

1



2



3

Housekeeping:



CHAT



MICROPHONE



VIDEO



COFFEE

4

Presenters:

Judicial Council

Governmental Affairs:
Morgan Lardizabal, Legislative Advocate

Criminal Justices Services:
Jamie Schechter, Attorney
Martha Wright, Manager

Funds and Revenues:
Don Lowrie, Fiscal Analyst
Jason Haas, Budget Supervisor
Maria Lira, Senior Analyst
Nicholas Duffy, Fiscal Analyst

State Controller's Office:

Local Government Programs and Services Division:
Erika Bosnich, Supervisor
Henry Mathews, Policy Analyst

Division of Audits:
Doug Brejnak, Staff Management Auditor (Specialist)

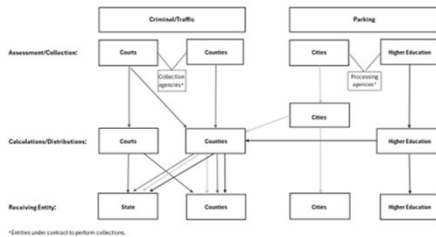
Franchise Tax Board:

Court-Ordered Debt (COD) Program:
Jennifer Jacobsen, Program Supervisor
Lorena Benavidez, Program Supervisor

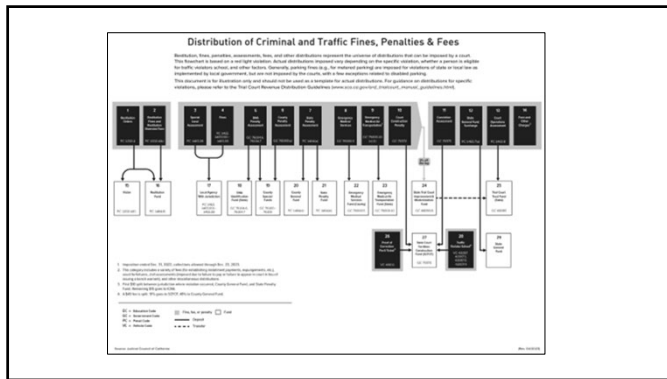
Interagency Intercept Collections (IIC) Program:
Andrey Ivanov, Program Supervisor
Rikki Saldana, Program Supervisor

5

Interrelationships



6



7

TRIAL COURT REVENUE DISTRIBUTION GUIDELINES

DISTRIBUTION WORKSHEETS

RESOURCES TC- 31

LEGINFO CROSSWALK

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

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

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

8

**Attachment A:
Uniform Bail
and Penalty
Schedules**

2025 EDITION
(Cal. Rules of Court, rule 4.102)

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

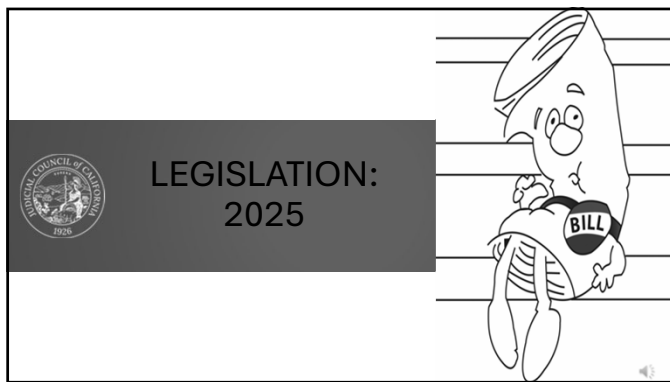
JUDICIAL COUNCIL
OF CALIFORNIA

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

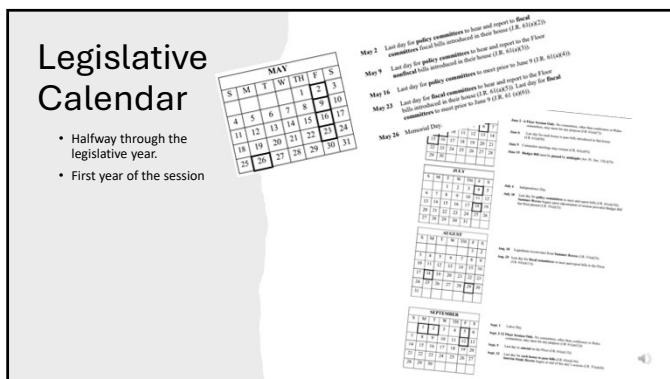
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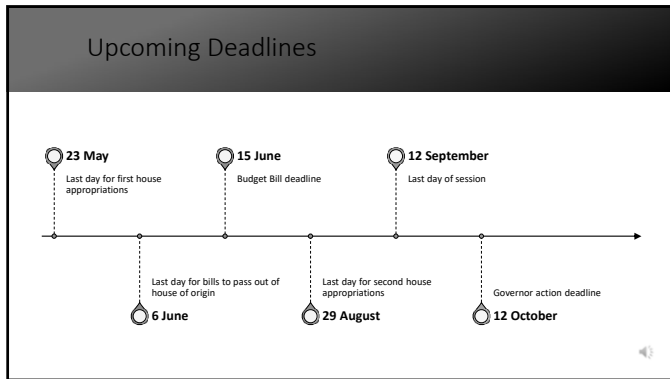
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11



12



13

2024 Bills – Fines, Fees, Penalty, Assessments

AB 632 (Hart): Local administrative fines or penalties	AB 938 (Bonta): Criminal procedure: sentencing
AB 1213 (Stefani): Restitution: priority	AB 1524 (Committee on Judiciary): Court: fees

