



Bill Analysis

Author: Bradford, et al.

Sponsor:

Bill Number: SB 586

Related Bills: See Legislative
History

Introduced: February 18, 2021

SUBJECT

Court Ordered Debt Collection Program

SUMMARY

This bill would, under the Business and Professions Code (BPC), Government Code (GC), Health and Safety Code (HSC), Penal Code (PC), Vehicle Code (VC), and Welfare and Institutions Code (WIC), 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

Not applicable.

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.

ANALYSIS

This bill would, under the BPC, GC, HSC, PC, VC, and WIC, eliminate a number of administrative fees and costs imposed on a person related to involvement in the criminal justice system.

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On or after January 1, 2022, the unpaid balance of any court-imposed costs, as specified, would be unenforceable and uncollectable and any portion of a judgment imposing these costs would be vacated. This would effectively extinguish some of the non-tax debts that would otherwise have been collected by the Franchise Tax Board (FTB).

Effective/Operative Date

This bill would become effective and operative January 1, 2022.

Federal/State Law

Federal Law

No provision comparable in federal law.

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 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.

Implementation Considerations

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

Technical Considerations

None noted.

Policy Considerations

None noted.

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LEGISLATIVE HISTORY

SB 144 (Mitchell, et al., 2019/2020) would have, under the BPC, GC, PC, VC, and WIC, among other changes, eliminated a number of administrative fees and costs imposed on a person related to involvement in the criminal justice system and would have specified that the unpaid balance of specified fees or costs eliminated by these provisions be unenforceable and uncollectable. SB 144 did not pass out of the Assembly by the constitutional deadline.

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.

PROGRAM BACKGROUND

California courts handle thousands of cases each month, many of which conclude with a monetary penalty. In efforts to reduce COD owed in California, the State Legislature allowed the FTB to partner with the county superior, municipal, and justice courts to collect delinquent CODs. FTB's COD Collection Program has been a permanent program since 2004, and can accept collection cases from all 58 counties, as well as the California Victims Compensation Board and the California Department of Corrections and Rehabilitation.

Revenue and Taxation Code sections 19280-19282 authorizes FTB to collect these CODs as if they were a tax. Debts authorized to be collected by the FTB includes court fines and fees; court appointed counsel costs; VC violations; civil assessments; probation; victims restitution; and juvenile offenses. The FTB is not authorized to collect debts from homeless youth, defined by PC section 1463.011, or homeless veterans, defined by PC section 1463.012.

FISCAL IMPACT

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

ECONOMIC IMPACT

Revenue Estimate

This bill, as introduced February 18, 2021, would not impact state income or franchise tax revenue.

LEGAL IMPACT

None noted.

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APPOINTMENTS

None noted.

SUPPORT/OPPOSITION

To be determined.

ARGUMENTS

To be determined.

LEGISLATIVE CONTACT

FTBLegislativeServices@ftb.ca.gov