



## *Victim Restitution*

Improved Coordination and Consistency Would  
Ensure State and Local Collection Entities  
Collect and Disburse More Restitution

*April 2026*

**REPORT 2025-117**





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April 16, 2026  
**2025-117**

The Governor of California  
President pro Tempore of the Senate  
Speaker of the Assembly  
State Capitol  
Sacramento, California 95814

Dear Governor and Legislative Leaders:

As directed by the Joint Legislative Audit Committee, my office conducted an audit of the California Department of Corrections and Rehabilitation (CDCR), the Franchise Tax Board (FTB), the California Victim Compensation Board (CalVCB), and the local collection entities of three counties—Kern, San Diego, and Contra Costa—regarding their administration of victim restitution programs. In general, we determined that state and local entities have implemented inconsistent processes that reduce the effectiveness of victim restitution.

We identified multiple instances in which the state and local entities involved in the victim restitution process lacked coordinated and consistent practices. For example, because many local collection entities did not coordinate effectively with CDCR, CDCR is unable to disburse restitution to victims for 60 percent of the restitution order payments it collected. We also found that state and local collection entities did not consistently refer delinquent debt to FTB for collection, potentially depriving victims of their restitution payments. Additionally, although state law requires that restitution orders include the payment of interest to victims, we found that some courts had frequently omitted interest from the orders they imposed or acted on differing interpretations of the law. As a result, victims might receive and individuals might owe different amounts of restitution depending on the county in which the case was heard. Finally, we noted that the entities we reviewed collected less than 11 percent of the restitution for which they were responsible from fiscal years 2014–15 through 2024–25, in part because individuals who owed restitution may lack the financial means to pay their debts.

Our report identifies recommendations to the Legislature including steps it could take to strengthen data collection and reporting, clarify how interest should apply to restitution orders, improve the consistency and efficiency of restitution collection, and facilitate coordination among involved entities.

Respectfully submitted,

A handwritten signature in black ink that reads 'Grant Parks'. The signature is written in a cursive, flowing style.

GRANT PARKS  
California State Auditor

## Selected Abbreviations Used in This Report

CalVCB	California Victim Compensation Board
CDCR	California Department of Corrections and Rehabilitation
DOJ	U.S. Department of Justice
FTB	Franchise Tax Board
GAO	U.S. Government Accountability Office
JCC	Judicial Council of California
JPA	Joint powers authority
OVSRS	Office of Victim and Survivor Rights and Services
PRCS	Postrelease Community Supervision
USAO	U.S. Attorney's Office

# Contents

<b>Summary</b>	1
<b>Introduction</b>	7
<b>Audit Results</b>	
State and Local Collection Entities Often Struggle to Collect Restitution Orders and Fines	15
State and Local Collection Entities Lack Consistent, Coordinated Processes for Collecting and Disbursing Restitution Order Payments	27
CalVCB Has Generally Provided Valid Legal Reasons for Denying Victim Compensation Claims	39
<b>Other Areas We Reviewed</b>	45
<b>Appendix A</b>	
Application Denial Reasons, Fiscal Years 2016–17 Through 2023–24	47
<b>Appendix B</b>	
Restitution Orders and Fines by Demographic Breakdown, Fiscal Years 2014–15 Through 2024–25	49
<b>Appendix C</b>	
Payment Status and Repayment Rates for Restitution Ordered to Victims, Fiscal Years 2014–15 Through 2024–25	55
<b>Appendix D</b>	
Scope and Methodology	59
<b>Response to the Audit</b>	
Franchise Tax Board	63

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# Summary

## Key Findings and Recommendations

The California Constitution guarantees the right of all victims of crime to *restitution*, or reimbursement, for economic losses resulting from those crimes.<sup>1</sup> Restitution takes two forms: restitution orders and restitution fines. A *restitution order* is the amount that a court orders an individual convicted of a crime to pay to that crime's victim or victims as reimbursement for any economic losses they suffered as a result of the crime, such as replacing damaged property or receiving medical care for injuries. A *restitution fine* is the amount that a court orders an individual convicted of a crime to pay to the State, and these funds are used by the California Victim Compensation Board (CalVCB) to pay victims' compensation claims.

Multiple state agencies have a role in ensuring that individuals convicted of crimes pay their restitution orders and fines. For example, the California Department of Corrections and Rehabilitation (CDCR) collects restitution orders and fines from individuals sentenced to state prison. In contrast, superior courts, county revenue offices, and county probation departments (which we collectively refer to as *local collection entities*) decide which local entity collects restitution orders and fines from individuals sentenced to jail or probation. In addition, the Franchise Tax Board (FTB) collects restitution debt upon referral of another state or local collection entity, while CalVCB uses funds from restitution fines to support crime victims.

The Joint Legislative Audit Committee directed our office to provide a comprehensive operational and fiscal review of California's restitution system. In particular, it requested that we examine concerns related to equity, transparency, fiscal efficiency, and outcomes for both victims and individuals convicted of crimes. In alignment with the audit request, we focused our analysis primarily on six entities that collect restitution orders and fines: CDCR; the Office of Revenue and Recovery of the County of San Diego (San Diego Office of Revenue); the Superior Court of California, County of San Diego (San Diego Superior Court); Superior Court of California, County of Contra Costa (Contra Costa); the Superior Court of California, County of Kern (Kern Superior Court); and the Kern County Probation Department (Kern Probation). In addition, we examined FTB and CalVCB's roles in the restitution and compensation process. Our analysis found that underlying barriers and inefficiencies leave many victims without full repayment, while individuals with criminal convictions often carry lifelong restitution debt they cannot pay.

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### State and Local Collection Entities Often Struggle to Collect Restitution Orders and Fines

Page 15

State law grants CDCR and local collection entities the authority to collect restitution orders from individuals who have been convicted of crimes. However, from fiscal years 2014–15 through 2024–25, the entities we reviewed

<sup>1</sup> Some individuals who have been victims of criminal activity prefer the term *survivor*. However, we use *victim* in this report to align with the language used in state law and by the California Victim Compensation Board. State law defines *victims* as people who suffer physical, psychological, or financial harm as the result of a crime or an attempted crime. The term *victim* may encompass both the crime's direct victim and the direct victim's spouse, parent, child, sibling, or guardian.

collected only a small percentage of the restitution orders for which they were responsible. For example, during this period, the San Diego Office of Revenue and Contra Costa collected only about 9 percent of their restitution orders, for a combined average of \$1.8 million of the \$20 million imposed per year. Further, CDCR collected only \$53 million, or 3 percent, of the \$1.9 billion that individuals sentenced to its supervision owed in restitution orders during the same period. Low collection rates are not a problem that is unique to our selected entities: the Government Accountability Office recently reported that many individuals convicted of crimes do not have the ability to pay the restitution they owe. However, low collection rates limit the benefits that restitution orders might otherwise provide victims.

Further, two entities we reviewed—Kern Probation and the San Diego Superior Court—were unable to determine the percentage of restitution orders they collected from a given year because of the limitations of their legacy case management systems (systems).<sup>2</sup> As a result of these systems' limitations, calculating the percentage of owed restitution orders they collect out of the amount imposed in a given year would require their staff to manually tabulate sums for thousands of cases. The San Diego Superior Court transitioned to a new system in February 2026, and Kern Probation is actively taking steps to upgrade its system to include this functionality. However, as of fiscal year 2023–24, at least 13 other counties throughout the State reported similar system limitations that render them unable to track the effectiveness of their collection efforts.

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**Page 27****State and Local Collection Entities Lack Consistent, Coordinated Practices for Collecting and Disbursing Restitution Order Payments**

In conducting this audit, we identified a number of instances in which the entities involved lacked coordinated, consistent practices, limiting the effectiveness of the restitution process. For example, from fiscal years 2014–15 through 2024–25, CDCR was unable to direct the disbursement to victims of 60 percent of the restitution order payments it collected. CDCR staff rely on local probation departments and district attorneys' offices for victim information when internal efforts, such as reviewing case details in superior court-provided legal documents, are unsuccessful. However, even when reports from law enforcement and local probation departments are available, CDCR staff assert that those reports rarely include contact details such as phone numbers or addresses or, in some instances, even the victims' names. Consequently, many victims do not receive the restitution order payments to which they are entitled.

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<sup>2</sup> San Diego Superior Court can provide the total amount of restitution collected each year, but that total would include restitution on orders from all years prior.

Additionally, although state law requires that restitution orders include the payment of interest to victims, we found that some courts have frequently omitted interest from the orders they imposed. For example, the Kern Superior Court presiding judge believes that the law automatically imposes interest on all restitution orders. However, Kern Probation believes that it lacks authority to collect interest unless a judge explicitly includes it in a restitution order. We identified other instances in which differing interpretations of the law similarly affected the collection of restitution order payments. As a result, if identical crimes with identical economic losses were handled by different sentencing courts, the victims might receive significantly different amounts of restitution and individuals who were convicted of the crimes could owe significantly different amounts.

Finally, we also identified discrepancies in state and local collection entities' processes when an individual who owes restitution stops making payments. For example, state law permits CDCR to refer delinquent restitution orders to FTB for any individual who is or has been under CDCR's jurisdiction for the purpose of collecting restitution orders on behalf of the victim. However, after an individual completes parole, CDCR does not have any enforcement authority to collect restitution fines. State law further permits local collection entities to refer delinquent court-ordered debt—including restitution orders and fines—to FTB for collection, and it requires FTB to recover a percentage of the amount it collects to cover the cost of its services. However, state law does not indicate whether the victim, the individual convicted of the crime, or the referring entity should bear the cost of collection. Because each of our audited entities has interpreted these requirements differently, victims and individuals convicted of crimes in each of their jurisdictions face different outcomes.

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### **CalVCB Has Generally Provided Valid Legal Reasons for Denying Victim Compensation Claims**

Page 39

Since fiscal year 2021–22, the State Restitution Fund has received an average of about \$30 million in annual funding from the General Fund to replace declining revenue. It will likely require ongoing financial support in future fiscal years to remain fiscally solvent. CalVCB relies on the Restitution Fund to cover both its operational expenses and to pay compensation to victims. *Compensation* is financial assistance from CalVCB that helps eligible victims pay for many crime-related expenses, such as counseling and medical fees, that can be paid even before an individual is sentenced and ordered to pay restitution. CalVCB determines victims' eligibility for compensation, unlike restitution orders, which are imposed by a court. When we reviewed a selection of compensation claims that CalVCB denied, we found that its reasons for doing so aligned with state law.

## Recommendations

As Figure 1 shows, state and local collection entities face many challenges under California's current victim restitution system that, taken as a whole, significantly limit the system's effectiveness. To address this audit's findings and better ensure that the State's restitution system serves the needs of victims without unnecessarily burdening individuals convicted of crimes, we have made recommendations to the Legislature that fall into three broad categories:

### *Efficiency*

- Require CDCR and local collection entities to refer delinquent restitution orders and fines to FTB.
- Require or incentivize courts and counties to implement modern case management systems.

### *Equity*

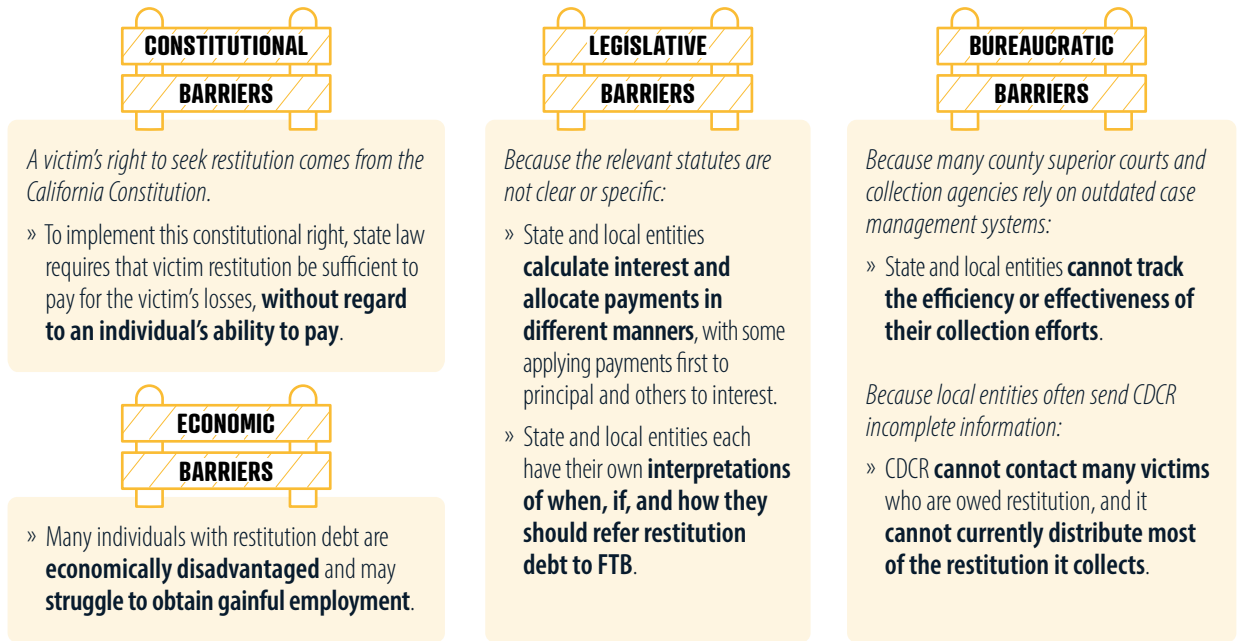
- Amend state law to require local collection entities to provide CDCR with victim contact information, unless the victim does not want this information shared.
- Revise state law to cease imposing or reduce interest on restitution orders, including by referring the matter to voters if a constitutional amendment is necessary.

### *Consistency*

- Amend state law to require CDCR to continue collecting restitution fine payments both during and after an individual's parole.
- If the Legislature chooses to continue to require individuals convicted of crimes to pay interest on restitution orders, specify how state and local collection entities should calculate and apply that interest.
- Determine how state and local collection entities should assign FTB's costs of collection.

The Legislature can take steps to improve state and local entities' ability to analyze their collection efforts, coordinate consistent practices, and efficiently disburse restitution collected. Implementation of these recommendations would improve the restitution system's efficiency and ensure that victims and individuals who owe restitution orders and fines receive fairer and more consistent restitution outcomes, as Figure 2 outlines.

**Figure 1**  
**California’s State and Local Collection Entities Face Significant Barriers When Collecting and Disbursing Victim Restitution, but Legislative Changes Could Improve the Process**



**TO IMPROVE THE STATE’S VICTIM RESTITUTION SYSTEM, THE LEGISLATURE SHOULD DO THE FOLLOWING:**

- » Require or encourage state and local entities to implement modern case management systems to track restitution collection.
- » Require state and local entities to refer restitution debt to FTB for collection and specify how FTB's collection costs will be distributed.
- » Determine whether restitution orders should be subject to interest and specify how interest should be calculated and payments applied.
- » Require local collection entities to furnish CDCR with contact information for victims who are owed restitution from an individual in CDCR custody, unless the victim objects.

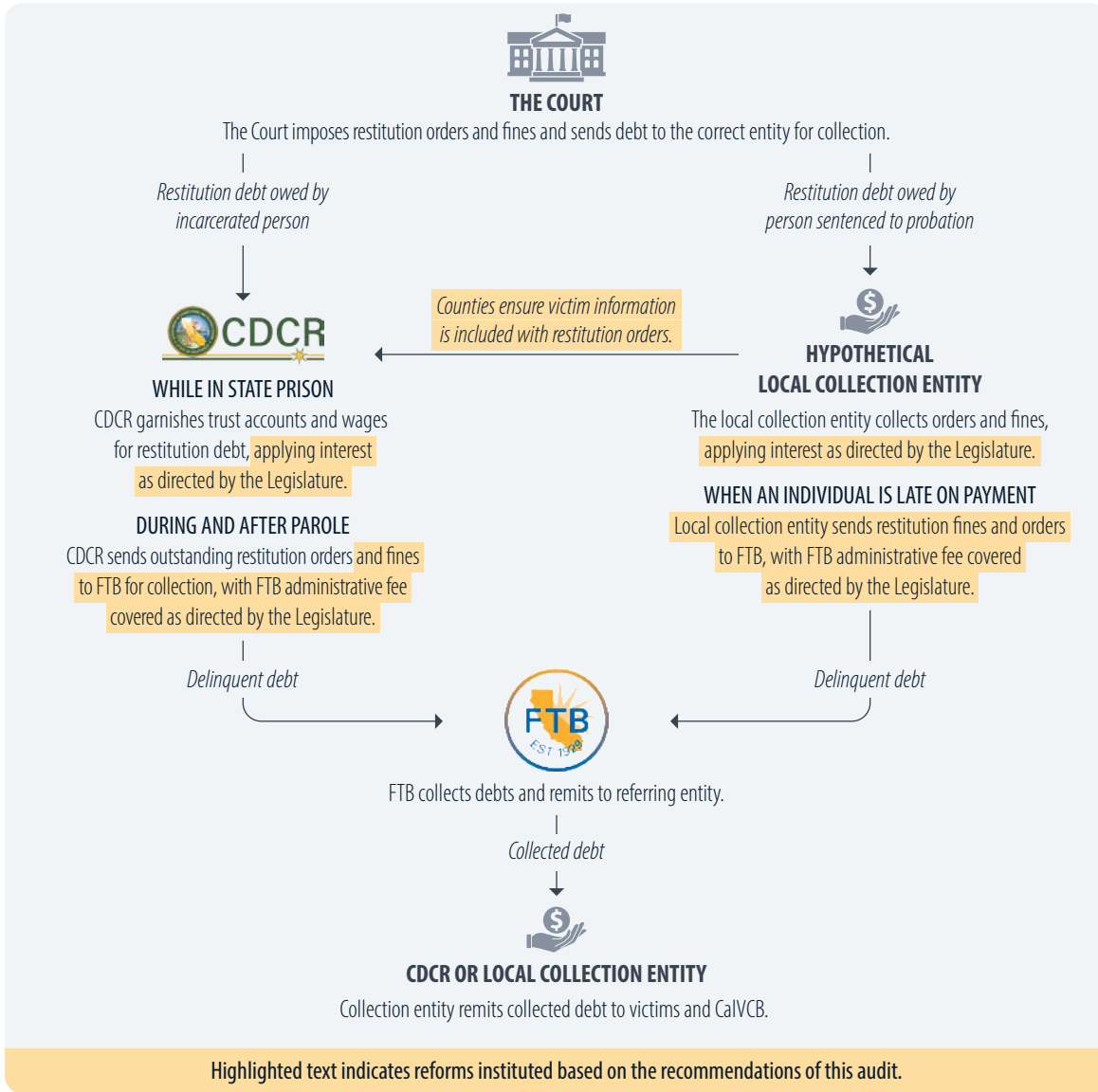


**THESE CHANGES WOULD ENSURE THE FOLLOWING:**

- » State and local entities have the information they need to track, analyze, and report information on restitution collection, and disburse restitution to all known victims.
- » Victims and individuals who owe restitution receive consistent and equitable restitution outcomes.