14

General Court Topics

- Electronic Reporting
 - AB 882 (Papan)
 - AB 1189 (Lackey)
- Artificial Intelligence
 - SB 11 (Ashby)
 - AB 1018 (Bauer-Kahan)
- CARE Act
 - SB 27 (Umberg)
 - SB 823 (Stern)


15

Governmental Affairs resources:

- Court related legislation
 - Active Legislation: reports based on subject areas.
 - Constantly updated
 - <https://courts.ca.gov/policy-administration/governmental-affairs/court-related-legislation>
- Published Letters and Positions
 - All positions approved by our Legislation Committee
 - Outline support and opposition reasons
 - <https://courts.ca.gov/policy-administration/governmental-affairs/court-related-legislation/judicial-council-legislative>

Assigned Subject area or Program	Assigned Subject area or Program
Associate JT	Exec. Exec. Exclusions JT
Judicial Inefficiency JT	Grand Jury JT
Jud. Schedule JT	Initiatives JT
Benefits JT	Judicial/Judicial Officers JT
Budget JT	Judicial Council Sponsored Legislation JT
CARE JT	Justice JT
CEQA JT	Juvenile Del./Juvenile Justice JT
Child Welfare JT	Juvenile Del./Child Welfare JT
Civil JT	Labor JT
Collaborations JT	Mental Health JT


16



Budget Act of 2025

- Deficit remains
- Governor's Proposed Budget – ebudget.ca.gov
 - May revise due May 14

17



Questions?

18

Trial Court Revenue Distribution Training May 2025



MALIA M. COHEN
California State Controller

19

Introduction

Trial Court Revenue Distribution Guidelines

- Henry Mathews, Policy Analyst, Local Government Policy Unit

TC-31 Forms

- Erika Bosnich, 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.

20

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

21

SCO Trial Court Website

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



22

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

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.

23

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.

24

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.

25

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)

26

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

27

Standard Criminal/Traffic Fine Equation

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

28

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.

29

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.

30

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	
Total Assessments:		\$ 75
TOTAL BAIL/FINE:		\$233

31

+ • Poll #1

Which statement about the distribution worksheets is **false**:

- A "one size fits most" worksheet is unfeasible because distributions are complex.
- Function/use of the distribution worksheets and the TC-31 form is the same.
- The same workbook is used to train and to test distributions.
- New, additional worksheets are not created because existing ones are representative of the typical distribution types.

32

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.

33

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	
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.

34

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.

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

35

Legislative Information: LegInfo

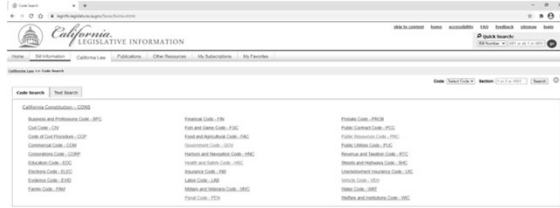
LegInfo, the free website for California laws and bills, can be found at:
<https://leginfo.legislature.ca.gov/>



36

LegInfo: Researching the Codes

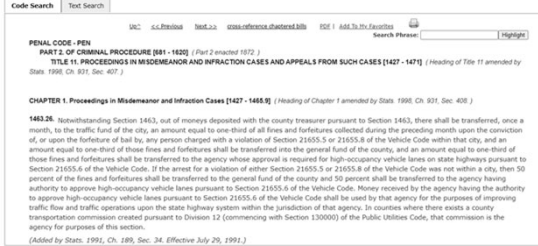
LegInfo allows one to enter a specific code section directly or browse through one of California's 29 codes.



37

LegInfo: Viewing the Codes

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



38

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).

39

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 - 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.)

40

Updates to the *Guidelines*

Revision 35 of the *Trial Court Revenue Distribution Guidelines* was released in December 2024 and reflected changes due to legislation signed into law last year. The following slides include a list of those changes.

41

Updates Due to Legislation

Added, Amended, or Removed	Code Section	Description
Amended	PEN 308	Change in fine amounts for violations of PEN 308 (a) and (b) relating to sale of tobacco products to persons under 21 years of age.
Amended	PEN 311.12	Minor language updates to reflect the expanded scope of some of the provisions within PEN 311, 311.2, and 311.11 to include matter that is digitally altered or generated by the use of artificial intelligence, as such matter is defined.
Added	PEN 1398	Corporate White Collar Criminal Enforcement fine in addition to any other penalty or fine provided by the law for corporations convicted of a misdemeanor or felony offense.
Amended	Table 5 - Introduction	Remove the reference to WIC 730.6(f).
Added	PEN 1202.4(f)	Corporations defined in PEN 1398 convicted of a misdemeanor or felony offense shall be imposed separate and additional restitution fine.
Amended	PEN 2085.5(a), (b)	Adding the operative date prior to January 1, 2025, for restitution fine imposed under WIC 730.6(b).
Amended	PEN 2085.5(c)	Updating WIC 730.6(h) to 730.6(b) for state prisoner owing a restitution order - deduction from State Prisoner Wages.
Amended	PEN 2085.5(d)	Updating WIC 730.6(h) to 730.6(b) for state prisoner owing a restitution order - deduction from County Prisoner Wages.
Amended	PEN 2085.5(e)	Renumbering from PEN 2085.5(g) to PEN 2085.5(e).
Amended	PEN 2085.5(f)	Renumbering from PEN 2085.5(h) to PEN 2085.5(f).

42

Updates Due to Legislation, cont.

