



## **Analysis of Amended Bill**

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Sponsor:

Bill Number: SB 144

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Amended: March 27, 2019,  
and May 21, 2019

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Related Bills: See Legislative  
History

**Subject:** Court Ordered Debt Program

### **Summary**

This bill would, under the Business and Professions Code, Government Code, Vehicle Code, Penal Code, and Welfare and Institutions Code, among other changes, eliminate a number of administrative fees and costs imposed on a person related to involvement in the criminal justice system and would specify that the unpaid balance of specified fees or costs eliminated by these provisions be unenforceable and uncollectable.

This analysis only addresses the provisions of the bill that impact the department's programs and operations.

**Recommendation – No position.**

### **Summary of Amendments**

The March 27, 2019, amendments added a co-author, added provisions of the bill amending the Business and Professions Code, and added provisions that would repeal, amend, or add provisions of the Government Code, the Health and Safety Code, the Penal Code, the Vehicle Code, and the Welfare and Institution Code related to fees and costs imposed for criminal offenses or vehicle code violations.

The May 21, 2019, amendments added a co-author and removed language that would repeal, amend, or add provisions of the Health and Safety Code, the Penal Code, the Government Code, and the Vehicle Code. The amendments also modified or made nonsubstantive technical changes.

This is the department's first analysis of the bill.

## **Reason for the Bill**

The reason for this bill is to eliminate the range of administrative fees that agencies and courts are authorized to impose to fund elements of the criminal legal system and to eliminate outstanding debt incurred as a result of the imposition of administrative fees.

## **Effective/Operative Date**

This bill would become effective and operative January 1, 2020.

## **State Law**

Under current state law, fines, state or local penalties, bail, forfeitures, restitution fines, restitution orders, or any other amount imposed by a superior, juvenile, Supreme Court of the State of California, or a governmental entity in California, totaling no less than \$100, and delinquent for 90 days or more, can be referred by the courts, the State Bar, or governmental entity to the Franchise Tax Board (FTB) for collection.

Current state law authorizes the FTB to use administrative collection tools to collect delinquent tax and nontax debt liabilities. Collection actions include, but are not limited to, attaching bank accounts and garnishing wages.

## **This Bill**

This bill would, under the Business and Professions Code, Government Code, Penal Code, and Vehicle Code, eliminate a number of administrative fees and costs imposed on a person related to involvement in the criminal justice system.

On or after January 1, 2020, the unpaid balance of any court-imposed costs, as specified, are unenforceable and uncollectable and any portion of a judgment imposing these costs may be vacated. This would effectively extinguish some of the non-tax debts that would otherwise have been collected by the FTB.

## **Implementation Considerations**

Implementing this bill would not significantly impact the department's programs and operations.

## **Legislative History**

AB 3249 (Committee on Judiciary, Chapter 659, Statutes of 2018) allowed amounts imposed by the Supreme Court of the State of California for certain amounts due to the State Bar as a debt type that can be referred to the FTB Court Ordered Debt (COD) collection program.

SB 1210 (Lieu, Chapter 762, Statutes of 2012) authorized the referral of delinquent fines, state and local penalties, forfeitures, restitution fines and orders, and other amounts imposed by a juvenile court to the FTB for collection.

SB 647 (Committee on Judiciary, Chapter 208, Statutes of 2011) authorized the FTB to collect specified legal costs relating to an order of the juvenile court. Specified legal costs include the costs for counsel appointed to represent parents or minors pursuant to dependency proceedings.

### **Other States' Information**

Since this bill would modify the CODs that could be referred to the department for collection, a review of other states' income tax laws would not be relevant.

### **Fiscal Impact**

This bill would not significantly impact the department's costs.

### **Economic Impact**

#### Revenue Estimate

This bill as amended March 27, 2019, and May 21, 2019, would not impact state income or franchise tax revenue.

This analysis does not account for changes in employment, personal income, or gross state product that could result from this bill or for the net final payment method of accrual.

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