Source: State law and interviews, data, and procedural documents from CDCR, FTB, and San Diego, Kern, and Contra Costa counties.

**Figure 2**  
**Examples of How, if Implemented, Our Recommendations Would Create a More Equitable, Efficient, and Consistent Restitution Collection Process**



Source: State law, interviews with and procedural documents from CDCR and selected counties, and this report.

# Introduction

## Background

*Restitution* is the repayment of financial losses that result from criminal activity. The California Constitution guarantees the right of all victims of crime to restitution, or reimbursement, for economic losses resulting from the crime, such as replacing damaged property or receiving medical care for injuries.<sup>3</sup> The purpose of California’s restitution law is to ensure that amends are made to society for a breach of the law and to act as a deterrent to future criminality. California courts have recognized that restitution acts as an effective rehabilitative penalty because it forces individuals to confront, in concrete terms, the harm their actions have caused.

In California, restitution takes two forms: restitution orders and restitution fines. The text box provides brief definitions of both of these types of restitution, as well as a definition of *compensation*. We explain each of these three terms in more detail in the pages that follow.

### Restitution Orders

A court orders restitution to victims—people who suffer physical, psychological, or financial harm as the result of a crime or an attempted crime. Restitution orders remain enforceable until paid in full. Further, the California Constitution requires all payments collected from an individual convicted of a crime to first be applied to that individual’s restitution order.

#### Overview of Terms

**Restitution order:** A court order requiring an individual convicted of a crime to reimburse a victim or victims for any economic losses they suffered as a result of the crime.

**Restitution fine:** State law generally requires the court to impose a restitution fine in every case in which a person is convicted of a crime. Restitution fines are paid to the State and are used by CalVCB to pay victim compensation.

**Victim compensation:** *Compensation* is financial assistance from CalVCB that helps eligible victims pay for many crime-related expenses, such as counseling and medical fees that can be paid even before an individual is sentenced and ordered to pay restitution.

Source: State law and CalVCB materials.

Courts typically determine the amount of restitution orders during the sentencing process. State law prohibits courts from taking an individual’s ability to pay into consideration when setting the amount of a restitution order, and it does not establish a maximum amount for a restitution order.<sup>4</sup> Rather, state law requires the sentencing court to order restitution in an amount that will fully reimburse each victim for every determined economic loss incurred as the result of the crime, including but not limited to, stolen or damaged property, medical expenses, lost wages for time spent injured or as a witness, and interest. When the California Committee on Revision of the Penal Code analyzed restitution orders

<sup>3</sup> Some individuals who have been victims of criminal activity prefer the term *survivor*. However, we use *victim* in this report to align with the language most commonly used in state law and by CalVCB. State law defines *victims* as people who suffer physical, psychological, or financial harm as the result of a crime or an attempted crime. The term *victim* may encompass both the crime’s direct victim and the direct victim’s spouse, parent, child, sibling, or guardian.

<sup>4</sup> In 2019, the California Legislature passed, and the Governor vetoed, Assembly Bill 927, which would have required courts to find that a defendant had the ability to pay before imposing criminal fines, fees, and assessments, including restitution fines but excluding restitution orders.

in six California counties, it found that the median restitution order from 2018 through 2020 was \$1,200. However, some restitution orders may be millions of dollars when the crimes in question involved significant financial fraud or resulted in other significant monetary damage.

## Restitution Fines

In addition to owing restitution directly to victims, individuals who are convicted of crimes also owe a debt to society. To address this debt, state law requires the court to impose a *restitution fine* in every case in which a person is convicted of a crime, unless the court finds compelling and extraordinary reasons for not doing so.<sup>5</sup> Revenue collected from restitution fines is deposited in the State Restitution Fund (Restitution Fund). We discuss the purposes of this fund in more detail below.

Similar to the process for restitution orders, courts typically determine the amount of a restitution fine during the sentencing process. However, courts have more discretion when imposing restitution fines than when imposing restitution orders. Specifically, state law expressly directs that when setting a restitution fine in excess of the minimum amount specified in law, a sentencing court must consider any relevant factors, including the individual's ability to pay and the seriousness and gravity of the offense. For individuals convicted of misdemeanors, restitution fine amounts range from \$150 to \$1,000, and for felonies, the range is \$300 to \$10,000. Recent changes to state law make unpaid restitution fines uncollectable and unenforceable 10 years from the date the court imposed them.

## State and Local Entities Involved in the Restitution Process

Three state agencies—CalVCB, CDCR, and FTB—have roles in ensuring that individuals who are convicted of crimes pay their restitution orders and fines. In addition, superior courts, county revenue offices, and county probation departments—which we refer to collectively as *local collection entities*—are also critical to this process.

### CalVCB

One of CalVCB's responsibilities is the administration of the Restitution Fund. As we previously indicate, when individuals pay restitution fines, the payments are deposited into this fund. CalVCB then uses the Restitution Fund in part to pay *compensation* to qualifying victims of eligible crimes to help with expenses that result from the crimes. *Compensation* is different than *restitution*: although courts order restitution from an individual who is convicted of a crime, any eligible victim can receive financial assistance from CalVCB even before an individual is sentenced and

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<sup>5</sup> This report focuses on the restitution process for adults. The Legislature eliminated restitution fines for juveniles commencing in January 2025.

ordered to pay restitution. The text box shows the types of harm that may qualify a victim for compensation and provides examples of eligible expenses. It is important to note that under state law, CalVCB must deny compensation if a victim does not reasonably cooperate with law enforcement in apprehending and convicting the individual who committed the crime. Further, if the victim was involved in the events leading to the qualifying crime, CalVCB may deny compensation.

CalVCB can recover the disbursed amount from the individual convicted of the crime as part of the court-ordered restitution.

CalVCB also uses the Restitution Fund to support Trauma Recovery Centers, which provide support to crime victims at no cost, and to fund its own administrative expenses. In addition, the fund temporarily holds payments on restitution orders that CDCR collects from individuals under its supervision until CalVCB is able to distribute those payments to victims. In fiscal year 2024–25, the Restitution Fund received \$56 million from restitution fines and orders. In this same fiscal year, it paid \$50.5 million to victims.

**Only Certain Crimes and Economic Losses Are Eligible for Compensation**

To qualify for compensation, a crime must involve any of the following:

- Physical injury
- Emotional injury, in some circumstances
- Death

Only certain types of expenses qualify for compensation, including the following:

- Funeral or burial
- Crime scene cleanup
- Job retraining
- Home security system installation
- Relocation

Source: State law and CalVCB website.

**CDCR**

If individuals who owe restitution are sentenced to state prison, CDCR is responsible for collecting their restitution orders and fines during incarceration. CDCR generally deducts 50 percent of all wages or other deposits into incarcerated individuals’ trust accounts to pay toward their restitution orders and fines. As we describe above, CalVCB serves as the pass-through agency for the restitution orders CDCR collects, while it deposits the restitution fines CDCR collects into the Restitution Fund.

According to state law, CDCR may continue to collect restitution fines and orders from individuals whom it releases to parole.<sup>6</sup> The law also permits CDCR to refer to FTB restitution orders for collection for any individuals who are or were formerly under its jurisdiction. However, CDCR does not generally refer restitution fines to FTB, as we discuss in more detail in the audit results section.

<sup>6</sup> State law also mandates that CDCR collect payment for restitution orders and fines from any individuals who are or were formerly under its jurisdiction that received monies awarded by trial or settlement as a result of successful civil action against CDCR.

## **FTB**

State law directs FTB to collect delinquent court-ordered debts, including restitution orders and fines, if a court, county, or state agency refers that debt to it. According to state law, the debt must have a balance of at least \$100 and be at least 90 days delinquent. If the individual who owes the court-ordered debt does not contact FTB to pay the amount in full or set up a payment plan, FTB's system will search for available assets. If necessary, FTB can levy an individual's wages and bank accounts to recover unpaid restitution orders and fines. To fund its collection program, state law requires FTB to recover its administrative costs from the payments it receives. Until July 2025, the law stated the Legislature's intent that FTB's administrative costs not exceed 15 percent of the revenue it collected. Beginning in fiscal year 2025–26, changes to state law allowed FTB to increase its fee to no more than 20 percent.

## **Local Collection Entities**







Each of the counties we audited has established a comprehensive collection program in conjunction with the superior court in that county for the collection of court-ordered debt. State law requires each court and county that maintains a comprehensive collection program to develop a cooperative plan to ensure prompt, efficient, and effective collection of court-ordered debts, including restitution orders and fines. To satisfy this requirement, the Judicial Council of California (JCC) directs courts and counties to outline their respective collection responsibilities in a written agreement. In some counties, superior courts collect court-ordered debt, while in others, the county revenue department or probation department is responsible for collection. State law also permits these local collection entities to contract with private debt collectors to collect court-ordered debt.

## **Differences in Restitution Collection Processes**

The process of collecting restitution orders and fines varies significantly depending on the crime an individual committed, their sentence, the county in which they were sentenced, and other factors. For example, the local collection entity administers the collection process for individuals sentenced to jail or probation and disburses restitution order payments to the victim. On the other hand, for individuals sentenced to a state prison, CDCR is responsible for this process, as we previously explain. Figure 3 shows the differences in the restitution ordering and payment process for three hypothetical individuals, one sentenced to state prison, one to county jail, and one to probation.

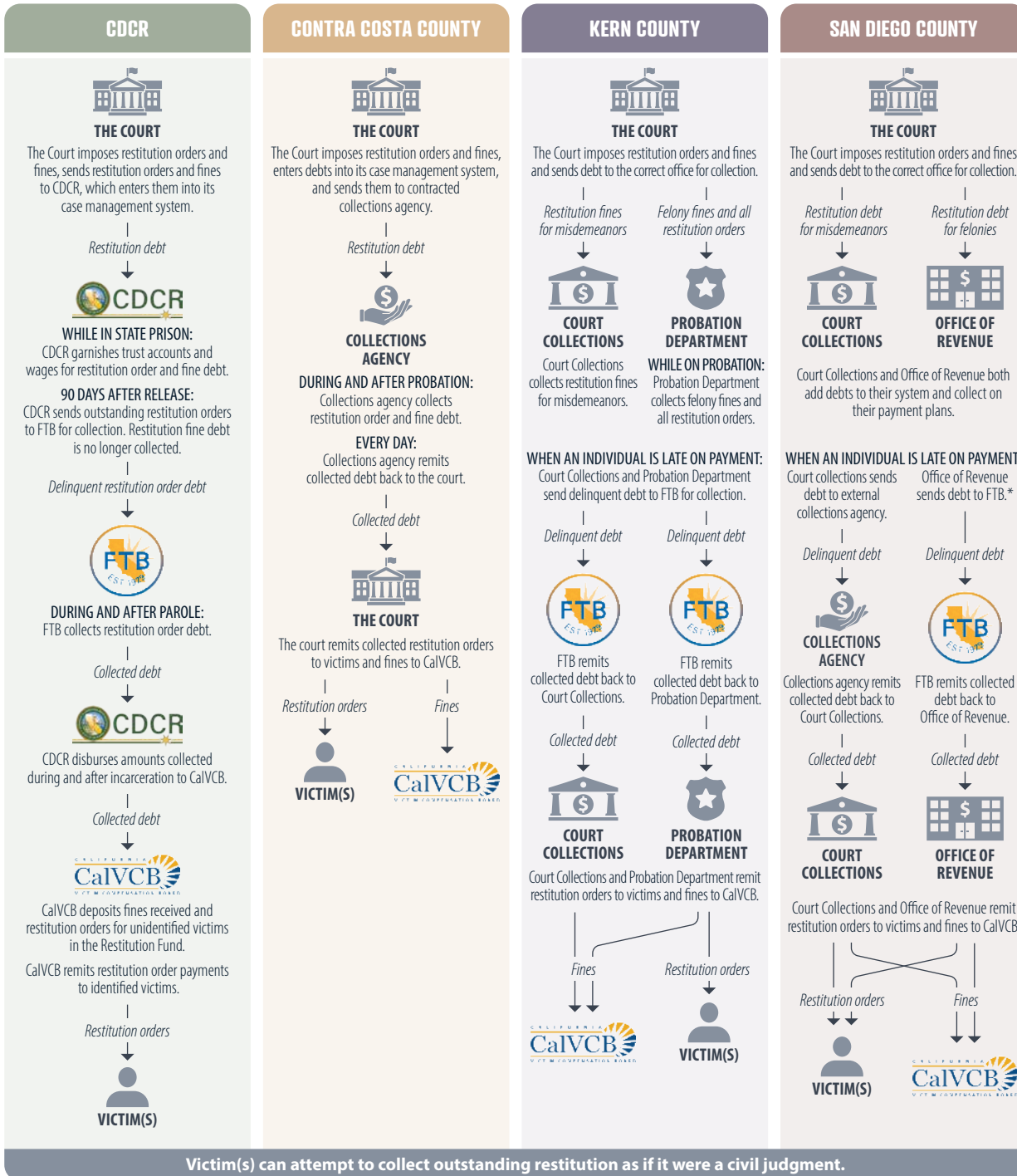
To understand how practices can vary across different county and court systems, we judgmentally selected local collection entities from three counties—Contra Costa, Kern, and San Diego—based on the counties' geographic locations, the size of their populations, and the amount of restitution payments CalVCB reported sending to them during fiscal year 2023–24. The local collection entities at each of the counties we selected for review handle collection and disbursement responsibilities differently, as Figure 4 shows.

**Figure 3**  
Restitution Orders and Fines Depend on the Circumstances of the Crime

	 <b>Individual A</b>	 <b>Individual B</b>	 <b>Individual C</b>
<b>Crime and Sentence</b> 	Individual A received a stolen car. She was convicted and sentenced to county jail for 2 years.  <b>FELONY</b>	Individual B vandalized multiple storefronts. He was convicted of a misdemeanor and sentenced to probation for 1 year.  <b>MISDEMEANOR</b>	Individual C was convicted of murder and sentenced to life in state prison (CDCR).  <b>FELONY</b>
<b>Restitution Amount</b> 	<b>ORDER</b> Cost to repair damage to stolen vehicle <b>Total: \$2,100</b>  <b>FINE</b> \$300 (minimum allowable under state law)	<b>ORDER</b> Repair and replacement of damaged property at three storefronts, paid to each business owner individually <b>Total: \$10,000</b>  <b>FINE</b> \$150 (minimum allowable under state law)	<b>ORDER</b> Cost of funeral and burial Cost of mental health treatment for victim's family <b>Total: \$12,000</b>  <b>FINE</b> \$6,000 (middle of allowable range under state law)
<b>Compensation and Payment</b> 	CalVCB does not generally compensate victims for property damage.  <b>INDIVIDUAL A OWES:</b> <ul style="list-style-type: none"> <li>• \$2,100 to owner of vehicle</li> <li>• \$300 to CalVCB (fine amount)</li> </ul>	CalVCB does not generally compensate victims for property damage.  <b>INDIVIDUAL B OWES:</b> <ul style="list-style-type: none"> <li>• \$10,000 to business owners</li> <li>• \$150 to CalVCB (fine amount)</li> </ul>	The family of Individual C's victim applied to CalVCB for compensation to cover \$7,500 for funeral costs and was approved.  <b>INDIVIDUAL C OWES:</b> <ul style="list-style-type: none"> <li>• \$4,500 to victim's family</li> <li>• \$7,500 to CalVCB (reimburse for amount paid to victim)</li> <li>• \$6,000 to CalVCB (fine amount)</li> </ul>

Source: Hypothetical examples based on state law, Judicial Council of California bench publications, CalVCB compensation policies, and Superior Court minute orders and abstracts of judgments.

**Figure 4**  
**Examples of State and Local Processes for Administering the Collection of Restitution Orders and Fines**



Source: State law, interviews with and procedural documents from CDCR and selected counties.

\* San Diego Office of Revenue sends all delinquent debts to FTB Interagency Intercept Collections, but it only sends debts to FTB Court-Ordered Debt (COD) Collection with victim permission, as we discuss in Figure 12.

Finally, as the text box shows, a victim may also choose to enforce a restitution order as a civil judgment.

### Elimination of Administrative Fees for Restitution Collection

Until January 2022, state law permitted CDCR and local collection entities to charge administrative fees in specified amounts to cover the cost of collection. However, effective January 2022, legislative reform eliminated a range of administrative fees used to fund the criminal justice system, including the fees charged on restitution debts.<sup>7</sup> Our audited entities collected these fees to offset a portion of their collection costs. Table 1 shows the fees the entities we audited collected from fiscal years 2014–15 through 2024–25. To backfill the funding lost from repealed fees including but not limited to those charged for collecting restitution orders and fines, the Legislature appropriated \$50 million to counties annually commencing in fiscal year 2022–23.<sup>8</sup>

Table 2 shows the expenditures for FTB, CDCR, and the local collection entities we reviewed from fiscal years 2021–22 through 2023–24. We examine the cost effectiveness of these entities' restitution collection efforts later in this report.

### To enforce the restitution order as a civil judgment . . .

. . . the victim obtains an *Order for Victim Restitution* from the sentencing court.

- If the individual convicted of the crime is unwilling to pay restitution as ordered, a victim is entitled to obtain information about that individual's assets. For example, the victim can obtain a copy of the individual's *Statement of Assets* filed with the court, which lists the individual's personal information, employment, assets, income, and liabilities.
- The victim can then recover restitution in one of the following ways:
  - » Lien—the victim records an *Abstract of Judgment for Restitution* with the county recorder's office to have money taken from the value of the individual's real estate when that property is sold, transferred, or refinanced.
  - » Levy—the victim obtains a *Writ of Execution* with the court and delivers the order to the levying officer (county sheriff or marshal) with instructions identifying the individual's property to levy, such as bank accounts, business receipts, and real or personal property.
  - » Wage garnishment—the victim obtains an *Earnings Withholding Order* from the court and delivers the order to the levying officer, who will serve the individual's employer; the employer must withhold the correct amount of earnings from the individual and pay it to the levying officer.

Source: State law, forms adopted by the JCC, and guidance from San Diego County and Napa County.

<sup>7</sup> These legislative changes do not impact FTB's ability to withhold its administrative fee.

<sup>8</sup> CDCR noted that the legislation did not provide funding for CDCR.