Added, Amended, or Removed	Code Section	Description
Amended	PEN 2085.6(a)	Adding the operative date prior to January 1, 2025, for restitution fine imposed under WIC 730.6(b).
Amended	PEN 2085.6(b)	Updating WIC 730.6(h) to 730.6(b) for restitution order imposed.
Amended	PEN 2085.7(a)	Adding the operative date prior to January 1, 2025, for restitution fine imposed under WIC 730.6(b).
Amended	PEN 2085.7(b)	Updating WIC 730.6(h) to 730.6(b) for restitution order imposed.
Amended	WIC 730.6(b)	Renumbered 730.6(h) to WIC 730.6(b)
Removed	WIC 730.6(b)	Repeal of various fines upon conviction of one or more felony offenses or one or more misdemeanor offenses.
Removed	WIC 730.6(g)	Administrative fee of up to 10% imposed by the county Board of Supervisors to collect restitution fine is repealed.
Removed	WIC 1752.81(b)	Restitution fine imposed on a juvenile ward is repealed.
Removed	WIC 1752.81(c)	Restitution order imposed on a juvenile ward is repealed.
Removed	WIC 1752.81(d)	Restitution fine or order imposed on a juvenile ward is repealed.
Removed	WIC 1752.82	Restitution fine or order imposed on a juvenile ward is repealed.

43

Updates Due to Legislation, cont.

Added, Amended, or Removed	Code Section	Description
Amended	GOV 76104.6	The cutoff date for the collection of the DNA Identification Penalty Assessment is updated to January 1, 2028.
Added	BPC 11302	Various civil penalties for violations of chapter 8.5 of Division 8 of the Business and Professions Code regarding Consumer Wheelchair Right to Repair. The penalty collected shall be paid to the office of the Attorney General or the treasurer of the county depending on who brings the action.
Amended	BPC 22949.85	Minor language update to reflect the change in heading of the Chapter 40 to Fair Investment Practices by Venture Capitol Companies.
Added	BPC 22949.92.1	Violation of BPC 22949.92.1 shall be subject to a civil penalty not to exceed \$10,000 for each closure of the covered establishment. The distribution of the penalty shall be as stipulated in BPC 22949.92.1(c)(1)(B).
Amended	BPC 22958	Changes in Civil Penalties for sale of tobacco products to persons under 21 years of age.
Added	BPC 26152.2	Violation of BPC 26152(d),(e),(f), and (g) or HSC 111926(b) shall result in civil penalties by an unlicensed cannabis business or unregistered business engaged in the sale of products that contain industrial hemp. The civil penalties shall be distributed as stipulated in BPC 26038(c).
Added	CIV 799.12	Any entity that willfully violates CIV 799.12 shall be liable to the homeowner, resident, or other party for actual damages occasioned thereby, and shall pay a civil penalty to the homeowner, resident, or other party in an amount not to exceed \$2,000.
Added	FAC 12997.8	Civil penalty for violation of FAC 12978.7 regarding the sale or use of a first generation or a second generation antioagulant rodenticide. Civil penalties to be deposited in Department of Pesticide Regulation Fund.
Amended	FSC 12025(a)	Change of language from Controlled Substances to "cannabis or cannabis products" and an update in one of the fund names.
Amended	FSC 12025(b)	Change of language from Controlled Substances to "cannabis or cannabis products" and an update in one of the fund names.

44

Updates Due to Legislation, cont.

Added, Amended, or Removed	Code Section	Description
Added	GOV 65009.1	Violation of the adoption of housing element revisions pursuant to the schedule set forth in GOV 65588(e) shall be subject to civil to be deposited into the Building Homes and Jobs Trust Fund. Additionally, all costs of investigating and prosecuting this action shall be awarded and paid to the Public Rights Law Enforcement Special Fund.
Added	HSC 21258.6	A violation of article 15 (commencing with HSC 25258) of Chapter 6.5 of Division 20 of HSC is punishable by a minimum civil and administrative penalty to be deposited into T.A.M.J.O.N. Act Fund.
Amended	HSC 42403	Civil Penalties for violations of air pollution laws by Nonvehicular sources.
Added	HSC 104559.5(a)	The Attorney General may seek injunctive relief and civil penalty not to exceed \$50,000 and recover reasonable attorney's fees, investigation costs, and expert fees against an entity or individual for false certification of a brand style that lacks a characterizing flavor. Civil Penalties to be distributed to Public Rights Law Enforcement Special Fund.
Added	HSC 104559.5(a)	Civil penalties for violation of law regarding sale of tobacco product not appearing on the Unflavored Tobacco List (ULT) or any tobacco product flavor enhancer to any retailer, wholesaler, or other person for sale in California by a distributor or wholesaler. Civil Penalties to be distributed to Public Rights Law Enforcement Special Fund.
Amended	HSC 104559.5	Updated numbering to remove the reference to paragraph 1 due to changes made to BPC 22958(a).
Amended	LAB 181	Updating the distribution of the recovered monies for violation of LAB 181.
Amended	WAT 1845	Civil penalties changed to \$2,500 per each day for violations occurring not during conditions mentioned in WAT 1845(b)(1)(A).

45

Updates Due to Legislation, cont.

Added, Amended, or Removed	Code Section	Description
Amended	WAT 1846	Violations of term or condition of a permit, license, certificate or registration issued under WAT 1000-5076 subject to liability not to exceed \$1,000 for each day in which the violation occurs. For the violation of a regulation or order adopted by the State Water Resources Control Board, that constitutes the diversion of water contrary to a curtailment order adopted by the board, a person or entity may be liable for the fines as stipulated.
Removed	GOV 6223	Civil penalty pertaining to presenting or filing with a county recorder a deed, instrument or other document related to a conveyance of Federal land without a certificate of compliance from the State Lands Commission is repealed.
Amended	GOV 70615	A fee of \$25 for an appeal under Section 22438 of the Vehicle Code of a hearing officer's determination regarding a civil penalty for an automated speed violation, as defined in Section 22435 of the Vehicle Code. This section shall remain in effect only until January 1, 2032, and as of that date is repealed.

