revenues

When using resources included in the JCC's annual instructions, make sure to not apply the qualified revenue percentage twice to revenues.

PLEASE EMAIL THIS COMPLETED FORM TO: [905@revenue.jcd.ca.gov](mailto:905@revenue.jcd.ca.gov)

Fiscal Year:  Please Number:

Name:  E-Mail Address:

County:

CODE	DESCRIPTION	REVENUE COLLECTED	QUALIFIED REVENUE
VC 42007	Traffic Violator School Fee - JCC Account No. 1100		75% of collection
GC 76100	GC 76100 - Courthouse Construction Fund - JCC Account No. 1100		75% of collection
GC 76101	GC 76101 - Criminal Justice Facilities Construction Fund - JCC Account No. 1100		75% of collection
GC 76104	GC 76104 - Emergency Medical Services Fund - JCC Account No. 1100		75% of collection
GC 76000.5	GC 76000.5 - Emergency Medical Services Fund - JCC Account No. 1100		75% of collection
VC 42007(c)	VC 42007(c) - City Base Fines - JCC Account No. 1100		75% of collection
Total, Qualified Revenue Contributed to 905 Excess Light Collection?			905
Total, Revenue from 905 Excess Light Collection?			905
Revenue amount specified on this form must be less than 50% of total			905
AGENCY TO BE FORWARDED TO: CLERK, CONTROLLER			905
If Over amount in 905 Excess			905

149

149

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150

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# Takeaways

**Training Recap**

**Updates:**

- Legislation
- SCO Guidelines
- Collections and ATP

**Overview:**

- FTB programs
- SCO Audit issues
- TC-31 form

**Resources**

Resources and Contact sheet

**Upcoming Trainings**

- June 26, 2024 — Collections Reporting Template (CRT)
- January 2025 — Winter Revenue Distribution
- May 2025 — Spring Revenue Distribution

**Evaluation**

Your feedback is valued!

151

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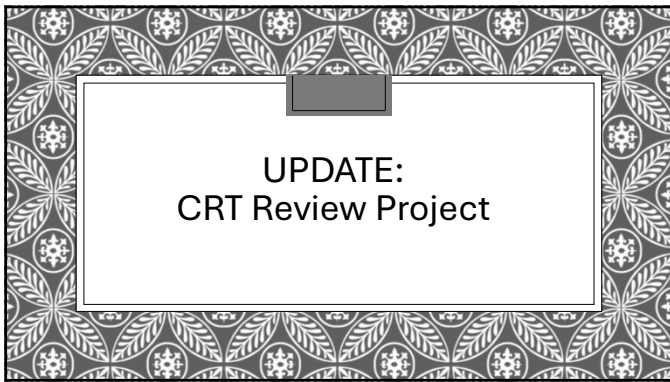
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## UPDATE: CRT Review Project

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### Assembly Bill 2746

- AB 2746 eliminated the suspension of driver's licenses for failure to appear effective January 1, 2023
- Impacted one of the collection activities in PC § 1463.007 and reporting on the CRT
- CRT modifications for 2023-24 report

153

153

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## Anticipated Changes

- Update Collections Best Practices
- Combine PC 1463.007 collections activities
- Standardize discharge process

154

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[Click to complete evaluation](#)

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THANK YOU

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