**Table 1**  
**Collection of Administrative Fees Dropped to Zero Following Legislation Effective on January 1, 2022**

FISCAL YEAR	ADMINISTRATIVE FEES COLLECTED			
	CDCR	CONTRA COSTA	KERN PROBATION	SAN DIEGO OFFICE OF REVENUE*
2014–15	\$1,297,000	\$21,000	NA	\$190,000
2015–16	1,266,000	21,000	NA	162,000
2016–17	1,225,000	13,000	NA	123,000
2017–18	1,171,000	7,000	NA	107,000
2018–19	937,000	3,000	\$27,000	71,000
2019–20	652,000	2,000	21,000	46,000
2020–21	375,000	0	27,000	8,000
2021–22	64,000	0	11,000	5,000
2022–23	\$0	\$0	\$0	\$0
2023–24	0	0	0	0

Source: Analysis of data from CDCR, Contra Costa, San Diego Office of Revenue, and Kern Probation.

NA = Not applicable

Note: Amounts shown for Kern Probation represent the total amount of administrative fees collected in the given fiscal year. We exclude fiscal years 2014–15 through 2017–18 due to Kern County's internal records retention policy. Amounts shown for CDCR, Contra Costa, and San Diego Office of Revenue represent the total amount of administrative fees collected that were ordered in the given fiscal year. Amounts are rounded to the nearest thousand.

\* Because of system limitations with San Diego Superior Court's data system, it is not possible to know the administrative fees the court collected in any given year. Therefore, we are only presenting data on administrative fees provided by San Diego Office of Revenue, which largely collects restitution related to felonies. We present San Diego Office of Revenue's victim restitution data through December 31, 2024.

**Table 2**  
**Entities Incurred Varying Costs in Their Restitution Collection Efforts From Fiscal Years 2021–22 Through 2023–24**

FISCAL YEAR	AMOUNT SPENT ON RESTITUTION COLLECTION EFFORTS (IN MILLIONS)				
	FTB*	CDCR	CONTRA COSTA	SAN DIEGO OFFICE OF REVENUE†	KERN SUPERIOR COURT AND KERN PROBATION
2021–22	\$11.6	\$1.8	\$3.1	\$1.1	\$1.9
2022–23	11.4	2.3	2.3	1.4	2.0
2023–24	11.0	2.6	1.8	1.8	2.0

Source: Accounting data obtained from FTB, CDCR, Contra Costa, Kern Probation, Kern Superior Court, and San Diego Office of Revenue.

\* FTB expenditures account for costs of collecting all court-ordered debt, not just debt related to restitution.

† To retain comparability with other counties, this chart excludes the San Diego Superior Court's expenditures due to the court's inability to separate costs of collecting restitution from all court-ordered debt.

## State and Local Collection Entities Often Struggle to Collect Restitution Orders and Fines

### Key Points

- Only three entities we reviewed—the California Department of Corrections and Rehabilitation (CDCR), San Diego Office of Revenue, and Contra Costa—fully track data related to the restitution orders that they collect and disburse. These data show that the three entities collected only from 3 percent to 11 percent of their outstanding restitution orders from fiscal years 2014–15 through 2024–25. The entities’ limited collection of restitution orders is likely due in part to the fact that many individuals with criminal convictions lack the financial means to pay their debt.
- Almost all criminal convictions require the imposition of a restitution fine while restitution orders are generally limited to cases in which a victim has suffered an economic loss. Likely in part because restitution fines are more common, CDCR and the local collection entities we reviewed collected a larger percentage of restitution fines than restitution orders from fiscal years 2014–15 through 2024–25. However, if the Legislature chose to amend state law, it could likely increase CDCR’s collection of restitution fines.
- Two of the local collection entities we reviewed lack the means to report the total amount in restitution orders and fines that they have yet to collect because the entities rely on legacy case management systems (systems) that only track payment details on an account-by-account basis. This limitation is not unique to the entities we audited. System limitations at 13 other local collection entities across the State have caused them to be unable to report summarized restitution data to meet the Judicial Council of California’s (JCC) court-ordered debt-reporting requirements. The resultant lack of data impairs policymakers’ ability to track and analyze the total amount of outstanding restitution orders and fines across the State.

### CDCR and the Local Collection Entities We Reviewed Collected Only a Small Percentage of Restitution Order Amounts

As the Introduction explains, CDCR and local collection entities collect restitution orders from individuals who have been convicted of crimes. However, from July 2014 through June 2025, these entities collected only a small percentage of the restitution orders for which they were responsible. For example, the Office of Revenue and Recovery of the County of San Diego (San Diego Office of Revenue) and Superior Court of California, County of Contra Costa (Contra Costa) collected a combined average of about 9 percent, or \$1.8 million of the \$20 million courts imposed per year from fiscal years 2014–15 through 2024–25. Table 3 shows the amount of restitution collected from fiscal years 2014–15 through 2024–25 for four of the entities we reviewed. Over this same 11-year period, CDCR collected an average of only 3 percent of the restitution orders that individuals in its care owed to victims. Because the Kern County Probation

Department's (Kern Probation) data collection system has significant limitations, we present total dollar amounts of victim restitution ordered, collected, disbursed, and outstanding in Kern County, but not the percentage collected or outstanding.

**Table 3**  
**On Average, Local Collection Entities and CDCR Collected a Small Fraction of the Restitution to Victims Ordered Between Fiscal Years 2014–15 and 2024–25**

ENTITY	YEARLY AVERAGE				
	NUMBER OF VICTIM RESTITUTION ORDERS	VALUE OF VICTIM RESTITUTION ORDERED	VALUE OF VICTIM RESTITUTION COLLECTED	VALUE OF VICTIM RESTITUTION DISBURSED	VALUE OF VICTIM RESTITUTION OUTSTANDING
CDCR	4,205	\$172,503,405	\$4,854,481 (3%)	*	\$167,648,924 (97%)
Contra Costa	315	3,815,524	428,027 (11%)	\$427,061 (>99%)	3,387,497 (89%)
San Diego Office of Revenue <sup>†</sup>	1,420	16,233,609	1,387,693 (9%)	1,387,693 (100%)	14,845,916 (91%)
Kern Probation <sup>‡</sup>	Unknown	\$4,063,000	\$950,000 (NA)	\$985,000 (NA)	\$2,945,000 (NA)

Source: Kern Probation's monthly revenue reports and auditor analysis of Contra Costa and San Diego Office of Revenue restitution data and CDCR trust account data.

NA = Not applicable

\* CDCR furnishes all payments to CalVCB monthly for CalVCB to pass on to victims. In accordance with state law, for victims that cannot be located, the collected restitution payments are held in trust in the Restitution Fund and then revert to the Restitution Fund at the end of the subsequent fiscal year.

<sup>†</sup> Because of system limitations with San Diego Superior Court's data system, it is not possible to know the percentage the court collected out of the amount imposed in any given year. Therefore, we are only presenting data on restitution provided by San Diego Office of Revenue, which largely collects restitution related to felonies. We present San Diego Office of Revenue's victim restitution data through December 31, 2024.

<sup>‡</sup> Because of system limitations with Kern Probation's data system, it is not possible to know the percentage it collected out of the amount imposed in any given year. Thus, we are only presenting the total amounts collected, disbursed, and imposed each year and the average annual amount of victim restitution outstanding during the period of our review. We present this information only for fiscal years 2018–19 through 2023–24 due to Kern Probation's internal records retention policy.

It is common for restitution debt to have a high rate of nonpayment. Individuals owing restitution orders because of their criminal convictions may have reduced earning potential and opportunities for employment, especially if they are convicted of a felony and face incarceration. Further, the challenges of collecting restitution order debt are not unique to California. Federal courts may also order individuals with criminal convictions to pay restitution to victims, but the U.S. Department of Justice (DOJ) website warns that many such individuals do not have sufficient assets to repay their victims and that full recovery is rare. A 2018 U.S. Government Accountability Office (GAO) review of uncollected restitution orders imposed by federal judges found that of the \$112.9 billion in restitution orders owed during federal fiscal years 2014–15 and 2015–16, the U.S. Attorney's Office (USAO) collected only \$2.9 billion. Of the remaining \$110 billion of restitution order debt, the USAO determined that \$100 billion, or 91 percent, was uncollectable because those who owed court debt were unable to pay. According to the GAO's report, U.S. Sentencing Commission

data indicated that 95 percent of the individuals the federal government ordered to pay restitution received a waiver for a court-ordered fine, indicating their inability to pay orders or fines.

The USAO may suspend collection actions on debt it deems uncollectable, but in California, where state law makes restitution fines generally uncollectable after 10 years, that requirement does not apply to restitution orders, which remain collectable indefinitely.<sup>9</sup> Nonetheless, as Table 4 shows, the rate of repayment for restitution orders we reviewed for Contra Costa generally remained low as the orders aged. Data provided to us by the financial services team at Contra Costa indicated that nearly 5,000 individuals it collects from were delinquent on their restitution order debt as of January 2026, collectively owing more than \$70 million to more than 6,000 victims. We present the rate of repayment for CDCR and San Diego Office of Revenue in Table C.2 and Table C.4, respectively, in Appendix C at the end of this report. In Contra Costa, as restitution order debt ages, the amounts collected each year decrease.

**Table 4**  
**Contra Costa—Percentage of Restitution Order Payments Collected in Each Subsequent Fiscal Year by the Restitution Order Originating Fiscal Years**

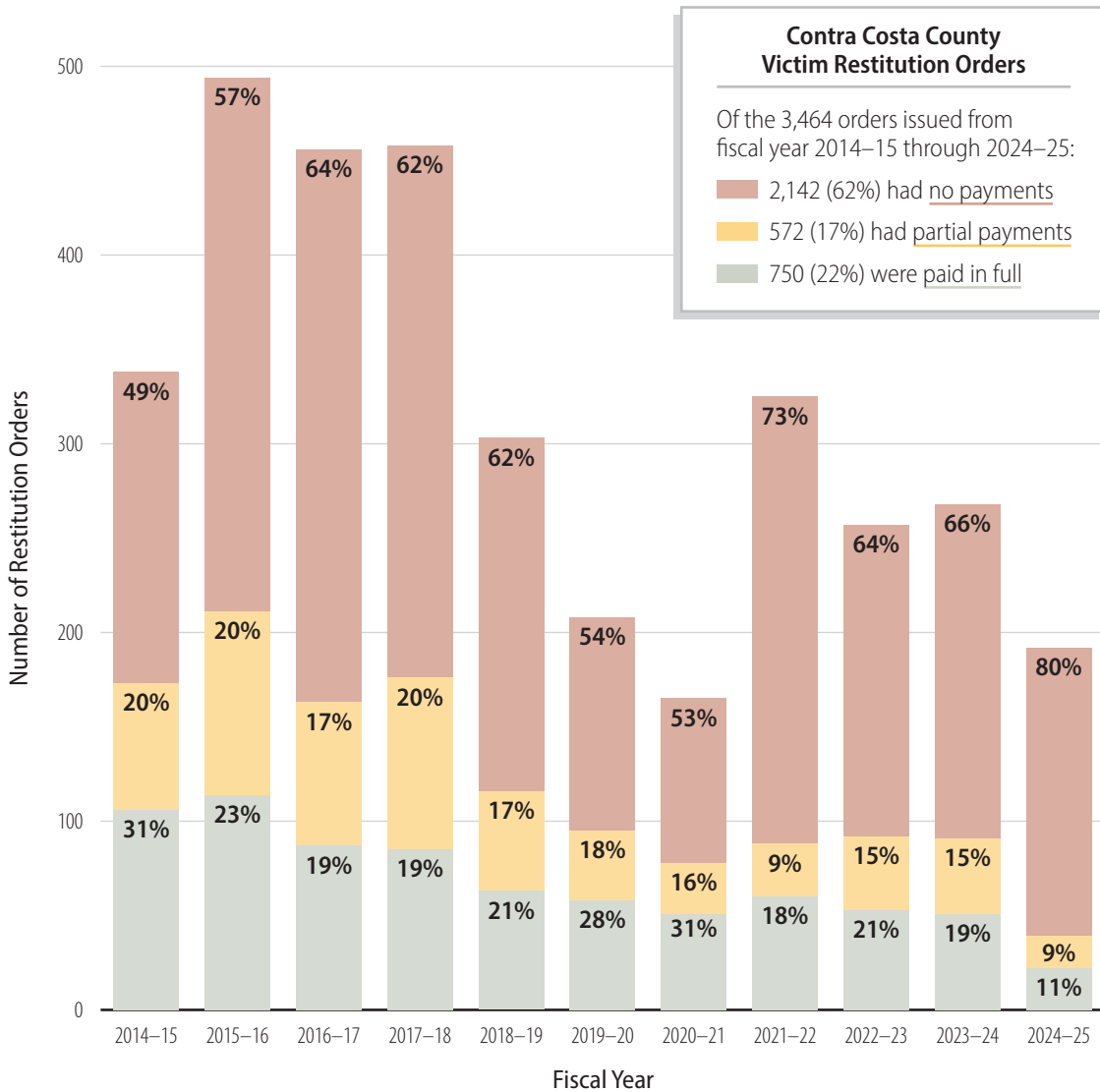
FISCAL YEAR RESTITUTION ORDERED	PERCENTAGE OF RESTITUTION ORDER PAID BY FISCAL YEAR											TOTAL PAID BY JUNE 30, 2025
	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	
2014–15	0.6%	0.9%	0.4%	0.3%	1.6%	0.6%	0.5%	0.5%	0.1%	0.3%	0.2%	6.1%
2015–16		2.1	3.6	0.9	0.8	0.9	0.9	1.8	0.2	0.2	0.1	11.6
2016–17			7.8	2.6	1.9	1.8	1.4	0.3	0.2	0.2	0.3	16.5
2017–18				2.8	2.1	1.2	0.8	0.6	0.2	0.2	0.2	8.0
2018–19					1.6	1.7	1.5	4.1	0.4	0.3	0.5	10.1
2019–20						2.9	3.5	1.0	0.4	0.7	0.6	9.1
2020–21							3.1	3.4	3.7	3.0	3.1	16.3
2021–22								2.6	5.0	1.1	0.3	9.0
2022–23									1.9	26.5	1.0	29.3
2023–24										1.6	14.6	16.1
2024–25											1.0	1.0

Source: Analysis of Contra Costa Superior Court restitution data.

Further, the individuals overseen by the entities we reviewed rarely fully paid their restitution order debt, and many did not make a single payment. For example, as Figure 5 shows, only 22 percent of restitution orders in Contra Costa from fiscal years 2014–15 through 2024–25 had been paid in full as of June 30, 2025. Further, more than 2,100, or 62 percent, of the nearly 3,500 orders, had not received a single payment as of this date.

<sup>9</sup> Although courts are required to make payment of restitution orders a condition of probation, state law provides that probation can be revoked for nonpayment only if an individual has the ability to pay and willfully fails to do so.

**Figure 5**  
 Less Than One Quarter of the Restitution Orders Contra Costa Imposed Between Fiscal Years 2014–15 and 2024–25 Were Paid in Full as of June 30, 2025



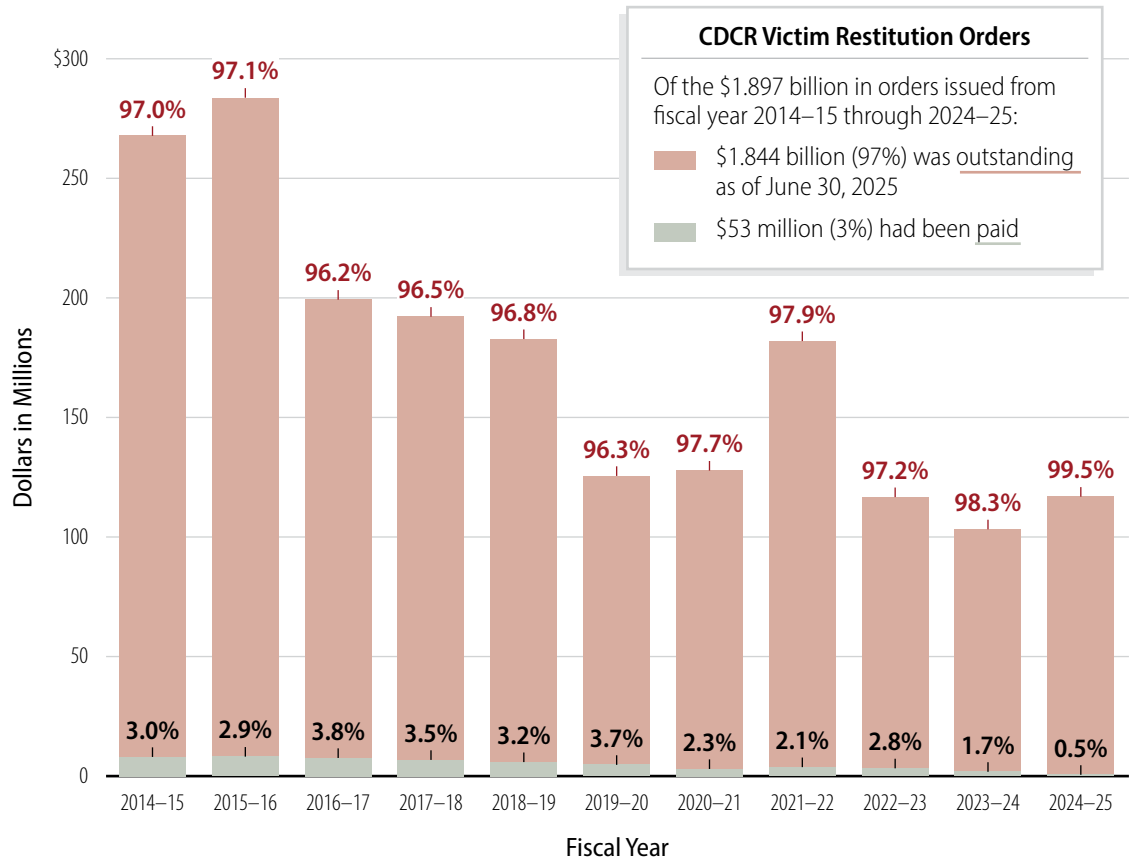
Source: Analysis of Contra Costa’s restitution data.

Note: Percentages may not add to 100 due to rounding.

As Figure 6 shows, CDCR also collected only a small amount of restitution orders from fiscal years 2014–15 through 2024–25. However, more accounts under its supervision received one or more payments than in Contra Costa because CDCR automatically garnishes individual’s wages from in-prison jobs as well as certain deposits into their trust accounts. This automated system leads to a higher number of individuals making at least one payment on their restitution debt. Nonetheless, CDCR had not collected a single payment for about 6,100, or 17 percent, of the more

than 36,000 victim restitution orders from fiscal year 2014–15 through 2024–25 that were not paid in full as of June 30, 2025. We present restitution order payment status statistics for CDCR and San Diego Office of Revenue in Table C.1 and Table C.3, respectively, in Appendix C at the end of this report.

**Figure 6**  
**Individuals Sentenced to CDCR Have Not Paid Most of the Restitution Ordered to Victims From Fiscal Years 2014–15 Through 2024–25**



Source: CDCR data.