46

Frequently Asked Questions (FAQ)

Each training generates questions from the audience. SCO and the Judicial Council have compiled the most common ones from training 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
 → [Return to the State Treasurer \(TC-31\) Accounting Form](#) **Updated 07.29.2022**
 → [Guidelines for Completing TC-31 Entry](#)
 → [TC-31 Frequently Asked Questions \(FAQs\)](#)
 → [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](#)
 • [Crosswalk Guide](#)
 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).

47

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.

48

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

The screenshot shows a web form titled "Trial Court Revenue Distribution Updates Email Subscription Service". It includes a header for the California State Controller's Office and a search bar. The form contains instructions for subscribers and a section for entering contact information. The "List Name" is "Trial Court Revenue Distribution Updates". The "Email Address" field is highlighted. There are checkboxes for "I'm not a robot" and "I agree to receive this email". At the bottom are "Subscribe" and "Unsubscribe" buttons.

49

SCO Distribution Contact Information

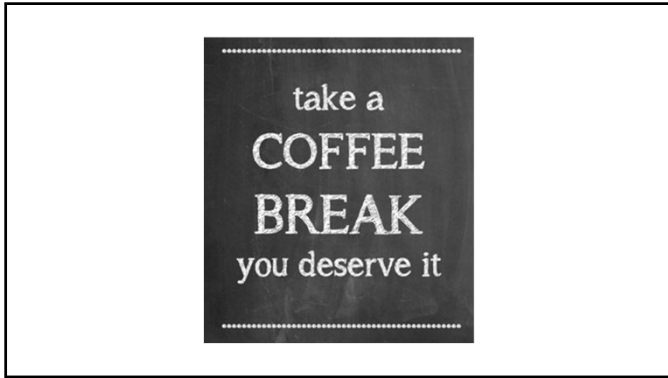
If you have any questions related to trial court
revenue distribution, please email
LocalGovPolicy@sco.ca.gov

MALIA M. COHEN
California State Controller

50



51



52




53



54


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




55

Background



1994

In 1994, the California State Legislature authorized the Franchise Tax Board to collect delinquent court-ordered debt as a pilot program.



2004

In 2004, the Legislature made the program permanent and expanded it statewide. (California Revenue and Taxation Code Sections 19280-19282).

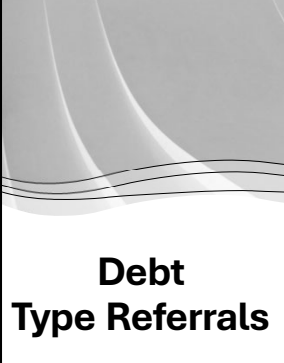
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Funding

Funding is provided by the participating courts and agencies.



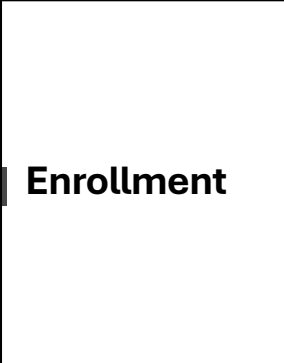
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
Debt Type Referrals


State Agencies	Courts
The amounts imposed, by the Supreme Court, of the State of California for certain debts and of the State Bar	Any type of restitution orders and fines imposed by Juvenile or Superior Court of the State of California.
All forms of fines, penalties imposed by state or local authorities, bail amounts, 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.


58




Enrollment

 Onboarding

 Memorandum of Understanding

 Testing

59

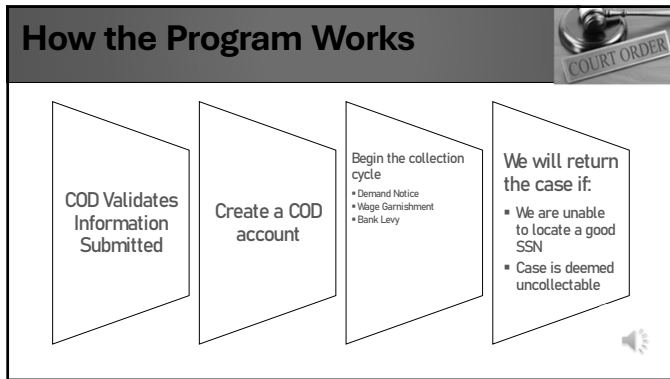


Debt Criteria

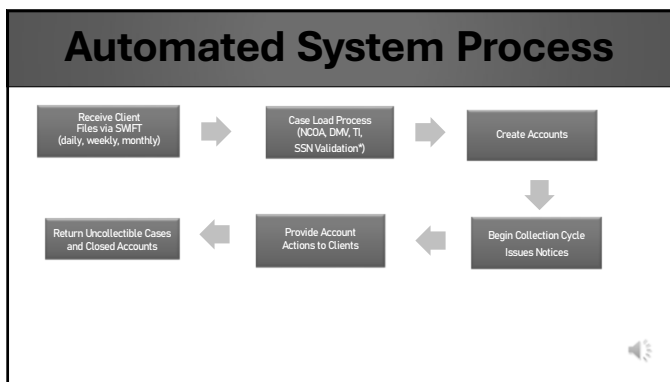
The following criteria must be met when submitting cases:

- ☒ Cases must be 90 days or more delinquent
- ☒ Minimum case balance must be \$25.00
- ☒ Minimum account balance due of \$100.00
- ☒ All submissions 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