As a result of low collection rates, victims did not receive most of the restitution orders owed to them during the last 10 years. However, when individuals did make payments on their restitution orders, Contra Costa and San Diego Office of Revenue each disbursed all of the amounts they collected to victims. In contrast, CDCR has had challenges disbursing restitution order funds to victims—an issue we discuss in more detail later in this report.

In part because of the low payment rates for restitution orders, some researchers have raised concerns about the effectiveness of the restitution system. According to a researcher from the Law Policy Advocacy Clinic at the University of California, Berkeley, some victims receive small payments that can feel like a monthly reminder of a traumatic event. Further, according to Initiate Justice, an organization that advocates for incarcerated individuals, the cost of paying victim restitution debt often falls on the family of the individual convicted of the crime, which impacts those involved financially and mentally. According to the researcher from the UC Berkeley Law Policy Advocacy Clinic, CDCR's forcible collection of restitution payments by garnishing wages or seizing trust account deposits may come at the expense of incarcerated individuals' basic needs. Similarly, FTB may generally levy up to 20 percent of nonincarcerated individuals' disposable earnings.

Further, restitution is not dischargeable by bankruptcy under federal law, and under state law, judges cannot take an individual's ability to pay into consideration when setting the amount of the restitution order. Consequently, some individuals may be ordered to pay victim restitution in excess of their ability to do so, but without any traditional avenues for discharging that debt, and because individuals continue to owe restitution orders until they are paid in full, some people will continue to owe indefinitely.

### Changes to State Law Would Increase CDCR's Collection of Restitution Fines

State law generally requires courts to impose restitution fines on each individual convicted of a crime, even if the crime does not warrant an order of restitution to any victims. For example, if an individual were convicted of possession of an illicit substance, the court would impose a restitution fine even if the individual did not owe restitution to any specific victim. Because virtually all criminal convictions require the imposition of a restitution fine whereas victim restitution is generally ordered in cases where a victim has suffered an economic loss, restitution fines are more common than victim restitution orders. At CDCR and the local collection entities we reviewed, the average number of annual cases with orders for restitution fines was 10 times greater than the average number of annual cases with restitution orders.

Likely in part because restitution fines are more commonplace, CDCR and the local collection entities we reviewed collected a larger percentage of restitution fines, which are paid to the State, than restitution orders, which are paid to victims, from fiscal years 2014–15 through 2024–25.<sup>10</sup> During that time period, on average, CDCR collected more than \$7 million, or 30 percent, of about \$24 million in restitution fines annually. San Diego Office of Revenue collected an average of 23 percent of restitution fine debt imposed each year, while Contra Costa collected 40 percent of the fines ordered each year, as Table 5 shows.

<sup>10</sup> Due to the outdated nature of Kern Probation's data system, it is not possible to know the percentage collected out of the amount imposed in a given year.

**Table 5**  
**Average Restitution Fines Between Fiscal Years 2014–15 and 2024–25**

ENTITY	YEARLY AVERAGE			
	NUMBER OF VICTIM RESTITUTION FINES ORDERED	VALUE OF RESTITUTION FINES ORDERED	VALUE OF RESTITUTION FINES COLLECTED	VALUE OF RESTITUTION FINES OUTSTANDING
CDCR	36,331	\$23,962,630	\$7,260,809 (30%)	\$16,701,821 (70%)
Contra Costa	3,427	602,024	241,247 (40%)	360,777 (60%)
San Diego Office of Revenue*	4,939	1,487,729	340,757 (23%)	1,146,972 (77%)
Kern Probation†	N/A	\$379,000	\$212,000 (NA)	\$167,000 (NA)

Source: Kern Probation’s monthly revenue reports and auditor analysis of Contra Costa and San Diego Office of Revenue restitution data and CDCR trust account data.

NA = Not applicable

\* Because of system limitations with San Diego Superior Court’s data system, it is not possible to know the percentage the court collected out of the amount imposed in any given year. Therefore, we are only presenting data on restitution provided by the San Diego Office of Revenue, which largely collects restitution related to felonies. We present San Diego Office of Revenue’s victim restitution data through December 31, 2024.

† Because of system limitations with Kern Probation’s data system, it is not possible to know the number of restitution fines imposed or the percentage collected out of the amount imposed in any given year. Thus, we are only presenting the total amounts collected, disbursed, and imposed each year and the average annual amount of victim restitution outstanding during the period of our review. We present this information only for fiscal years 2018–19 through 2023–24 due to Kern Probation’s internal records retention policy.

Kern Superior Court collects restitution fines for misdemeanors, but the court was undergoing a system transition during the audit and, subsequently, is unable to provide data on the amount imposed and outstanding over the audit period. However, they were able to report the average amount of restitution fines they collected annually over the 11-year period: \$908,000.

The higher collection rate for restitution fines than for restitution orders was also likely due to the fact that restitution fines are generally for lower dollar amounts. Unlike restitution orders, which are based on the losses incurred by a victim and have no maximum amount, state law requires courts to impose restitution fines ranging from \$150 to \$1,000 for misdemeanors and from \$300 to \$10,000 for felonies. Consequently, as Table 6 shows, the median restitution fines in both Contra Costa and San Diego have generally been much smaller than the median victim restitution orders. This difference, combined with the near universality of fines applied to convictions, likely explains the lower percentage of outstanding restitution fine debt.

Although state law authorizes CDCR to collect restitution fines, CDCR does not do so after an individual is released from incarceration. State law requires CDCR to collect restitution fines during an individual’s incarceration; however, it indicates that CDCR *may* collect when individuals are on parole. According to CDCR, it collects restitution fine amounts from individuals only while they are incarcerated and does not make any collection attempts after the individuals are released to parole or a community supervision program, as Figure 7 shows.<sup>11</sup>

<sup>11</sup> Postrelease Community Supervision (PRCS) is a community supervision program, established by the Postrelease Community Supervision Act of 2011, that places individuals released from CDCR institutions—after serving a term in prison for certain offenses, such as non-serious or non-violent felonies—under the supervision of county probation instead of state parole. It aims to reduce recidivism through community-based supervision for up to three years.

**Table 6**  
**Median Restitution Fines Are Lower Than Median Restitution Orders**

	CDCR		CONTRA COSTA		SAN DIEGO OFFICE OF REVENUE	
	VICTIM RESTITUTION ORDER	RESTITUTION FINE	VICTIM RESTITUTION ORDER	RESTITUTION FINE	VICTIM RESTITUTION ORDER	RESTITUTION FINE
Median amounts from fiscal years 2014–15 through 2024–25	\$2,715	\$300	\$1,650	\$147	\$1,500	\$300

Source: Auditor analysis of restitution data obtained from CDCR, Contra Costa, and San Diego Office of Revenue.  
 Note: CDCR and San Diego Office of Revenue largely collect on felonies, which have a minimum fine of \$300, while Contra Costa collects on both felonies and misdemeanors, which have a minimum fine of \$150 and includes \$3 for technology modernization.

**Figure 7**  
**CDCR’s Authority and Collection Practices Differ for Restitution Orders and Restitution Fines After Incarceration**

WHEN	RESTITUTION ORDERS	RESTITUTION FINES
	ACTIVELY COLLECTS	ACTIVELY COLLECTS
Incarceration	Yes	Yes
Parole	Yes	No
Community Supervision*	Yes	No
Completes Parole or Community Supervision*	Yes	No

Source: State law, CDCR procedural documents, and interviews with CDCR staff.  
 Note: CDCR collects payments for restitution fines from formerly incarcerated individuals via voluntary payments made directly to CDCR or applied from overpayments made on restitution orders collected via FTB.  
 \* CDCR is permitted to refer restitution orders to FTB for collection for individuals who are or were formerly under its jurisdiction.

After an individual completes parole, CDCR does not have any enforcement authority to collect restitution fines. At that point, enforcement on the outstanding balance rests with CalVCB. According to information CalVCB provided, it once ran a pilot project to submit outstanding restitution fine balances of discharged individuals to FTB for collection. However, officials at CalVCB informed us that the pilot program ended in 2019 due to new legislation, court decisions, and shifting priorities within the criminal justice system as well as in CalVCB. Subsequent efforts

in 2021 were discontinued because the COVID-19 pandemic caused disruptions in the collections process. The officials further explained that CalVCB has not made any additional effort to collect fine amounts.

Thus, neither CalVCB nor CDCR make any attempt to collect restitution fines from formerly incarcerated individuals after CDCR releases those individuals from custody. The absence of such attempts may have contributed to the millions of dollars of unpaid debt. In fact, from fiscal years 2014–15 through 2024–25, nearly \$184 million, or 70 percent, of restitution fines imposed on individuals sentenced to CDCR were outstanding.

CDCR's restitution manager stated that it does collect restitution fines from individuals released from custody through voluntary payments made directly to CDCR or from overpayments made on restitution orders collected through FTB. If the Legislature required CDCR to refer restitution fines to FTB during and after an individual's parole, officials stated that collecting restitution fines would be feasible but would require enhancement or modifications to its electronic database system. For instance, when referring a delinquent account containing both a restitution fine and a restitution order to FTB, the system would need the functionality to differentiate between the two so that FTB prioritizes collecting the order before the fine.

Because neither CDCR nor CalVCB actively pursues outstanding restitution fines after an individual is released from custody, the State is missing an opportunity to potentially collect some additional restitution fine payments. These payments could provide more critical funding to CalVCB, which in turn could reduce CalVCB's reliance on General Fund transfers.

### **Some Local Collection Entities Are Unable to Track the Effectiveness of Their Collection Activities Because of Their Outdated Case Management Systems**

Local collection entities throughout California—including two entities we audited—are unable to produce the data necessary for local collection entities and policy analysts to evaluate the effectiveness of restitution order and fine collection programs. As a result of these and other outdated systems, California is unable to determine the percentage of restitution orders and fines owed statewide. As we previously indicate, Kern Probation's outdated system limits its ability to track its collection of restitution orders and fines and assess the effectiveness of its efforts. Kern Probation provided data to us identifying the total amounts of restitution orders and fines imposed, collected, and disbursed annually in the county, as well as the total outstanding balance. However, according to Kern Probation, its system is unable to produce reports on accounts opened in a given year or track the percentage of debt an individual has paid. Consequently, although Kern Probation can report the total restitution imposed in a year, it cannot determine the proportion it collected, thereby preventing an assessment of the effectiveness of its collection efforts.

This limitation stems from Kern Probation's outdated system, which, according to department staff, has been in operation since the 1980s. Although the system only displays each individual's outstanding balance, Kern Probation does maintain records

of daily transactions that a more advanced system could use to track collection effectiveness. Department staff stated that they print and file daily transaction reports in binders designated for each type of transaction, such as billings, court orders, disbursements, and receipts. For every year, Kern Probation keeps 12 binders, each containing several hundred pages, for each transaction type, making the aggregation and use of these records cumbersome. Compiling transaction-level data would require staff to manually sift through every binder, identify each court order that imposed a restitution order, and identify and record each payment transaction made on that specific debt.

Kern Probation staff agree that the current system has limited functionality. They further explained that this system is both difficult and expensive to maintain. For these reasons, Kern Probation is in the process of incorporating the components for restitution collection into a new, department wide system with increased functionality.

The San Diego Superior Court noted that until recently, it also used a legacy system that originated in the 1980s and has similar constraints. Although the San Diego Superior Court provided us with the total amounts of restitution orders and fines it imposed, collected, and disbursed during the audit period, it could not summarize and share account- or transaction-level data that would allow us to calculate the percentage of restitution collected relative to the amount imposed in a given year. Similar to Kern Probation, the San Diego Superior Court stated that calculating the percentage of owed restitution it collects would require extensive manual tabulation. To address its former system's limitations, in February 2026, the San Diego Superior Court transitioned to a new system that has these capabilities.

### Counties Reported Severe Limitations in Their Ability to Report Restitution Order Data

In the 2023–24 JCC Report on Court-Ordered Debt Collections, 13 counties reported both system limitations and an inability to meet restitution order reporting requirements. These shortcomings include:

- Inability to track or report any restitution order data.
- Inability to report on specific fields required by the JCC, such as the dollar amount of restitution orders outstanding.
- Inability to separate restitution order information from other court-ordered debt.
- Inaccurate restitution order ending balances due to system errors.

Source: JCC Report on Collection of Court-Ordered Debt for Fiscal Year 2023–24.

In addition, other local collection entities reported system limitations that constrain their ability to report their restitution order collection to the JCC. State law requires each county and superior court to jointly submit information about the collection of criminal fines and fees to the JCC each year and requires the JCC to annually report this information to the Legislature. The JCC requires counties and courts to report on restitution order collection separately from other court-ordered debt, such as fines, fees, forfeitures, penalties, and assessments. According to the JCC's 2023–24 Report on Court-Ordered Debt Collection, 39 counties and courts were jointly unable to meet various reporting requirements related to all types of court-ordered debt. As the text box shows, 13 of these local collection entities explicitly reported both system limitations and an inability to fulfill the restitution order-specific reporting requirements.

While these system limitations do not hinder San Diego Superior Court or Kern Probation from accepting restitution payments and keeping account balances current, they leave entity staff and policy analysts unable to evaluate the effectiveness of local collection entities' programs and policies. If these conditions reflect a statewide trend, outdated systems will likely continue to hinder the evaluation of collection efforts. Local collection entities operating under these constraints cannot distinguish year-to-year changes in the effectiveness of their collection efforts, making it difficult to assess the impact of procedural, legislative, or external variables on their collection rates. Moreover, until local collection entities resolve these limitations, the overall percentage of restitution orders collected statewide will remain unknown, limiting possibilities for statewide collection analysis.

## Recommendations

### *Legislature*

To reduce outstanding restitution fine debt, the Legislature should consider amending state law to require CDCR to continue collecting restitution fine payments both during and after an individual's parole, in part by referring unpaid restitution fines to FTB.

To enable local collection entities to effectively track and assess the restitution orders and fines they collect, the Legislature should consider requiring or incentivizing courts and counties to modernize their systems. Any updated system should provide the data necessary for local collection entities to fulfill their reporting obligations to the JCC regarding court-ordered debt. Specifically, these systems should be capable of distinguishing restitution fines from orders and of reporting key details, including the amount due, the amount and percentage collected, any interest accrued, and the amounts disbursed to CalVCB and to victims.

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## State and Local Collection Entities Lack Consistent, Coordinated Processes for Collecting and Disbursing Restitution Order Payments

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### Key Points

- CDCR is unable to disburse more than half of the restitution order payments it collects to victims, because local collection entities have not consistently coordinated with CDCR to provide it with victim contact information.
- Although state law requires judges to impose 10 percent interest on restitution orders, courts have not applied this requirement consistently. When courts have ordered interest, state and local collection entities have used varying methods to calculate and apply it.
- Differing interpretations of state law have led CDCR and the local collection entities we reviewed to take inconsistent and uncoordinated approaches to referring restitution debt to FTB, resulting in unequal effects for both victims and individuals who owe restitution.
- Until recently, the San Diego Superior Court did not fully comply with legislative reforms limiting its authority to impose administrative fees on individuals who owe restitution. Instead, it allowed the private collection agency it contracts with to collect administrative fees from such individuals.

### Local Collection Entities Often Do Not Provide CDCR With the Information It Needs to Disburse Restitution to Victims

CDCR lacks victim contact information for about 60 percent of the restitution orders it collects. As a result, it cannot disburse payments to at least 11,000 victims. According to CDCR staff, it often receives legal court documents for individuals sentenced to its custody that lack sufficient information to identify victims who are owed restitution orders. State law requires CDCR to remit to CalVCB the payments on restitution orders that it collects from incarcerated individuals for disbursement to victims. If CDCR cannot provide CalVCB with victim contact information when remitting these orders, CalVCB is unable to in turn disburse the payments to the victims. When individuals who the courts sentence to state prison first arrive at a CDCR reception center for processing, staff enter restitution order amounts into an electronic database. State law requires sentencing courts to prepare restitution orders that, to the extent possible, identify each victim, specify each loss, and state a dollar amount sufficient to fully reimburse victims for economic losses resulting from the crime. However, our review found that CDCR's data often lacked details needed to identify or contact victims. For example, we observed court documents that either omitted the victim's name, provided only initials, or stated that restitution should be paid to the victim's family without identifying the family.

According to CDCR’s restitution collection procedures, staff rely on local probation departments and district attorneys’ offices for victim information when internal efforts, such as reviewing case details in superior court-provided legal documents, are unsuccessful.<sup>12</sup> However, even when reports from law enforcement and local probation departments are available, CDCR staff assert that those reports rarely include contact details such as phone numbers or addresses. In fact, in some cases, the reports list generic identifiers, such as “Jane/John Doe” or “Victim #1/#2.” In our review of four months of 2025 restitution payment data—each of which consisted of payments to more than 25,000 victims that CDCR submitted to CalVCB—we identified at least 2,500 victims with generic victim name identifiers each month.

The lack of victim contact information results in many unclaimed court-ordered payments. From fiscal years 2014–15 through 2024–25, CDCR officials asserted that it had victim contact information for only 40 percent of restitution orders. In our review of monthly restitution payment data, we found that among the payments collected for the more than 25,000 victims, over 11,000 (about 44 percent) lacked victim’s addresses and over 21,000 (about 84 percent) lacked victim’s phone numbers. To further illustrate the scope of this issue, individuals fully paid their restitution orders for 9,834 cases of the 46,254 cases with restitution orders during that period, or about 21 percent. However, CDCR estimates that it had contact details for only about 4,300 of those orders, or 44 percent. Consequently, CalVCB could not disburse nearly 60 percent of fully paid restitution order amounts it received from CDCR.

When CDCR cannot locate victims, state law directs CalVCB to hold restitution payments in trust until the end of the subsequent fiscal year. After that period, the funds revert to the Restitution Fund for CalVCB to use for compensation, although victims may claim restitution payments after this point if they contact CDCR. CDCR aims to reach more victims; however, its outreach efforts have yielded limited results. Through its Office of Victim and Survivor Rights and Services (OVSRS), CDCR has expanded outreach initiatives by delivering recurring trainings and presentations to district attorneys’ offices and communities statewide. According to CDCR, despite these efforts, the OVSRS reported that its rate of collecting victim contact information increased only 6 percentage points—from 18 percent in 2010 to about 24 percent in 2024. To further supplement outreach efforts, the OVSRS piloted an advanced project in three counties to obtain victim information directly from district attorneys’ offices immediately after case disposition. However, because of the discretionary nature of information sharing and the counties’ limited capacity, the project produced minimal results.

CDCR also provides restitution, compensation, and victim service information on the OVSRS’s public-facing website, including instructions to victims for requesting or claiming restitution. The website notes that CDCR collects an average of \$2 million per month but often lacks victim contact information to disburse collected funds. To address this missing victim information, the website offers an online portal where victims can submit their contact information. According to CDCR, from the years 2021 through 2025, it received more than 3,700 new victim requests through its unclaimed restitution portal.

<sup>12</sup> State law requires the victim’s consent for the probation department to send the victim’s contact information to CDCR but generally allows district attorneys to send this information if the victim does not object.

CDCR officials explained that to address the challenges the department faces in disbursing restitution, they requested that the JCC establish a rule of court requiring local entities to automatically share victim information. However, in 2025, the JCC Criminal Law Advisory Committee declined to pursue this issue. The JCC told us that budget uncertainties caused the JCC to direct advisory bodies to prioritize assigned, mandated, or urgent proposals; consequently, the Criminal Law Advisory Committee deferred addressing CDCR's court rule request to a future proposal cycle. Without automatic information sharing, the restitution process will continue to deny many victims their constitutional right to obtain restitution from those convicted of the crimes that caused the victims' losses.

The Legislature is currently considering legislation to ensure that CDCR receives victim contact information. Assembly Bill 1681, introduced in February 2026, would require the court and the district attorney's office, or other prosecuting agency, to ensure that the victim's and the victim's next of kin's contact information is provided to CDCR at the time of sentencing in cases resulting in a state prison sentence.

### **Unclear State Law Has Resulted in State and Local Collection Entities Inconsistently Applying Interest to Outstanding Restitution Orders**

To fully reimburse victims for their economic losses, state law specifies that a court must include 10 percent annual interest as one of the costs restitution orders aim to recover. However, as Figure 8 shows, the state and local collection entities that we audited have applied and calculated interest in a variety of ways, resulting in victims receiving different amounts of interest and individuals convicted of crimes having different debt burdens depending on the court where the individuals were tried and the entity responsible for collecting the restitution order.

Significantly, we found that some courts have not consistently included interest in their restitution orders despite state law requiring that they do so, resulting in county-to-county variations in the receipt and payment of interest as a part of restitution. The local collection entities that we audited all believe that they should only collect amounts included in the court order. Consequently, if judges have not included interest in their orders, the entities have not applied and collected it.

In Kern and Contra Costa, staff reported that the court orders have almost never included interest. Because of this, local collection entities in Kern and Contra Costa rarely collected interest. When asked why so few restitution cases in Contra Costa have included interest, the presiding judge at Contra Costa Superior Court acknowledged that the parties responsible for formulating restitution orders have not always reminded judges to include interest. However, he stated that the court is now taking steps to ensure that judges do so in the future. In Kern, the presiding judge stated his belief that the law automatically imposes 10 percent interest. However, the probation department stated that it does not have authority to collect interest unless a court order explicitly includes it.

**Figure 8**  
Although State Law Requires 10 Percent Annual Interest, Courts Order and Collecting Entities Calculate Interest Differently

	CDCR	CONTRA COSTA	KERN COUNTY	SAN DIEGO COUNTY	
				SUPERIOR COURT	OFFICE OF REVENUE
<b>10% interest ordered</b>	As ordered	Rarely	Rarely	By default*	By default*
<b>Interest calculated</b>	On outstanding principal	On outstanding principal	On outstanding balance (principal + accrued interest)	On outstanding principal	Pre-2022: On missed installment payment Post-2022: On outstanding principal
<b>Payments applied first</b>	To principal	To principal	To total balance	To principal (to interest after February 2026) <sup>†</sup>	To interest
<b>Interest collected during the audit period</b>	Unavailable <sup>‡</sup>	~\$0	Unknown	Unavailable <sup>§</sup>	\$2.06 million

Source: Local collection entity restitution data, forms, and manuals, interviews with superior court and collection agency staff and CDCR staff, and CDCR data.

\* Court order forms in San Diego County include 10 percent interest as the standard on all restitution orders.

<sup>†</sup> San Diego Superior Court transitioned to a new Case Management System that can apportion payments to both interest and principal in February 2026.

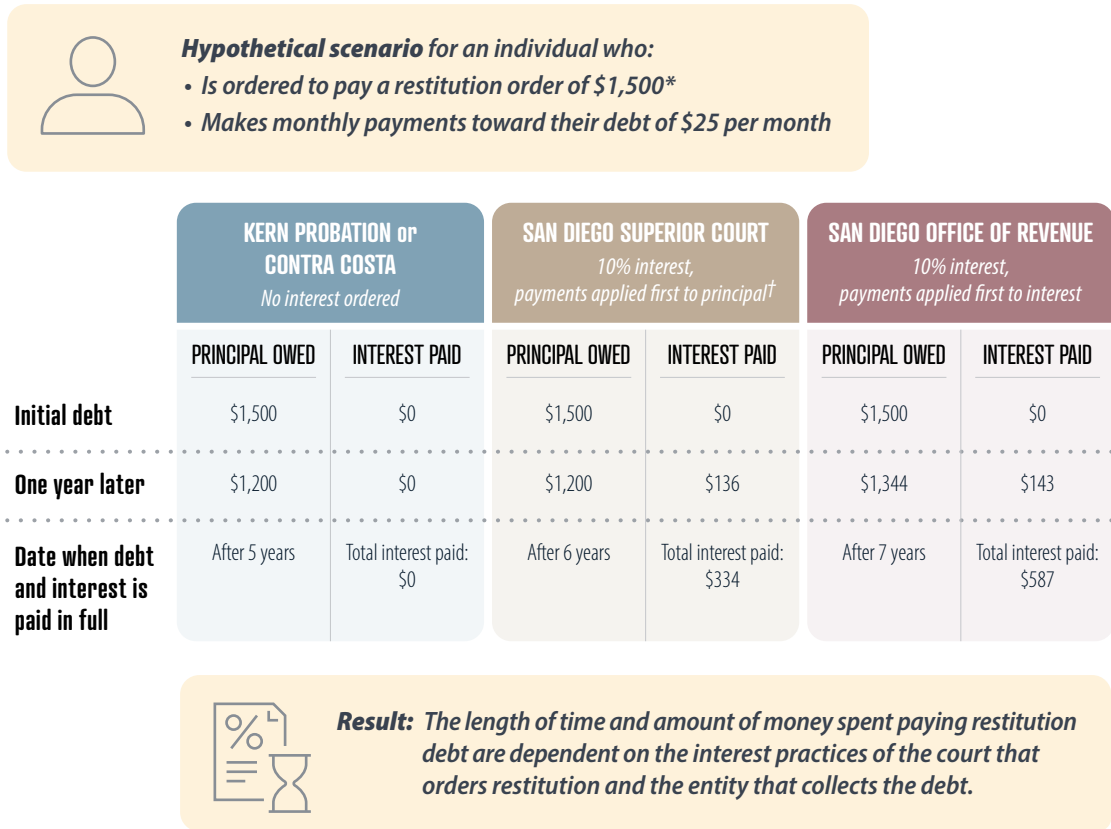
<sup>‡</sup> Active restitution orders for individuals sentenced to CDCR from fiscal years 2014–15 through 2024–25 have accumulated roughly \$230 million in interest. According to CDCR, with the current functionality of its electronic system, the amount of interest collected on a restitution order cannot be fully realized until the order is paid in full. The system will only allow for a simple calculation that compares the total amount paid versus the original amount ordered.

<sup>§</sup> Prior to February 2026, San Diego Superior Court tracked interest in individualized spreadsheets appended to each case. Calculating the total amount of interest collected during the audit period would have required staff to manually compile data from thousands of spreadsheets.

In contrast to Kern and Contra Costa, court order forms in San Diego County include 10 percent interest as the standard on all restitution orders. Further, both the San Diego Superior Court, which largely collects on restitution related to misdemeanors, and San Diego Office of Revenue, which largely collects on restitution related to felonies, followed the order and included interest in account calculations.

Whether courts order interest has consequences for both victims and individuals convicted of crimes. We found that the local collection entities we reviewed that collected interest disbursed it to victims. However, victims may not receive interest if a court does not order it. On the other hand, the debt of individuals convicted of crimes grew differently depending on the county in which they received their restitution order. Figure 9 demonstrates the difference in individuals' payments over time, depending on whether their restitution order includes interest.

**Figure 9**  
A Local Collection Entity’s Approach to Applying Interest Significantly Affects the Amount of Restitution an Individual Must Pay



Source: Local collection entities’ forms and manuals, interviews with staff, and San Diego Office of Revenue’s data as applied to a hypothetical example.

\* The median restitution order for San Diego’s Office of Revenue is \$1,500. The median restitution order for Contra Costa is \$1,650. We do not have a median order amount for Kern Probation. To allow for comparison, we selected a single amount to use as the basis of our calculations.

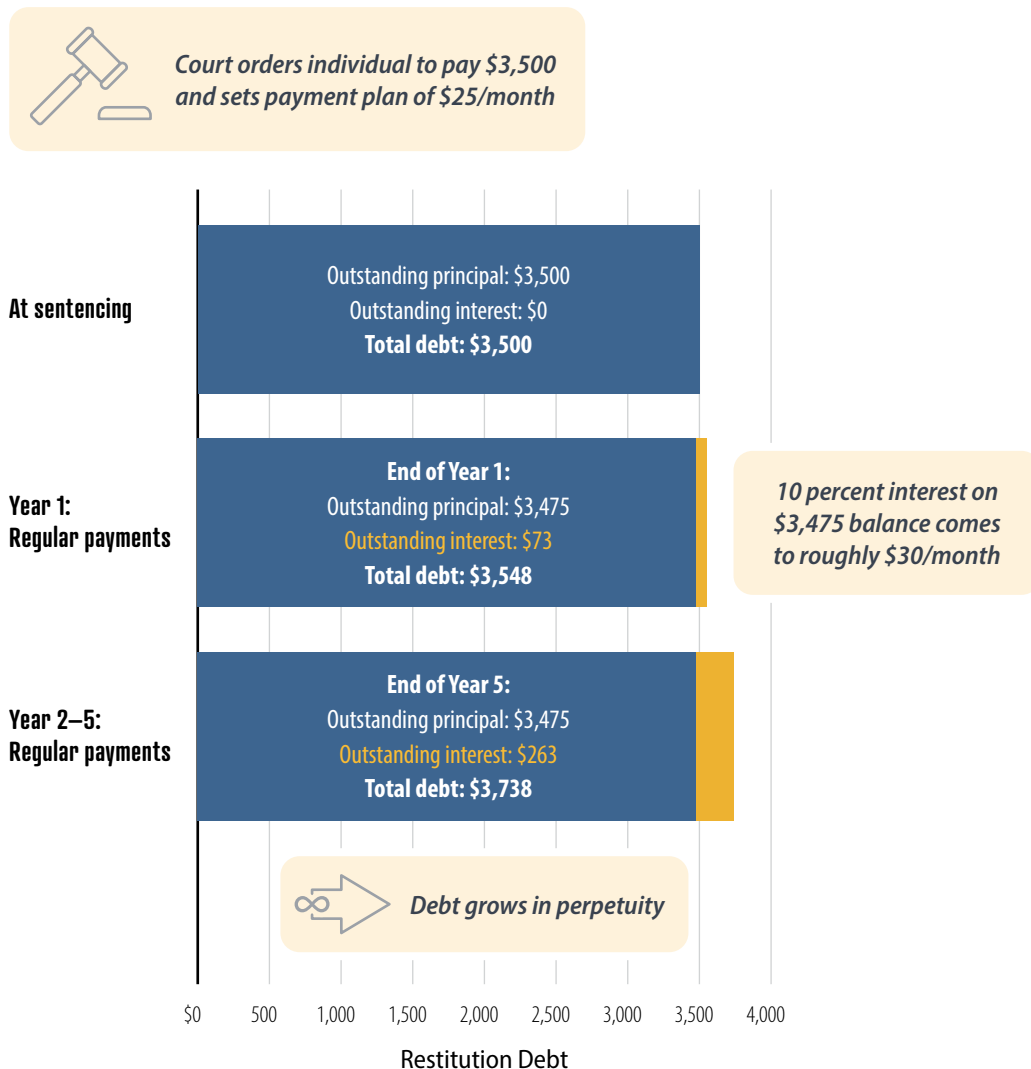
† As of February 2026, San Diego Superior Court’s new Case Management System applies payments first to interest.

Researchers and legal advocates have found that individuals who must pay interest on their restitution orders often find such additional accruals paralyzing because they struggle to see their progress in paying down the principal of their debt. In fact, depending on how a judge structures an individual’s payment plan, individuals may instead see their outstanding balance grow rather than fall, as we show in Figure 10. Conversely, if individuals who owe restitution orders do not make interest payments, victims do not receive the full amount that the law intends.

Moreover, in counties where restitution orders included interest, individuals paid different amounts of interest depending on whether the local collection entity applied payments first to principal or to accrued interest. Unless otherwise specified, court-ordered debt accrues simple rather than compound interest. The financial industry norm when dealing with debt is for a creditor to apply any payments first to

accrued interest and then to principal. This can extend the payment period and increase the total balance due, especially if an individual's payments are insufficient to cover interest costs. For example, if an individual owes \$1,500 for a restitution order and makes \$25 monthly payments, for the first year, \$12 of their payment will go to paying interest and only \$13 will go to paying down the principal. This is how the San Diego Office of Revenue, the entity largely responsible for collecting felony-related restitution in San Diego County, has applied payments, as Figure 9 shows. If the initial debt is \$3,500, as Figure 10 shows, a \$25 monthly payment will not cover the monthly interest charge, and the debt will continue to grow.

**Figure 10**  
Example Where Interest on Outstanding Balance Can Exceed Monthly Payment Despite an Individual Who Owes Restitution Adhering to Court Approved Payment Plan



Source: Court orders and procedural documents from San Diego Superior Court and Office of Revenue.

In contrast, CDCR and most of the other local collection entities we reviewed have put any payments they received toward the outstanding balance of the principal.<sup>13</sup> They calculated interest as time passed but charged the individual who owed the restitution for it only after that individual had paid off the principal. In other words, if someone paid \$25 on a \$1,500 debt, all \$25 would go toward the principal until that principal was paid off. As Figure 9 demonstrates, it would take a individual making payments to San Diego Office of Revenue an additional year and cost them an additional \$250 in interest to pay off their restitution order in comparison to an individual making the same payments to the San Diego Superior Court. Because charging interest increases the debt burden on individuals who may be already struggling financially, some states have chosen either not to mandate interest or to be more flexible in its application. For example, Washington state law requires interest, but a court may elect not to impose it when considering, among other factors, an individual's indigence or inability to pay. Several other states, such as Vermont, Delaware, Kentucky, and New Hampshire, prohibit the imposition of interest.

Although current California state law requires courts to include interest in restitution orders, these provisions do not specify whether state and local collection entities should apply restitution order payments first to principal or to interest. Until the Legislature clarifies its intent regarding interest payment and calculation, this lack of clarity will continue to result in disparities in how much individuals who owe restitution pay and victims receive.

### **CDCR and the Local Collection Entities We Reviewed Do Not Follow Consistent Practices for Referring Delinquent Restitution Debt to FTB for Collection**

The state and local collection entities we reviewed have different practices for referring restitution debt to FTB for collection because they have differing interpretations of state law.<sup>14</sup> When an individual is at least 90 days delinquent in paying a court-ordered debt of at least \$100, state law authorizes courts, counties, and state agencies to refer the debt to FTB, which has the authority to collect court-ordered debts in the same manner as delinquent income tax, including by issuing earnings withholding orders and levies. This authorization provides an alternate avenue for collection for CDCR and local collection entities when their other efforts have been unsuccessful. State law also requires that FTB's costs be recovered from the amounts collected, which we refer to as an *administrative fee*. Before July 2025, the law stated the Legislature's intent that FTB's administrative costs not exceed 15 percent of the revenue it collected. Effective July 2025, the Legislature increased the maximum to 20 percent.

<sup>13</sup> When the Kern Probation Department receives a rare court order that includes interest, they calculate 10 percent interest on the outstanding balance annually and add the resulting interest charge to that balance. This results in interest compounding across the years it takes an individual to pay off their restitution order. Staff at Kern Probation stated that they only receive orders that include interest once a year or so.

<sup>14</sup> This section concerns referral specifically to FTB's court-ordered debt collection service and does not include any other FTB collection programs.

Our review found that from fiscal years 2014–15 through 2023–24, FTB collected 5.4 percent of the amount of delinquent court-ordered debt that state and local collection entities referred to it. Because the accounts referred to FTB for collection were delinquent, the collection entities were not collecting payments for these accounts before FTB’s efforts. FTB is generally efficient in its collections. As Figure 11 shows, during the audit period, FTB spent an average of only 12 cents to collect each dollar of court-ordered debt, which includes victim restitution orders and fines. In comparison, each of the local collection entities we reviewed spent more than \$1.25 to collect each dollar of restitution.

**Figure 11**  
 The Efficiency of Restitution Collection Varies by Collection Entity



Source: Kern Probation, San Diego Office of Revenue, Contra Costa, CDCR, and FTB.

\* FTB expenditures account for costs of collecting all court-ordered debt, not just debt related to restitution.

However, as Figure 12 shows, the state and local collection entities we reviewed have varying policies for referring debt to FTB, selecting delinquent cases to refer, and covering the cost of FTB’s administrative fee. The law authorizes FTB to recover its administrative fee, but it does not clearly indicate whether the individual paying the debt, the victim, CDCR, or the local collection entities should ultimately bear the administrative cost of FTB’s collections.

**Figure 12**  
The State and Local Collection Entities We Reviewed Use FTB’s Court-Ordered Debt Collection Service Differently When Victim Restitution Orders Become Delinquent

	CDCR	CONTRA COSTA COUNTY	KERN PROBATION	SAN DIEGO COUNTY	
				OFFICE OF REVENUE	SUPERIOR COURT
<b>Does the auditee refer victim restitution orders to FTB?</b>	Yes	No	Yes	Yes	No
<b>Which victim restitution orders does the auditee refer to FTB?</b>	All delinquent cases	None	All delinquent cases	Delinquent cases in which the victim has consented to receive a reduced amount	None
<b>Who pays FTB’s 15% fee?</b>	The individual who owes restitution*	Does not collect fee	The individual who owes restitution*	The victim, with consent†	Does not collect fee

Source: Interviews with Contra Costa, San Diego Superior Court, San Diego Office of Revenue, Kern Probation, and CDCR.

\* CDCR and Kern Probation increase the amount of restitution an individual must pay by the cost of FTB’s administrative fee.

† San Diego Office of Revenue seeks victim consent and reduces the amount it remits to victim by the cost of FTB’s administrative fee.