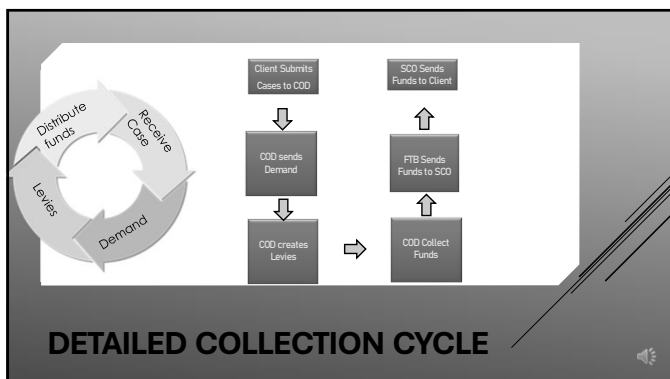
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61



62




63

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


64

Distribution of Funds



Payments collected are pro-rated

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



County 1
 County 2

65

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

66

Online Services

Make a payment >

Court-ordered debt >

Make a court-ordered debt payment

Here are your payment options. You'll need information from the notice we sent you to complete your payment.

Log in to your My COD account to view your account details and payment options. This is the best way to handle your court-ordered debt.

Log in to My COD Account

Other payment options

Pay by credit card

☐ **Online**
To pay online, visit ftb.courtorders.com to process our credit card payments. There's a 2.3% service fee.

☐ **Phone**
800.372.9829
Weekdays, 8AM to 5PM

Pay by check, money order, or cashier's check

☐ **Mail**
Make sure you:

- Make payment payable to Court-Ordered Debt Collections,
- Write your full name, account number, and billing number on your payment, and
- Mail your payment and the top part of your notice to:

Court-Ordered Debt Collections
Franchise Tax Board
PO Box 1326
Sacramento, CA 95831-1326

67

Keys to Our Success

Experienced Contact Center Staff

Client Services Staff

IT Help Desk

Interactive Voice Response

Web Services

68

Program Legislative Update

Court-Ordered Debt Collections (COD)

☐ AB 1186 impacts to FTB COD

69

Case Inventory

2024-2025 Fiscal Year Collection Totals			
Case Inventory		Collection Notices	
New Cases Received	670,920	Demand Notices	48,223
Accepted Cases	597,027	Installment Agreements	119,682
Withdrawn Cases	37,770	Bank Levies	38,220
Returned Cases	234,567	Wage Garnishments	421,802
Ending Inventory	324,690	Total Collection Activities	630,598

70

Revenue Update

71

True or False?

You can only send cases to COD once a year.



72



73

Program Support

Court-Ordered Debt Client Services

Phone: 916.845.7599

Email: CODClientServices@ftb.ca.gov

Jennifer Jacobsen, Program Supervisor 916.845.5118, Jennifer.Jacobsen@ftb.ca.gov

Lorena Benavidez, Program Supervisor 916.845.3513, Lorena.Benavidez@ftb.ca.gov

74



75

Interagency Intercept Collection Program (IICP)



STATE OF CALIFORNIA
Franchise Tax Board

76

Overview

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


IICP has been in existence since 1975

Low-cost collection alternative (fees vary each calendar year)

Different from other collection services

Additional revenue sources

77



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

FTB cost per successful offset

2022	2023	2024
\$1.99	\$1.64	\$2.52

78

Revenue Sources



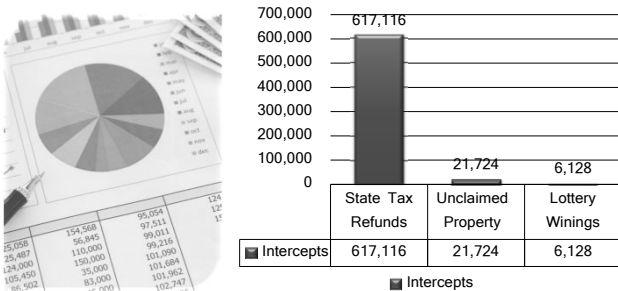
79

IIC Redirected Revenue



80

2024 Intercepts

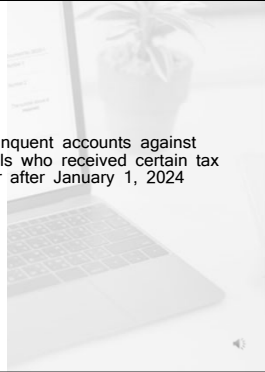


81

Legislative Impacts

AB 194 & SB 131 prohibit offsetting delinquent accounts against personal income tax refunds of individuals who received certain tax credits for taxable years beginning on or after January 1, 2024

- Earned Income Tax Credit (CalEITC)
- Young Child Tax Credit (YCTC)
- Foster Youth Tax Credit (FYTC)



82



New Participation

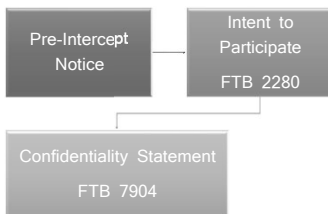
Agency sends the Initial Request to Participate to the State Controller's Office (SCO)

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




83

Annual Requirements




84


Pre-Intercept Notice



Government Code Sections



30 days to resolve or dispute their debts



Agency contact information for questions or to dispute their debt


85

Agency Responsibility

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


86

True or False?



Agencies are required to send a Pre-Intercept Notice to individuals before submitting new and returning debts to the Intercept program.