A series of changes to state law have resulted in ambiguity regarding who is responsible for bearing the cost of FTB’s administrative fee. Before 2022, the Penal Code allowed CDCR, courts, and counties to impose administrative fees to recover the cost of collecting restitution. According to separate state law in the Revenue and Taxation Code, the amounts local collection entities and state agencies refer to FTB may include an administrative fee and any amounts that the entity may add to the court-imposed obligation resulting from the underlying offense, trial, or conviction. In 2021, the Governor approved Assembly Bill 177, which amended the Penal Code to repeal the authority of CDCR, courts, and counties to impose administrative fees for the collection of restitution, but it did not make any changes to the Revenue and Taxation Code provision that governs the inclusion of an administrative fee by the referring entity. As a result of these changes in law, some entities believe that they are now prohibited from adding administrative fees to the restitution amounts they refer to FTB, while others believe that they are authorized to do so.

Both CDCR and Kern Probation fall into the latter category and consequently increase the amount of the restitution order debt they refer to FTB by the value of FTB’s administrative fee. By increasing the amounts they refer to FTB, CDCR and Kern Probation ensure that after FTB retains its administrative fee, they receive enough revenue to pay victims the total amount they are owed. In these cases, the individuals convicted of the crimes bear the cost of the administrative fee.

Conversely, San Diego Office of Revenue refers the unaltered amount of its restitution orders to FTB when accounts become delinquent. Thus, victims in San Diego Office of Revenue receive the amount of the restitution order minus the cost of FTB's administrative fee. Because the victim bears the cost of FTB's administrative fee, San Diego Office of Revenue seeks permission from victims before referring delinquent restitution order cases to FTB. Following yet a third interpretation of the law, Contra Costa Superior Court believes that it is not allowed to reduce the amount a victim receives nor increase the amount the individual owes by FTB's administrative fee. Thus, it does not refer victim restitution orders to FTB's collection service. According to Contra Costa officials, if the court were to refer delinquent restitution order debt to FTB, it would have to bear the cost of FTB's administrative fee itself. The finance director at Contra Costa Superior Court also stated that the court could send more restitution order cases to FTB and improve its collection efforts if it had a funding source to pay this administrative fee.

Because of these differing interpretations and practices, an individual owing restitution through Kern Probation or CDCR may pay fees in addition to the restitution order, a victim in San Diego may receive less than the restitution ordered, and a victim in Contra Costa County may not benefit from FTB's ability to collect delinquent restitution. To address the disparate outcomes caused by these different interpretations of state law, we recommend that the Legislature clarify which party or entity—the individual convicted of the crime, the victim, or the referring entity—should bear responsibility for the cost of FTB's administrative fee.

Finally, local entities that do not refer delinquent restitution orders to FTB may experience higher collection costs. The cost of indefinitely collecting restitution debt is high: from fiscal years 2021–22 through 2023–24, Contra Costa spent more than \$6 million collecting from individuals after their probation was complete—more than six times as much as it spent collecting from individuals still serving probation. As of January 2026, Contra Costa was overseeing restitution order collection for nearly 5,000 individuals who had completed probation. These individuals owed more than \$70 million to more than 6,000 victims. As shown in Figure 11, Contra Costa also spent more to collect each dollar of restitution than any other state or local collection entity we reviewed, incurring costs that were more than 31 times what FTB spent per dollar collected. If local collection entities referred restitution debt to FTB after individuals' probation ended, more victims could receive more restitution and that restitution could be collected more efficiently.

### **The San Diego Superior Court Improperly Charged Individuals With Convictions a Fee for the Third-Party Collection of Debt**

Despite legislative reforms in 2022 that removed local collection entities' authority to charge administrative fees related to collecting restitution order and fine debt, the San Diego Superior Court allowed the private collections agency with which it contracts to collect an administrative fee from individuals who were delinquent on their debt. While both the Contra Costa Superior Court and the San Diego Superior

Court contract with private collections agencies, the Contra Costa Superior Court pays the private collections agency's invoices itself, while the San Diego Superior Court passed the costs on to the individuals who owe the debts.

The San Diego Superior Court, which largely collects restitution order debt related to misdemeanors, uses a private collection agency (contractor) to collect delinquent court-ordered debt, including restitution. It contracts through a master agreement between the contractor and the JCC. When an individual is more than 30 days late in making a restitution order or fine payment, the court transfers the account to its contractor. According to the contract, the contractor may only invoice the court for its fee after a restitution order is paid in full. Because the San Diego Superior Court believes a victim must receive 100 percent of the restitution order amount, it instructed the contractor to collect its fee from the individual convicted of a crime after that individual had fully paid the restitution they owed.

As a result of this practice, individuals who became delinquent on restitution orders or fines they were supposed to pay through the San Diego Superior Court received bills for an additional 10 percent to 15 percent more than the amount of their restitution orders and fines. In the last three years, the San Diego Superior Court has referred 1,160 delinquent restitution orders to the contractor for collections. Of those, 81 individuals fully paid their delinquent restitution orders through the contractor, resulting in the contractor charging them more than \$10,000 in administrative fees.

When we brought this concern to the court's attention, court staff reached out to the contractor, who agreed that this practice was counter to the legislative reforms implemented in 2022. Court staff and the contractor attributed the continuation of the fee to an inadvertent oversight by multiple parties involved in the process. The contractor will cease imposing and collecting any such fees in the future. In addition, the court instructed the contractor to refund individuals for any fees it collected since 2022.

## Recommendations

### *Legislature*

To facilitate CDCR's ability to ensure that the restitution order payments it collects reach more victims, the Legislature should consider amending state law to require local collection entities—including superior courts, probation departments, and district attorneys' offices—to provide CDCR with victim contact information for the sole purpose of disbursing court-ordered restitution payments, unless the victim objects to this information sharing.

In consideration of the additional burden that the charging of interest on restitution orders places on individuals convicted of crimes, the Legislature should consider revising state law to end or reduce the charging of interest. If the Legislature determines that repealing the provision requiring interest will require a constitutional amendment, it should refer the question to the voters.

If the Legislature continues to require interest, it should consider doing the following to ensure that courts and local collection entities are applying interest consistently and fairly:

- Amend state law to authorize state and local collection entities to apply 10 percent interest to all restitution orders regardless of whether a judicial order expressly includes it.
- Specify how collection entities should calculate and apply interest. For example, it could require local collection entities to calculate interest on the outstanding principal only, to apply payments to only the principal until it is paid off, and then to apply payments to the accumulated interest. This practice would result in a shorter time to full repayment. Alternately, local collection entities could follow standard financial practices and apply payments to interest and then to the outstanding principal, resulting in more interest paid to the victim.

To facilitate consistency and equity in the collection of restitution orders, the Legislature should consider doing the following:

- Require CDCR and local collection entities to refer delinquent restitution orders and fines to FTB.
- Determine whether state and local collection entities should address FTB's costs in one of the following ways:
  - » By passing costs to the individual who owes restitution by increasing the amount of the restitution order to cover FTB's administrative fee.
  - » By passing costs to the victim—with the victim's consent—by allowing FTB's administrative fee to be paid from the restitution order amount.
  - » By paying FTB's administrative fee from its own funds or through a Legislative appropriation.

#### ***Local Collection Entities Statewide That Use Private Collection Firms***

To comply with state law and to ensure that individuals convicted of crimes are not inappropriately charged for amounts associated with collecting restitution fines and orders, California courts and other local collection entities should review their practices to ensure that they are not charging such individuals for private collection agency commissions or fees.

## CalVCB Has Generally Provided Valid Legal Reasons for Denying Victim Compensation Claims

### Key Points

- In fiscal year 2024–25, the Restitution Fund received more than \$79 million in revenue and spent \$82.2 million, with the agency’s reserves making up the deficit. The Restitution Fund receives revenue from multiple sources, one of which is the State’s General Fund. It will need continued funding from the General Fund for the foreseeable future to remain solvent.
- When CalVCB processes claims for victims’ compensation, it uses state law to determine whether a victim’s claim is eligible for compensation. Our review of denied victim compensation claims found that CalVCB complied with state law when making such determinations.

### To Remain Solvent, the Restitution Fund Will Continue to Require Appropriations From the State’s General Fund

As we explain in the Introduction, CalVCB is responsible for administering the Restitution Fund and for using the fund to provide compensation to victims. *Compensation* differs from *restitution orders* in several ways. Specifically, only CalVCB can approve and pay compensation claims submitted by victims, while courts impose restitution orders. Like restitution orders, compensation payments help eligible victims of qualifying crimes pay for expenses that directly result from those crimes. However, unlike with restitution orders, victims may be eligible to receive financial assistance even before an individual is sentenced and ordered to pay restitution. Additionally, CalVCB is the payor of last resort, which means that victims are only compensated for expenses that have not been and will not be reimbursed from any other source, such as insurance.

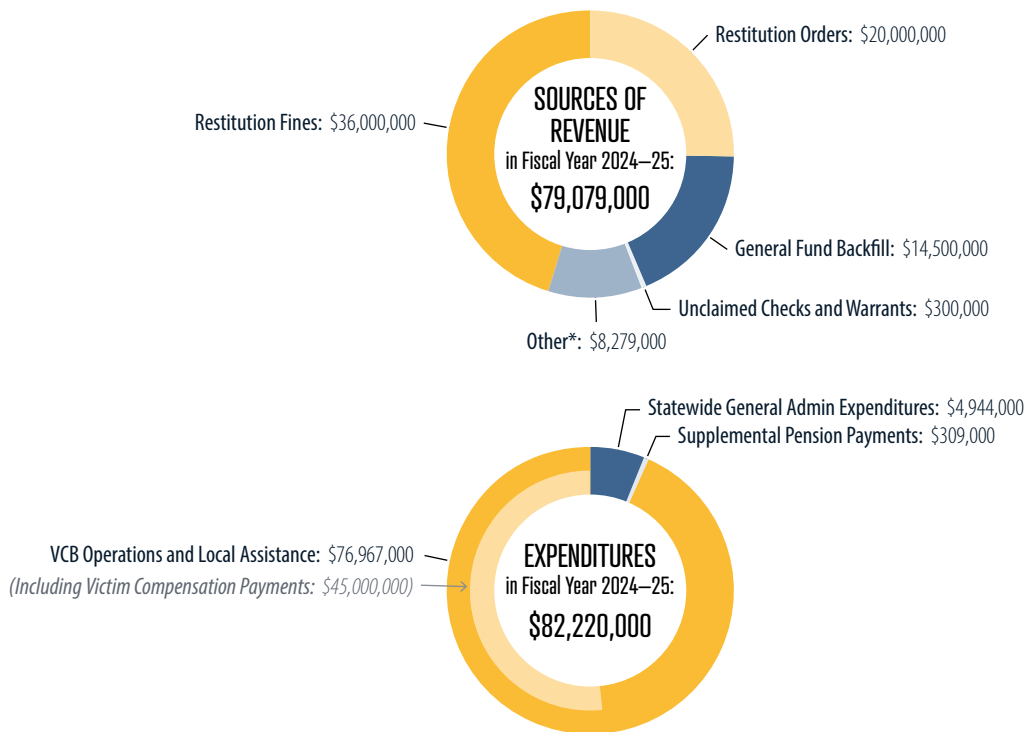
In addition to its responsibilities related to the compensation process, CalVCB serves as the pass-through agency for restitution orders collected by CDCR. CDCR collects payments on the restitution orders from individuals under its supervision, then submits those payments to CalVCB. CalVCB in turn disburses those payments to the victims. However, if CalVCB receives restitution order payments and does not have valid contact information for a victim, CalVCB holds the victim’s funds in trust until the end of the subsequent fiscal year, after which time the funds revert to the Restitution Fund. State law allows a victim to come forward at any time to claim those funds after that point, and CalVCB is required to disburse them.

**Restitution Fund Revenue**

As Figure 13 shows, the Restitution Fund had multiple revenue sources in fiscal year 2024–25. In that year, the fund received more than \$79.1 million in revenue and spent \$82.2 million, with the agency’s reserves making up the deficit. The Restitution Fund’s largest single source of revenue was restitution fines that judges imposed, which accounted for \$36 million. Other sources of revenue included unclaimed checks and warrants, fines from DUIs, and private donations.

**Figure 13**  
 The Restitution Fund Has Many Sources of Revenue, and CalVCB Spends It on Victims’ Compensation, Administrative Expenses, and Other Programs

*In fiscal year 2024–25, the Restitution Fund received over \$79 million in revenue and expended over \$76 million in services for victims.*

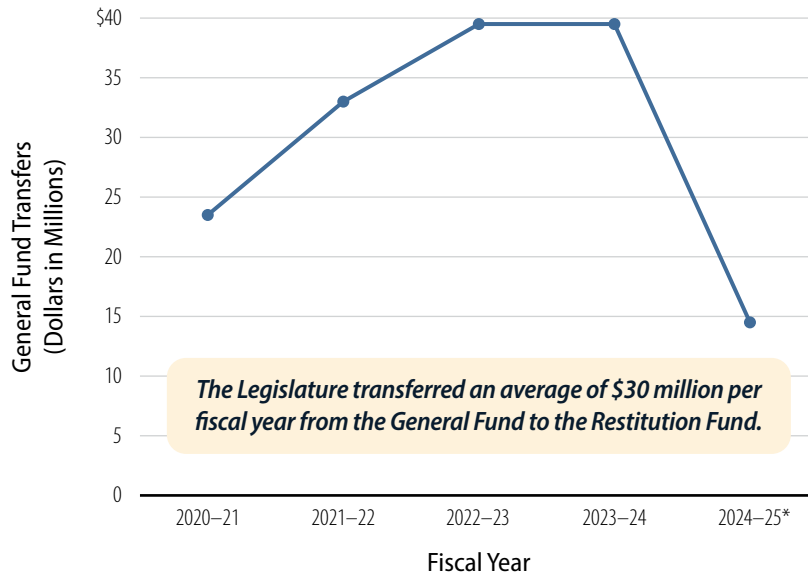


Source: CalVCB Fund Condition statements, restitution order pass-through data, victims’ compensation payment data, and administrative expenses data.

\* Other sources of revenue include investments, fines from DUIs, and transfers from other funds.

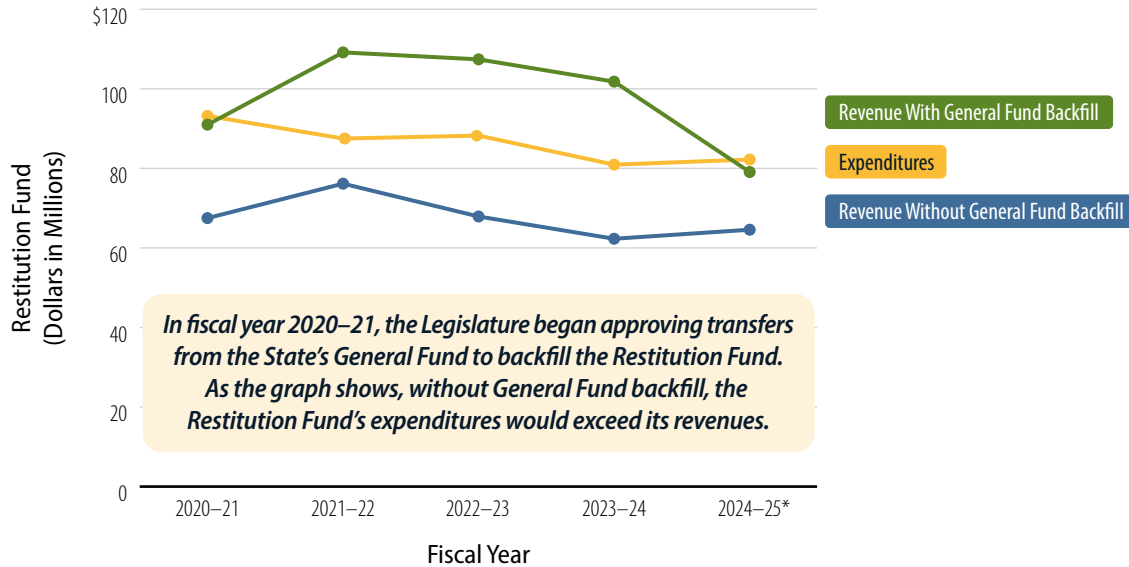
In addition, in fiscal year 2024–25, the Restitution Fund also received a \$14.5 million transfer from the State’s General Fund. The Legislature has provided the Restitution Fund with an annual average of \$30 million in General Fund support to backfill its declining revenue since fiscal year 2020–21, as Figure 14 shows. According to staff at CalVCB, the agency received less funding in fiscal year 2024–25 because it had sufficient reserves at the time. Staff at CalVCB noted that without continued funding from the State’s General Fund, the Restitution Fund would become insolvent; consequently, these transfers will need to continue into the future, as Figure 15 illustrates.

**Figure 14**  
 The Restitution Fund Has Received More Than \$150 Million in Transfers From the State General Fund From Fiscal Year 2020–21 Through 2024–25



Source: CalVCB Fund Condition statements.

\* In fiscal year 2024–25, the transfer from the General Fund was less than in previous fiscal years. According to CalVCB staff, this was due to having sufficient reserves.

**Figure 15****Without Backfill From the General Fund, the Restitution Fund Would Not Be Able to Cover Its Expenditures**

Source: Fund condition statements.

\* In fiscal year 2024–25, the transfer from the General Fund was less than in previous fiscal years. According to CalVCB staff, this was due to having sufficient reserves.

### Restitution Fund Expenditures

In fiscal year 2024–25, CalVCB spent \$45 million from the Restitution Fund on victim compensation payments out of a total of \$79.3 million it had budgeted for those payments that year. In that same fiscal year, CalVCB disbursed about \$5.6 million in restitution order payments to victims.

The Restitution Fund covers administrative costs for CalVCB’s Victim Compensation Division, which handles claims for victims’ compensation, as well as for CalVCB’s Restitution Recovery Unit, which is responsible for handling restitution order pass-through payments. The Victim Compensation Division estimates that it spent about \$16 million on administrative costs for more than 100 employees in fiscal year 2024–25. The Restitution Recovery Unit’s records show that in that same year, it spent about \$1.1 million on administrative expenses. In total, the administrative costs for both of these divisions accounted for 11.5 percent of the Restitution Fund’s expenditures in fiscal year 2024–25, which is comparable to FTB’s administrative spending that same fiscal year. The total administrative costs for CalVCB’s divisions were similar in fiscal years 2022–23 and 2023–24—12 percent and 11.4 percent, respectively.

Because the Legislature has appropriated money from the General Fund to backfill the Restitution Fund, CalVCB’s administrative costs have not affected whether victims received compensation or the amount of compensation that CalVCB approved for victims.

### CalVCB Has Generally Complied With State Law When Denying Claims

According to state law, a victim eligible for CalVCB’s victim compensation program is a person who sustains injury or death as a direct result of specified crimes, which the text box outlines. Compensation may also be paid to a derivative victim, who is a person that sustained a financial loss as a result of the direct victim’s injury or death, such as family members or caretakers. When submitting a claim, victims must supply supporting information to CalVCB, such as medical bills and police reports, to prove that an injury or qualifying crime occurred. CalVCB then verifies this information with hospitals, medical professionals, and law enforcement officials. According to CalVCB, it relies on state law for guidance and does not have its own eligibility requirements.