87



Agencies are required to send their debtors a Pre-Intercept Notice

The notice contains specific due process language

The notice allows debtors 30 days to resolve or dispute their debts, before an agency submits the debt to FTB for intercept


88

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 Intercept Program sends reports through SWIFT



89

File Layout

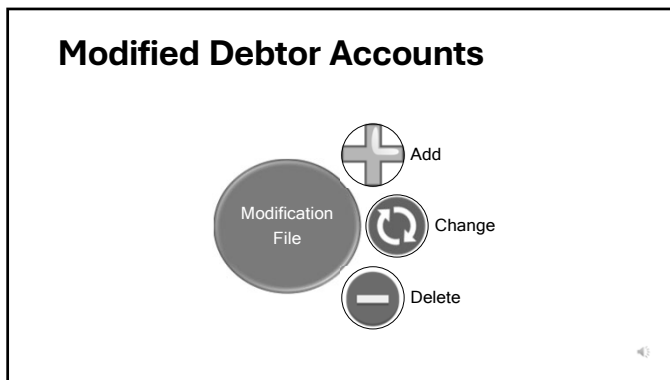


- Agency Code
- Debtor SSN
- Debtor Name
- Debt Amount
- Account/Case Number

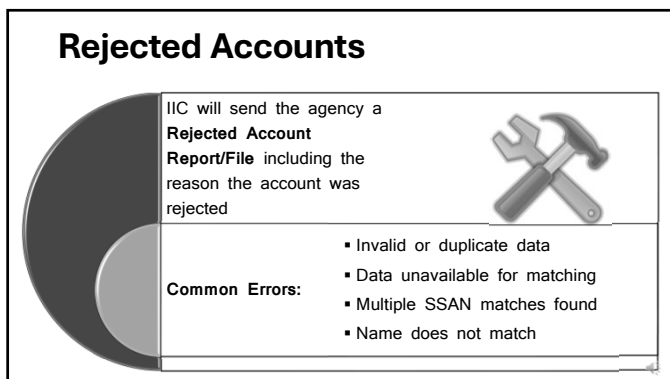
90



91




92



93

True or False?



Program participants are encouraged to submit **Annual Debtor Accounts** in December for the new year. If an annual load file is not submitted, debts may be added during the calendar year.

94

True


FTB will accept debts during the calendar year through Modified Debtor Accounts process

FTB accepts modified debtor accounts mid-January to mid-December


All debts are purged annually at the end of the calendar year

95


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

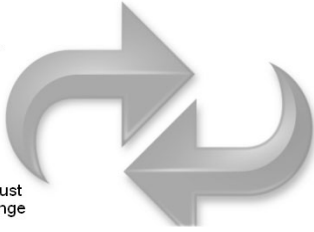
96

Reversals

Under program requirements, participants agree to reimburse FTB for erroneous intercepts

IIC Program will send a monthly **Intercept Reversal Notice** advising the impacted agency of the reversal

The agency is expected to adjust their records to reflect the change



97

ID Lookup

Participation requires SCO approval

Different record layout for annual ID Lookup file

Requires additional data elements

ID Lookup annual file due in November

Matching process extends processing timeframe

Modifications accepted only for 'change' and 'delete'



98

Reports from FTB

Annual Listing of Accounts

Rejected Accounts (error)

Weekly Offset Detail

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



99

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

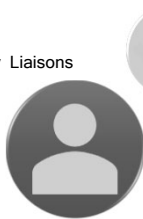
Intercept Program staff will use secure, encrypted email for debtor assistance referrals and monthly reversal notices



100

Debtor Assistance

Agency Liaisons



Dispute Resolution



Respond to debtors within 48 hours

101

Agency Liaison Support



Available to agency liaisons by phone and email



Provide copies of report/files



Respond to participation inquiries



Assist in reconciling weekly reports to monthly payments



Process new agencies and assist with SWIFT



Answer billing questions

102



103

Collections Updates

Don Lowrie, Budget Analyst

104

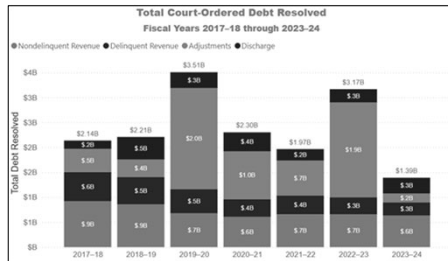
REPORT SUMMARY:

- **\$894.6 million in revenue:**
 - \$633.7 million from nondelinquent accounts
 - \$260.9 million from delinquent accounts
- **\$83.7 million in operating costs recovered**
- **\$181 million in delinquent debt satisfied by means other than payment**
- **\$315.8 million in uncollectible debt discharged from accountability**
- **\$5.3 billion outstanding debt balance**

Report on Statewide Collection, 2023-24

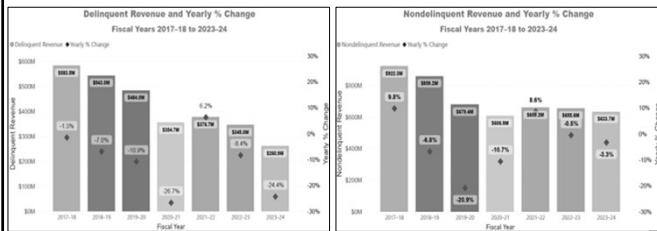
105

Statewide Collections Summary



106

Total Revenue Collected

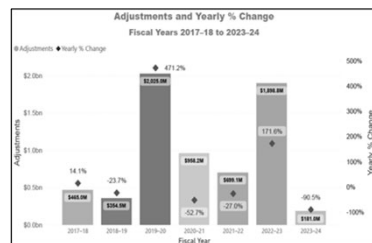


107

Adjustments:

Record the resolution of court-ordered debt through means other than payment:

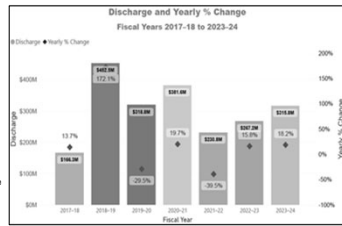
- Court waiver or reduction
- Ability to pay determination
- Community service or custody credits
- Vacated through legislation



108

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.