#### Victims of Qualifying Crimes, Such as Those Listed Below, May Be Eligible for Compensation

- Assault
- Murder
- Human trafficking
- Child abandonment

Source: State law.

When we reviewed a selection of denied claims for victims’ compensation, we found that CalVCB cited valid legal reasons for its denial of those claims. We selected 40 denied claims for victims’ compensation from fiscal years 2021–22 through 2023–24 and found that CalVCB denied all of them for reasons listed in statute. CalVCB denied most rejected claims because they did not provide evidence of injury or qualifying crime. According to state law, a claimant is eligible for compensation only if he or she is a victim or a derivative victim of a crime that directly resulted in physical injury or, for certain crimes, emotional injury or injury to a guide, signal, or service dog.

We also reviewed claims data from fiscal years 2014–15 through 2023–24 to determine how many claims CalVCB denied in each year. From fiscal years 2016–17 through 2019–20, CalVCB denied from 7 percent to 10 percent of claims each year, for an average of about 5,000 denials per fiscal year. From fiscal years 2020–21 through 2023–24, its denial rates increased each year: in fiscal year 2023–24, it denied almost 23 percent of claims, or about 9,300. Appendix A details the reasons for denial from fiscal years 2016–17 through 2023–24.

CalVCB explained that this increase was the result of its renewed emphasis on processing applications within its established time frames. For example, law enforcement agencies have 10 days to provide information CalVCB requests about a claimant’s police report. However, according to the deputy executive officer of the Victim Compensation Division, CalVCB analysts in the past sometimes waited much longer than the statutorily required 10 days to receive the police report before denying the claim, creating a backlog of claims over several years. To decrease its

backlog, CalVCB is now denying claims if it does not receive the documentation in the required time frame. The deputy executive director of the Victim Compensation Division stated that this backlog was the result of law enforcement agencies not providing documentation to CalVCB. We observed evidence that CalVCB followed up with law enforcement agencies before denying the claims for compensation. The deputy executive officer for external affairs and compliance also mentioned that CalVCB launched an ad campaign in 2024 to increase awareness of its services and that this ad campaign may have contributed to it receiving an increased number of ineligible claims.

CalVCB's data did not include a denial reason for almost half of the denied claims we reviewed; however, we confirmed that for a selection of 40 of those claims, the denial letters that CalVCB sent to the claimants did contain the denial reason. When we asked about the absence of denial reasons in the data, the deputy executive officer of CalVCB's Victim Compensation Division stated that the denial letters are sent to each claimant and that these letters list the denial reason, but sometimes the denial reason does not get entered into the data system. The deputy also stated that CalVCB would enter the information in a more consistent manner in the future.

## Other Areas We Reviewed

To address the audit objectives approved by the Joint Legislative Audit Committee (Audit Committee), we also reviewed the practices of other states to identify policies that could improve the efficiency and equity of restitution collection.

### **Unlike California, Other States Require or Permit Courts to Consider an Individual's Ability to Pay When Setting the Amount of a Restitution Order**

Other states have policies that aim to make the debt burden more manageable for individuals who owe restitution but have no ability to pay. To identify additional best practices, we reviewed the laws and policies of 30 other states. Our analysis found an emphasis on mitigating the burden of restitution debt for individuals without the means to pay. Of the 30 states we selected for review, 17 explicitly require or permit the court to consider an individual's ability to pay. For example, Vermont, Georgia, and Washington state laws require the consideration of an individual's ability to pay when ordering restitution. Eight states strictly prohibit doing so in statute, like California. Moreover, recent academic research has shown that legal financial obligation reductions may increase the amount of revenue collected from highly disadvantaged individuals by making the debt burden manageable.<sup>15</sup> California state law, though, explicitly prohibits the consideration of an individual's ability in determining the amount of a restitution order.

### **Data on Individuals Who Owe Restitution Orders and Fines Often Lack the Demographic Information Necessary for Further Analysis**

Audit Objective 4 directed us to identify the demographic breakdown of individuals who owe restitution orders and fines and, to the extent possible, determine the effects of restitution-related garnishments on reentry, family financial stability, and mental health. It also asks us to determine the extent that formerly incarcerated individuals are barred from parole, expungement, or employment because of unpaid restitution.<sup>16</sup> When we reviewed the data at CDCR, and the local collection entities of Contra Costa and San Diego, we found that the data lacked some detail, such as economic status of individuals convicted of crimes or types of offense.<sup>17</sup> Additionally, the data CDCR and these local collection entities provided us related to individuals owing restitution did not contain information related to parole or reentry from prison, expungement, employment, financial stability, or mental health conditions. Despite these limitations, we described in the first section of the report how the restitution process has impacted some victims and individuals who owe restitution.

<sup>15</sup> Samuel Norris and Evan K. Rose, "Laffer's Day in Court: The Revenue Effects of Criminal Justice Fees and Fines," *University of Chicago, Becker Friedman Institute for Economics*, Working Paper No. 2023-137, October 23, 2023, <<https://bfi.uchicago.edu/insight/research-summary/laffers-day-in-court-the-revenue-effects-of-criminal-justice-fees-and-fines/>>, accessed October 16, 2025.

<sup>16</sup> According to state law that went into effect on January 1, 2023, courts must not deny individuals' petitions for relief, including expungement, on the grounds of an unpaid order of restitution or restitution fine.

<sup>17</sup> The limitations of Kern Probation's data system prohibit us from presenting the demographics of individuals who owe restitution fines and orders.

In Appendix B, for informational purposes, we present demographic breakdowns by race, age, education level, marital status, and language for restitution fines and orders as available for each entity.

We conducted this performance audit in accordance with generally accepted government auditing standards and under the authority vested in the California State Auditor by Government Code section 8543 et seq. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Respectfully submitted,



GRANT PARKS  
California State Auditor

April 16, 2026

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## Appendix A

### Application Denial Reasons, Fiscal Years 2016–17 Through 2023–24

We reviewed data for denied applications for victims’ compensation for fiscal years 2016–17 through 2023–24. We identified the reasons for denial and identified how many applications were denied for each reason per fiscal year. The majority of applications were denied for not being a qualified crime or not having evidence of injury.

**Table A**  
 Application Denial Reasons, Fiscal Years 2016–17 Through 2023–24

FISCAL YEAR	NOT A QUALIFYING CRIME	VICTIM INVOLVED IN CRIME	NO EVIDENCE OF INJURY	DID NOT COOPERATE WITH CALVCB	DID NOT COOPERATE WITH LAW ENFORCEMENT	NOT WITHIN TIME LIMIT	INELIGIBLE APPLICANT	DUPLICATE APPLICATION	INSUFFICIENT INFORMATION	NO DENIAL REASON LISTED
2016–17	540	57	403	9	116	27	167	102	2	3,318
2017–18	1,000	111	887	7	288	66	247	195	0	1,223
2018–19	865	89	679	6	213	8	228	157	1	1,016
2019–20	881	69	961	3	178	6	232	207	0	1,236
2020–21	990	101	1,274	3	178	9	145	182	1	1,362
2021–22	986	65	1,206	9	202	11	119	250	1	973
2022–23	1,668	215	797	48	175	6	147	494	0	1,788
2023–24	2,290	294	1,229	63	224	1	150	1,503	2	2,360
<b>Totals</b>	<b>9,220</b>	<b>1,001</b>	<b>7,436</b>	<b>148</b>	<b>1,574</b>	<b>134</b>	<b>1,435</b>	<b>3,090</b>	<b>7</b>	<b>13,276</b>

Source: CalVCB denied applications data.

Note: CalVCB staff do not always enter the denial reasons into its database, but include the reason in the denial letters sent to applicants. Therefore, many denials in the database do not have a denial reason. As a result, the above numbers are an approximation. Additionally, we have omitted the data for fiscal years 2014–15 and 2015–16 as CalVCB used a different system to track claim denials.

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## Appendix B

### Restitution Orders and Fines by Demographic Breakdown, Fiscal Years 2014–15 Through 2024–25

The Audit Committee directed our office to identify the demographic breakdown of individuals ordered to pay restitution by race, income level, age, and education for fiscal years 2014–15 through 2024–25. We are unable to provide a breakdown by income level because the CDCR and the audited counties do not collect this information. However, we present available demographic breakdowns for each entity in the tables that follow.

**Table B.1**  
Summary of CDCR Restitution Orders and Restitution Fines by Race  
Fiscal Years 2014–15 Through 2024–25

RACE	RESTITUTION ORDERS			RESTITUTION FINES		
	NUMBER OF INDIVIDUALS WITH A RESTITUTION ORDER	AMOUNT ORDERED	PAYMENTS COLLECTED	NUMBER OF INDIVIDUALS WITH A RESTITUTION FINE	AMOUNT OF FINES IMPOSED	PAYMENTS COLLECTED
Hispanic	15,909 (38%)	\$418,446,164 (22%)	\$18,159,171 (34%)	95,732 (39%)	\$102,826,517 (39%)	\$30,928,083 (39%)
White	10,805 (26%)	883,231,164 (47%)	15,511,383 (29%)	58,518 (24%)	66,863,976 (25%)	19,722,962 (25%)
Black	9,556 (23%)	225,279,214 (12%)	11,773,824 (22%)	54,743 (22%)	57,452,972 (22%)	19,163,225 (24%)
Mexican	1,767 (4%)	25,398,091 (1%)	1,704,926 (3%)	13,541 (5%)	14,290,350 (5%)	3,688,104 (5%)
Asian	730 (2%)	140,150,588 (7%)	1,873,875 (4%)	3,297 (1%)	4,215,268 (2%)	1,318,896 (2%)
American Indian/ Alaskan Native	420 (1%)	16,948,304 (1%)	712,607 (1%)	2,619 (1%)	3,730,304 (1%)	1,291,061 (2%)
Other	1,522 (4%)	128,055,244 (7%)	2,370,143 (4%)	7,486 (3%)	8,337,959 (3%)	2,713,671 (3%)
Unknown	1,311 (3%)	60,028,684 (3%)	1,293,362 (2%)	10,989 (4%)	5,871,588 (2%)	1,041,168 (1%)
<b>Totals</b>	<b>42,020</b>	<b>\$1,897,537,454</b>	<b>\$53,399,291</b>	<b>246,925</b>	<b>\$263,588,935</b>	<b>\$79,867,169</b>

Source: Analysis of data from CDCR.

Note: We used the categories listed in the data. We included categories that were less than 1 percent with the *Other* category. Percentages may not add to 100 due to rounding.

**Table B.2**  
Summary of Contra Costa Restitution Orders and Restitution Fines by Race  
Fiscal Years 2014–15 Through 2024–25

RACE	RESTITUTION ORDERS			RESTITUTION FINES		
	NUMBER OF INDIVIDUALS WITH A RESTITUTION ORDER	AMOUNT ORDERED	PAYMENTS COLLECTED	NUMBER OF INDIVIDUALS WITH A RESTITUTION FINE	AMOUNT OF FINES IMPOSED	PAYMENTS COLLECTED
Asian Indian	47 (1%)	\$596,419 (1%)	\$136,841 (3%)	699 (2%)	\$121,414 (2%)	\$83,114 (3%)
Black	1,012 (30%)	5,985,013 (14%)	285,096 (6%)	7,623 (23%)	1,619,267 (24%)	339,888 (13%)
Hispanic	803 (24%)	10,074,967 (24%)	614,747 (13%)	9,726 (29%)	1,857,725 (28%)	806,449 (30%)
White	1,000 (29%)	11,912,394 (28%)	738,528 (16%)	11,996 (36%)	2,446,222 (37%)	1,124,199 (42%)
Other	196 (6%)	3,066,649 (7%)	974,511 (21%)	2,481 (7%)	436,739 (7%)	238,052 (9%)
Unknown	343 (10%)	10,335,322 (25%)	1,958,573 (42%)	932 (3%)	140,900 (2%)	62,010 (2%)
<b>Totals</b>	<b>3,401</b>	<b>\$41,970,765</b>	<b>\$4,708,296</b>	<b>33,457</b>	<b>\$6,622,266</b>	<b>\$2,653,712</b>

Source: Analysis of restitution data from Contra Costa.

Note: We used the categories listed in the data. We included categories that were less than 1 percent with the *Other* category. Percentages may not add to 100 due to rounding.

**Table B.3**  
Summary of CDCR Restitution Orders and Restitution Fines by Age  
Fiscal Years 2014–15 Through 2024–25

AGE RANGE (IN YEARS)	RESTITUTION ORDERS			RESTITUTION FINES		
	NUMBER OF INDIVIDUALS WITH A RESTITUTION ORDER	AMOUNT ORDERED	PAYMENTS COLLECTED	NUMBER OF INDIVIDUALS WITH A RESTITUTION FINE	AMOUNT OF FINES IMPOSED	PAYMENTS COLLECTED
0–17	58 (0%)	\$274,135 (0%)	\$63,253 (0%)	223 (0%)	\$216,411 (0%)	\$79,005 (0%)
18–35	25,834 (61%)	594,806,737 (31%)	33,706,756 (63%)	142,554 (55%)	153,254,830 (58%)	50,872,946 (64%)
36–55	12,942 (31%)	830,611,694 (44%)	14,690,453 (28%)	89,487 (35%)	88,649,422 (34%)	23,946,582 (30%)
56–65	1,709 (4%)	325,079,915 (17%)	2,916,004 (5%)	12,051 (5%)	12,143,954 (5%)	3,030,233 (4%)
66+	414 (1%)	86,736,290 (5%)	729,463 (1%)	2,329 (1%)	3,452,450 (1%)	897,235 (1%)
Unknown	1,311 (3%)	60,028,684 (3%)	1,293,362 (2%)	10,990 (4%)	5,871,868 (2%)	1,041,168 (1%)
<b>Totals</b>	<b>42,268</b>	<b>\$1,897,537,454</b>	<b>\$53,399,291</b>	<b>257,634</b>	<b>\$263,588,935</b>	<b>\$79,867,169</b>

Source: Analysis of data from CDCR.

Note: Individuals are counted multiple times if they received restitution orders while within different age ranges. Percentages may not add to 100 due to rounding.

**Table B.4**  
**Summary of Contra Costa Restitution Orders and Restitution Fines by Age**  
**Fiscal Years 2014–15 Through 2024–25**

AGE RANGE (IN YEARS)	RESTITUTION ORDERS			RESTITUTION FINES		
	NUMBER OF INDIVIDUALS WITH A RESTITUTION ORDER	AMOUNT ORDERED	PAYMENTS COLLECTED	NUMBER OF INDIVIDUALS WITH A RESTITUTION FINE	AMOUNT OF FINES IMPOSED	PAYMENTS COLLECTED
0–17	401 (12%)	\$2,159,927 (5%)	\$230,538 (5%)	1,317 (4%)	\$126,080 (2%)	\$57,732 (2%)
18–35	1,750 (51%)	11,341,261 (27%)	1,410,747 (30%)	17,939 (53%)	3,648,006 (55%)	1,421,949 (54%)
36–55	923 (27%)	18,432,899 (44%)	1,872,237 (40%)	11,224 (33%)	2,268,187 (34%)	880,173 (33%)
56–65	164 (5%)	3,626,535 (9%)	851,549 (18%)	2,205 (7%)	404,844 (6%)	198,558 (7%)
66+	48 (1%)	2,926,138 (7%)	163,833 (3%)	611 (2%)	103,689 (2%)	73,623 (3%)
Unknown	122 (4%)	3,484,004 (8%)	179,391 (4%)	323 (1%)	71,461 (1%)	21,678 (1%)
<b>Totals</b>	<b>3,408</b>	<b>\$41,970,765</b>	<b>\$4,708,296</b>	<b>33,619</b>	<b>\$6,622,266</b>	<b>\$2,653,712</b>

Source: Analysis of restitution data from Contra Costa.

Note: Individuals are counted multiple times if they received restitution orders while within different age ranges.

**Table B.5**  
**Summary of San Diego Office of Revenue Restitution Orders and Restitution Fines by Age**  
**Fiscal Years 2014–15 Through 2024–25**

AGE RANGE (IN YEARS)	RESTITUTION ORDERS			RESTITUTION FINES		
	NUMBER OF INDIVIDUALS WITH A RESTITUTION ORDER	AMOUNT ORDERED	PAYMENTS COLLECTED	NUMBER OF INDIVIDUALS WITH A RESTITUTION FINE	AMOUNT OF FINES IMPOSED*	PAYMENTS COLLECTED
0–17	1,804 (13%)	\$20,343,455 (11%)	\$1,309,212 (9%)	5,977 (13%)	\$611,329 (4%)	\$369,940 (10%)
18–35	6,912 (51%)	54,925,267 (31%)	6,709,822 (44%)	22,735 (51%)	9,226,872 (56%)	2,033,438 (54%)
36–55	4,013 (30%)	68,470,161 (38%)	5,278,667 (35%)	12,787 (29%)	5,428,283 (33%)	1,045,171 (28%)
56–65	612 (5%)	23,979,237 (13%)	1,192,650 (8%)	2,186 (5%)	855,601 (5%)	230,136 (6%)
66+	160 (1%)	10,442,967 (6%)	680,589 (4%)	474 (1%)	186,425 (1%)	58,774 (1%)
Unknown	57 (0%)	408,615 (0%)	93,689 (1%)	128 (0%)	56,511 (0%)	10,869 (0%)
<b>Totals</b>	<b>13,558</b>	<b>\$178,569,700</b>	<b>\$15,264,628</b>	<b>44,287</b>	<b>\$16,365,022</b>	<b>\$3,748,328</b>

Source: Analysis of data from San Diego Office of Revenue.

Notes: Because of system limitations within San Diego Superior Court’s data system, it is not possible to know the percentage the court collected out of the amount imposed in any given year. Therefore, we are only presenting data on restitution provided by San Diego Office of Revenue, which largely collects restitution related to felonies.

Individuals are counted multiple times if they received restitution orders while within different age ranges.

Percentages may not add to 100 due to rounding.