109

Discharge Data

\$2.8B Amount discharged since 2012

2010 Year legislation authorized courts to approve discharge

12 Number of collection programs that have discharged \$0

\$5.3B Total statewide uncollected delinquent debt (as of June 30, 2024)

15.3% Unpaid balance held by 12 programs with no discharge process implemented

110

Outstanding Balance



111

+ • Poll #2

How should cases with court-ordered debt balance of less than \$10 be handled?

- a. Refund the amount to payee
- b. Discharge from accountability
- c. Deposit balance in program bank account (remit to state)



112

Victim Restitution

- Victim restitution (VR) collection costs are not recoverable under Penal Code section 1463.007.
- Distribution of VR payments is first priority under Penal Code section 1203.1(d).
- Collection of VR is Probation Dept., or court responsibility, generally.
- Discharge from accountability is not recommended.

113

Q&A

114



Ability to Pay (ATP) Update

Nicholas Duffy, Fiscal Analyst

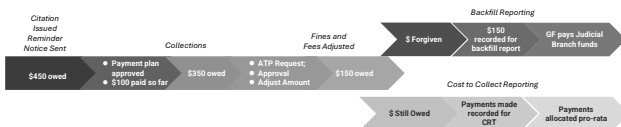
115

As of July 1, 2024, all 58 courts have been onboarded to the MyCitations program.



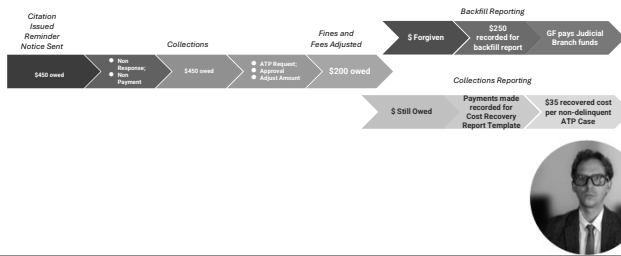
116

ATP Determinations: Delinquent Cases



117

ATP Determinations: Non-Delinquent Cases



118

Ability to Pay (AtP) Section



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

Period
Current Period
Prior Period
Combined

- 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
\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000

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

Online ATP Cases w/ Nondelinquent	Online ATP Cases w/ Delinquent	In-Person ATP Cases w/ Nondelinquent	In-Person ATP Cases w/ Delinquent
100	100	100	100

119

Your ATP Questions



Do we need to report any additional credits received if a defendant is approved for ATP and a credit adjustment approval, and then offered an additional credit if certain conditions are met?



How are courts handling subsequent ATP applications without any change in financial circumstances? For example, defendant submits duplicate applications after their ATP extension to pay timeline runs out to avoid case going back to the collection agency.

120



121



**10-minute
stretch break...**

122

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



MALIA M. COHEN
California State Controller



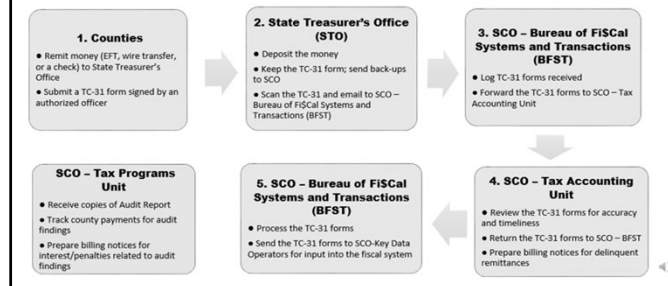
123

AGENDA

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

124

TC – 31 Process



125

TC – 31 Resources

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

Revenue Distribution Training Program

- Training Materials, Frequently Asked Questions, and Judicial Council Distribution Worksheets if

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

TC-31 Forms and Instructions

- Remittance to the State Treasurer (TC-31) Accounting Form Updated 01.22.2025
- Guidelines for Delivered 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 webpage at [https://www.sco.ca.gov/ard_trialcourt_manual_guidelines.html](#)

To receive notification of updates to the TC-31 form, please visit the TC-31 Updates email subscription webpage at [https://www.sco.ca.gov/ard_trialcourt_manual_guidelines.html](#)

126

TC – 31 Resources

Delinquent Date Schedule
https://www.sco.ca.gov/ard_state_accounting.html

Accounting Forms and Information

Accounting

- eFITS - Electronic Fiscal Input Transaction System
 - FAQ's
 - eFITS Log-In
- Agency Trust On-line 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-47) | EXCEL

127

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.

COLL. MONTH		REMITTANCE ADVICE NUMBER	
59 04		CO 59 0508	
REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31			
COUNTY NAME - NUMBER		59	
ZENITH		2025	
COLLECTORS FOR THE MONTH OF (MM / YY)			
FUND	AGENCY	FY	REV / REV
0 0 0 1	0 2 5 0 2 0 2 4	1 6 1 4 0 3	No \$ Sign 1,000.00
0 0 0 1	0 2 5 0 2 0 2 4	1 6 4 4 0 0	No \$ Sign 500.00
CODE SECTION & DESCRIPTION			
General Fund - Penal Code 1405.7, AD 3000 - 20% surcharge on criminal fees			
General Fund - Health & Safety 11372.1 - Criminalistics Lab Fee, Health & Safety 11502 - State Fees			
General Fund - Penal Code 290.3 - First Conviction			

128

TC – 31 Tips - #2

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

COLL. MONTH		REMITTANCE ADVICE NUMBER	
59 01		CO 59 0509	
REPORT TO STATE CONTROLLER OF REMITTANCE TO STATE TREASURER - TC-31			
COUNTY NAME - NUMBER		59	
ZENITH		2025	
COLLECTORS FOR THE MONTH OF (MM / YY)			
FUND	AGENCY	FY	REV / REV
0 0 0 1	0 2 5 0 2 0 2 4	1 6 1 4 0 3	1,000.00
0 0 0 1	0 8 2 2 0 2 4	1 3 1 5 0 0	500.50
0 0 0 1	9 9 9 0	1 3 0 9 0 1	
CODE SECTION & DESCRIPTION			
General Fund - Penal Code 1405.7, AD 3000 - 20% surcharge on criminal fees			
General Fund - Health & Safety 11372.1 - Criminalistics Lab Fee, Health & Safety 11502 - State Fees			
General Fund - Penal Code 290.3 - First Conviction			

TC-31s are based on the fiscal year (July 1–June 30); “2024” is the correct entry for FY 2024-25 collections.

129

+ Poll #3

The fiscal year for May 2025 collections is:

- a. 2024
- b. 2025

130

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"

COF MONTH	REMITTANCE ADVISE NUMBER
59 99	CO 59 0513

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

COUNTY NAME - NUMBER:

758121

59

COLLECTIONS FOR THE MONTH OF (Mo / Yr):

AUDIT

FY 17/18 TO 20/21

FUND	AGENCY	REV / REV	AMOUNT	CODE SECTION & DESCRIPTION
0 0 0 1	0 2 5 2 0 2 2	1 6 1 4 0 3	12,400.00	General Fund - Penal Code 290.3 - 20% surcharge on criminal fees Audit Finding #1
0 0 0 1	0 8 2 0 2 0 2 3	1 3 1 5 0 0	12,400.00	General Fund - Health Care - 172.5 - General Fund - Pen. Health & Safety 11502 - State Fund Audit Finding #1
0 0 0 1	9 9 9 0	1 3 0 9 0 1		General Fund - Penal Code 290.3 - First Conviction
				General Fund - Penal Code 290.3 - Second & Subsequent

131

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.

132

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: 2023TH 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 & Professions Code 4756.4414
TOTAL				0.01	

133

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

134

TC – 31 Submission

Submit your TC-31 forms to:

OR

CA State Treasurer's Office
CTSMO-Financial Services Section
901 P Street, 2nd Floor, Room 213-B
Sacramento, CA 95814

CA State Treasurer's Office
CTSMO-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:

CTSMO In Out Wires@treasurer.ca.gov
cc: finserv@treasurer.ca.gov

135

TC – 31 Contacts

Tax Accounting Unit:
TC-31
lgpsdtaxaccounting@sco.ca.gov

Tax Programs Unit:
Audit Finding Payment
lgpsdtaxprograms@sco.ca.gov

136



137

Court Revenue Audits

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



138

Court Revenue Audits

- Status of Audits
- Audit Process
- Common Audit Findings

139

Status of Court Revenue Audits

- Final Reports Issued: 3
- Reports in Progress: 4
- Audits in Progress: 10
- Next in Queue:

San Francisco	San Joaquin
Monterey	Tulare
San Diego	Sonoma

For 2025, we issued 3 reports, with 25 findings and 2 observations, identifying \$61,000 in underremitted revenues.

For 2024, we issued 15 reports, with 86 findings and 2 observations, identifying \$4.7M in underremitted revenues.

140

Court Revenue Audit Process

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

141

Common Audit Findings

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



142

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, County/Court Fees, etc.)*

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



143

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 the courthouse to JCC or when bond debt has been paid off



144

145

Bonded Indebtedness

Counties must perform the following upon making final payment of the bonded indebtedness of court facilities

- Transfer any amount in the Courthouse Construction Fund to the State Court Facilities Construction Fund (GC 70402[a]).
- Reduce the seven-dollar local penalty (GC 76000[e]).
- Remove the \$1.50 parking surcharge for the Courthouse Construction Fund (GC 76000[d]).



50% Excess of Qualified Revenues

The Traffic Violator School Fee (VC 42007) 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; and
- VC 42007(c) City Base Fines.



146

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.

[illegible]

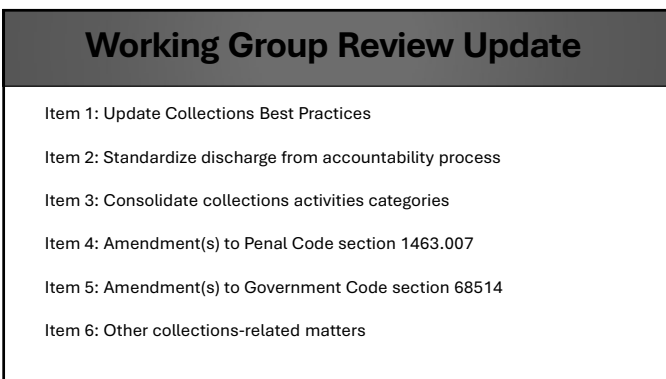
147



148



149



150

Group Recommendations

- **Amendments to Collections-Related Statutes:**
 - Penal Code § 1463.007
 - Government Code § 68514
- **Changes to Collections Reporting Template applied to the 2026-27 reporting period**
- **Invitation to Comment:**
<https://courts.ca.gov/policy-administration/invitations-comment>

151

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, 2025 — Collections Reporting Template (CRT)
- January 2026 — Winter Revenue Distribution
- May 2026 — Spring Revenue Distribution

Evaluation

Your feedback is valued!

152



153



154



155