**Table B.6**  
Summary of CDCR Restitution Orders and Restitution Fines by Education Level  
Fiscal Years 2014–15 Through 2024–25

EDUCATION LEVEL	RESTITUTION ORDERS			RESTITUTION FINES		
	NUMBER OF INDIVIDUALS WITH A RESTITUTION ORDER	AMOUNT ORDERED	PAYMENTS COLLECTED	NUMBER OF INDIVIDUALS WITH A RESTITUTION FINE	AMOUNT OF FINES IMPOSED	PAYMENTS COLLECTED
Not a High School (HS) Graduate	17,776 (46%)	\$524,404,341 (28%)	\$18,668,455 (35%)	109,496 (44%)	\$116,100,548 (44%)	\$34,612,041 (43%)
HS Graduate, HSED, or GED	15,184 (36%)	455,632,607 (24%)	20,734,237 (39%)	83,590 (34%)	94,714,404 (36%)	29,993,942 (38%)
Some College, Tech, or Vocational School	3,899 (9%)	324,060,425 (17%)	6,209,271 (12%)	20,144 (8%)	23,717,280 (9%)	7,755,890 (10%)
College Degree	1,331 (3%)	360,488,867 (19%)	3,599,087 (7%)	5,332 (2%)	7,175,967 (3%)	2,396,925 (3%)
Other	184 (0%)	6,423,886 (0%)	146,267 (0%)	1,086 (0%)	1,508,940 (1%)	275,338 (0%)
Unknown	3,646 (9%)	226,527,330 (12%)	4,041,974 (8%)	27,277 (11%)	20,371,796 (8%)	4,833,033 (6%)
<b>Totals</b>	<b>42,020</b>	<b>\$1,897,537,454</b>	<b>\$53,399,291</b>	<b>246,925</b>	<b>\$263,588,935</b>	<b>\$79,867,169</b>

Source: Analysis of data from CDCR.

Note: Percentages may not add to 100 due to rounding.

**Table B.7**  
Summary of CDCR Restitution Orders and Restitution Fines by Marital Status  
Fiscal Years 2014–15 Through 2024–25

MARITAL STATUS	RESTITUTION ORDERS			RESTITUTION FINES		
	NUMBER OF INDIVIDUALS WITH A RESTITUTION ORDER	AMOUNT ORDERED	PAYMENTS COLLECTED	NUMBER OF INDIVIDUALS WITH A RESTITUTION FINE	AMOUNT OF FINES IMPOSED	PAYMENTS COLLECTED
Single, Never Married	24,311 (58%)	\$761,141,645 (40%)	\$29,124,349 (55%)	138,069 (56%)	\$145,369,751 (55%)	\$45,952,824 (58%)
Married	7,958 (19%)	600,123,573 (32%)	12,277,334 (23%)	45,423 (18%)	54,532,159 (21%)	16,821,028 (21%)
Divorced	3,533 (8%)	286,280,408 (15%)	4,834,109 (9%)	20,455 (8%)	24,600,562 (9%)	6,742,842 (8%)
Unknown	3,008 (7%)	153,237,855 (8%)	3,156,101 (6%)	23,385 (9%)	17,293,931 (7%)	3,913,402 (5%)
Separated	1,440 (3%)	41,381,194 (2%)	1,817,609 (3%)	8,965 (4%)	9,621,705 (4%)	2,771,872 (3%)
Unmarried Partner	1,268 (3%)	33,658,090 (2%)	1,420,499 (3%)	7,711 (3%)	8,573,007 (3%)	2,686,962 (3%)
Widowed	377 (1%)	19,267,919 (1%)	580,773 (1%)	2,101 (1%)	2,675,288 (1%)	720,378 (1%)
Other	125 (0%)	2,446,770 (0%)	188,517 (0%)	816 (0%)	922,531 (0%)	257,862 (0%)
<b>Totals</b>	<b>42,020</b>	<b>\$1,897,537,454</b>	<b>\$53,399,291</b>	<b>246,925</b>	<b>\$263,588,935</b>	<b>\$79,867,169</b>

Source: Analysis of data from CDCR.

Note: Percentages may not add to 100 due to rounding.

**Table B.8**  
**Summary of CDCR Restitution Orders and Restitution Fines by Primary Language Spoken**  
**Fiscal Years 2014–15 Through 2024–25**

PRIMARY LANGUAGE SPOKEN	RESTITUTION ORDERS			RESTITUTION FINES		
	NUMBER OF INDIVIDUALS WITH A RESTITUTION ORDER	AMOUNT ORDERED	PAYMENTS COLLECTED	NUMBER OF INDIVIDUALS WITH A RESTITUTION FINE	AMOUNT OF FINES IMPOSED	PAYMENTS COLLECTED
English	37,923 (90%)	\$1,655,890,344 (87%)	\$49,695,510 (93%)	218,939 (89%)	\$237,826,364 (90%)	\$74,623,525 (93%)
Spanish	2,109 (5%)	71,267,706 (4%)	1,565,979 (3%)	12,503 (5%)	15,873,707 (6%)	3,071,872 (4%)
Unknown	1,738 (4%)	134,238,979 (7%)	1,736,224 (3%)	14,361 (6%)	8,666,459 (3%)	1,795,435 (2%)
Other	250 (1%)	36,140,425 (2%)	401,577 (1%)	1,122 (0%)	1,222,405 (0%)	376,338 (0%)
<b>Totals</b>	<b>42,020</b>	<b>\$1,897,537,454</b>	<b>\$53,399,291</b>	<b>246,925</b>	<b>\$263,588,935</b>	<b>\$79,867,169</b>

Source: Analysis of data from CDCR.

Note: Percentages may not add to 100 due to rounding.

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## Appendix C

### Payment Status and Repayment Rates for Restitution Ordered to Victims by Fiscal Year From 2014–15 Through 2024–25

The Audit Committee directed our office to determine the average length of time it takes for victims to receive restitution payment after it has been ordered. The following tables provide restitution order and payment information through fiscal year 2024–25.

Note: The tables below do not reflect the entire incarcerated population, but only those individuals with restitution orders.

**Table C.1**  
CDCR—Percentage of Victim Restitution Orders by Payment Status and by Fiscal Year

FISCAL YEAR	TOTAL CASES WITH VICTIM RESTITUTION ORDERS	CASES PAID IN FULL		CASES NOT PAID IN FULL		CASES NOT PAID IN FULL WITH NO PAYMENTS	
		COUNT	PERCENTAGE OF TOTAL	COUNT	PERCENTAGE OF TOTAL	COUNT	PERCENTAGE OF NOT PAID IN FULL
2014–15	5,634	1,472	26%	4,162	74%	744	18%
2015–16	5,824	1,525	26	4,299	74	748	17
2016–17	5,801	1,465	25	4,336	75	796	18
2017–18	5,426	1,319	24	4,107	76	699	17
2018–19	4,891	1,151	24	3,740	76	621	17
2019–20	3,478	868	25	2,610	75	499	19
2020–21	2,727	574	21	2,153	79	353	16
2021–22	3,327	561	17	2,766	83	370	13
2022–23	3,535	470	13	3,065	87	427	14
2023–24	3,308	324	10	2,984	90	382	13
2024–25	2,303	105	5	2,198	95	419	19
<b>Totals</b>	<b>46,254</b>	<b>9,834</b>	<b>21%</b>	<b>36,420</b>	<b>79%</b>	<b>6,058</b>	<b>17%</b>

Source: Analysis of CDCR data.

**Table C.2**

CDCR—Percentage of Restitution Order Payments Collected in Each Subsequent Fiscal Year by the Fiscal Year in Which the Restitution Order Originated

FISCAL YEAR RESTITUTION ORDERED	PERCENTAGE OF RESTITUTION ORDER PAID BY FISCAL YEAR											TOTAL PAID BY JUNE 30, 2025
	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21	2021–22	2022–23	2023–24	2024–25	
2014–15	0.1%	0.3%	0.2%	0.2%	0.3%	0.3%	0.4%	0.4%	0.3%	0.2%	0.2%	3.0%
2015–16		0.1	0.3	0.3	0.2	0.3	0.5	0.4	0.3	0.3	0.3	2.9
2016–17			0.2	0.4	0.3	0.5	0.7	0.6	0.4	0.4	0.3	3.8
2017–18				0.2	0.5	0.4	0.7	0.5	0.5	0.4	0.3	3.5
2018–19					0.2	0.5	0.7	0.6	0.5	0.4	0.4	3.2
2019–20						0.4	1.0	0.8	0.6	0.5	0.5	3.8
2020–21							0.2	0.7	0.6	0.5	0.4	2.3
2021–22								0.3	0.7	0.6	0.5	2.1
2022–23									0.5	1.3	1.0	2.8
2023–24										0.6	1.1	1.7
2024–25											0.5	0.5

Source: Analysis of CDCR data.

**Table C.3**

San Diego Office of Revenue—Percentage of Restitution Orders by Payment Status

FISCAL YEAR	TOTAL CASES WITH VICTIM RESTITUTION ORDERS	CASES PAID IN FULL		CASES NOT PAID IN FULL		CASES NOT PAID IN FULL WITH NO PAYMENTS	
		COUNT	PERCENTAGE OF TOTAL	COUNT	PERCENTAGE OF TOTAL	COUNT	PERCENTAGE OF NOT PAID IN FULL
2014–15	2,370	804	34%	1,566	66%	1,055	67%
2015–16	2,040	653	32	1,387	68	849	61
2016–17	1,827	622	34	1,205	66	735	61
2017–18	1,762	547	31	1,215	69	756	62
2018–19	1,524	399	26	1,125	74	721	64
2019–20	1,174	277	24	897	76	626	70
2020–21	730	187	26	543	74	365	67
2021–22	1,115	212	19	903	81	659	73
2022–23	1,173	170	14	1,003	86	770	77
2023–24	1,319	135	10	1,184	90	937	79
2024–25*	584	38	7	546	93	452	83
<b>Totals</b>	<b>15,618</b>	<b>4,044</b>	<b>26%</b>	<b>11,574</b>	<b>74%</b>	<b>7,925</b>	<b>68%</b>

Source: Analysis of San Diego Office of Revenue data.

Note: Because of system limitations with San Diego Superior Court's data system, it is not possible to know the percentage the court collected out of the amount imposed in any given year. Therefore, we are only presenting data on restitution provided by San Diego Office of Revenue, which largely collects restitution related to felonies.

\* We present San Diego Office of Revenue's victim restitution data through December 31, 2024.

**Table C.4**  
**San Diego Office of Revenue—Percentage of Restitution Order Payments Collected in Each Subsequent Fiscal Year by Fiscal Year in Which the Restitution Order Originated**

FISCAL YEAR RESTITUTION ORDERED	PERCENTAGE OF RESTITUTION ORDER PAID BY FISCAL YEAR											TOTAL PAID BY DECEMBER 31, 2024
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25*	
2014-15	2.3%	1.6%	1.2%	0.9%	0.7%	0.5%	0.5%	0.5%	0.2%	0.2%	0.1%	8.6%
2015-16		2.5	2.4	2.1	1.7	1.0	0.9	0.7	0.70	0.5	0.1	12.3
2016-17			3.0	2.9	1.7	1.4	1.0	0.6	0.3	0.1	0.1	11.0
2017-18				3.0	2.9	2.3	1.6	0.9	0.5	0.2	0.1	11.5
2018-19					2.4	2.7	2.0	1.4	0.7	0.5	0.1	9.9
2019-20						2.8	2.2	1.6	0.8	0.5	0.2	8.1
2020-21							3.5	2.4	3.1	1.1	0.3	10.3
2021-22								3.9	2.8	1.5	0.4	8.6
2022-23									2.8	1.7	0.6	5.0
2023-24										1.9	0.8	2.6
2024-25*											2.6	2.6

Source: Analysis of San Diego Office of Revenue data.

Note: Because of system limitations with San Diego Superior Court’s data system, it is not possible to know the percentage the court collected out of the amount imposed in any given year. Therefore, we are only presenting data on restitution provided by San Diego Office of Revenue, which largely collects restitution related to felonies.

\* We present San Diego Office of Revenue’s victim restitution data through December 31, 2024.

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## Appendix D

### Scope and Methodology

The Joint Legislative Audit Committee directed the California State Auditor to conduct an audit of CDCR, CalVCB, FTB, and a selection of local collection entities to evaluate state and local oversight of victim restitution programs. Specifically, we examined the collection processes, fiscal efficiency, and outcomes for those involved in the restitution process. Table D lists the objectives that the Audit Committee approved and the methods we used to address them. Unless otherwise stated in the table or elsewhere in the report, statements and conclusions about items selected for review should not be projected to the population.

**Table D**  
**Audit Objectives and the Methods Used to Address Them**

AUDIT OBJECTIVE	METHOD
1 Review and evaluate the laws, rules, and regulations significant to the audit objectives.	Reviewed and documented federal and state laws and regulations, as well as CDCR, CalVCB, FTB, Contra Costa Superior Court, Kern Probation, Kern Superior Court, San Diego Office of Revenue, and San Diego Superior Court policies and procedures relevant to the audit procedure.
2 Evaluate the State's and a selection of counties' processes for collecting and disbursing restitution. In doing so, determine the following:	
a. To the extent possible, the amount of restitution that has been ordered, collected, and remains outstanding in the last 10 years, the breakdown of actual amounts of interest collected vs. paid to victims on the restitution fine order, and the processes for collecting interest.	<ul style="list-style-type: none"> <li>• Acquired and compiled transaction-level data from CDCR, FTB, Contra Costa, and San Diego Office of Revenue to calculate the number and amount of restitution orders and fines imposed and collected, and the amounts outstanding for any order or fine imposed on or after July 1, 2014.</li> <li>• Calculated the associated interest collected.</li> <li>• Obtained account-level reports from Contra Costa and San Diego Office of Revenue, as well as monthly collection data from Kern Probation.</li> <li>• Made a selection of cases and performed selected attribute testing. Reviewed data from FTB's Court-Ordered Debt claim schedules and case status logs and calculated total amounts of restitution FTB has collected and remitted to CalVCB, CDCR, and selected counties.</li> </ul>
b. The percentage of restitution collected that has been disbursed to victims.	<ul style="list-style-type: none"> <li>• Acquired and compiled data from CDCR, and San Diego Office of Revenue, and Contra Costa and calculated percentage of amounts of restitution orders collected and distributed to victims and percentage of amounts of restitution fines ordered and collected.</li> </ul>
c. The portion of restitution that CDCR, FTB, and selected county collection programs have retained as administrative fees, penalties, or interest.	<ul style="list-style-type: none"> <li>• Acquired and compiled FTB's annual appropriations, expenditures, and revenue data. Analyzed FTB data on fees, amounts collected, number of clients, and surplus disbursed. Conducted interviews with FTB staff to confirm data accuracy and procedures for retaining administrative fees. Calculated FTB fees.</li> <li>• Acquired and analyzed county and CDCR collection and revenue records to calculate the amount of administrative fees collected each year.</li> </ul>
d. The factors that have contributed to the gap between the amount of restitution ordered and the amount disbursed to victims.	<ul style="list-style-type: none"> <li>• Interviewed FTB Court-Ordered Debt program staff and reviewed annual JCC Court Collections reports to determine counties' participation as FTB clients. Conducted interviews with staff at selected county superior courts and/or revenue collection departments to evaluate incentives and barriers for choosing to participate in FTB's Court-Ordered Debt program.</li> <li>• Interviewed CDCR staff; reviewed its public-facing website, policy documents, and monthly restitution collection lists detailing amounts collected from specified individuals for CalVCB to forward to designated victims. In many cases, however, no victim is identified.</li> </ul>

*continued on next page...*

AUDIT OBJECTIVE	METHOD
<p>3 Assess agency practices and oversight of the State's and a selection of counties' restitution systems by evaluating the following:</p> <p>a. The extent that CDCR, FTB, and selected counties coordinate and differ in their restitution collection practices.</p> <p>b. Any discrepancies between statutes and actual practices in the garnishment of wages and trust accounts.</p> <p>c. The process courts, probation departments, and CDCR use to establish collection rates and modifications of restitution orders.</p>	<ul style="list-style-type: none"> <li>• Reviewed FTB's policies, reports, and publications on collecting court-ordered debt. Evaluated relevant requirements in state law governing FTB's process for collecting court-ordered debt. Conducted interviews with FTB staff about its processes for establishing payment plans with debtors.</li> <li>• Obtained and reviewed CDCR's policies and procedures, interviewed staff, and documented the process, electronic systems, and relevant controls in place.</li> <li>• Obtained and reviewed county policies and procedures, interviewed staff, and documented relevant controls in place.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Conducted interviews and reviewed county policies to determine the extent of their coordination with FTB.</li> <li>• Documented CDCR procedures for referring delinquent restitution debt to FTB and compared its process with the processes of the selected counties.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Obtained CDCR data and tested a sample of trust account deposits to ensure the proper amount was withheld and collected to pay restitution obligations.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Reviewed county and court policies to determine how payment schedules are set and interviewed county and court staff to determine how these schedules may be modified.</li> </ul>
<p>4 Identify the demographic breakdown of individuals ordered to pay restitution (by race, income level, age, and education) and, to the extent possible, determine the following:</p> <p>a. The extent that formerly incarcerated people are barred from parole, expungement, or employment because of unpaid restitution.</p> <p>b. To the extent that such information is collected and available, the effects of restitution-related garnishments on reentry, family financial stability, and mental health.</p>	<ul style="list-style-type: none"> <li>• Reviewed and summarized data from CDCR, Contra Costa, and San Diego Office of Revenue to determine what demographic information was available for each entity.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Reviewed county and superior court policies and interviewed county and superior court staff regarding impacts of restitution on probation, expungement, and employment.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Reviewed available reports and academic studies on the effects of restitution orders and fees on individuals who owe restitution.</li> </ul>
<p>5 Review and assess the victim's compensation eligibility and funding process by performing the following:</p> <p>a. To the extent possible, assess how CalVCB makes eligibility decisions and the number of victims denied funding annually.</p> <p>b. Determine the portion of disbursements from the State Restitution Fund that goes directly to victims compared to that used for administrative costs.</p> <p>c. Identify payments of restitution to victims by CalVCB during the last 10 years, and, to the extent possible, determine the average length of time it takes for victims to receive restitution payment after it has been ordered.</p>	<ul style="list-style-type: none"> <li>• Acquired data on victims' compensation applications for fiscal years 2014–15 through 2024–25 and compiled data on denied applications. Reviewed criteria in state law for restitution eligibility requirements.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Obtained CalVCB's financial reports and the State Restitution Fund's Fund Condition Statements for fiscal years 2014–15 through 2024–25. Compiled data on restitution fines and orders received from counties and CDCR, sources of revenue, and annual administrative expenses. Compared total amounts of restitution and compensation disbursed to total amounts available in the State Restitution Fund.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>• Compiled data on disbursed restitution orders and disbursed compensation funds for fiscal years 2014–15 through 2024–25. Judgmentally selected 15 approved compensation applications from fiscal years 2021–22 through 2023–24 and calculated the length of time it took for victims to receive restitution payments after they were ordered.</li> <li>• For San Diego Office of Revenue, Contra Costa, and CDCR, calculated the number of individuals and cases with paid obligations for victim restitution.</li> </ul>

AUDIT OBJECTIVE	METHOD
<p>6 Assess the current status of and long-term outlook for the State Restitution Fund, including its fiscal solvency, and determine the following:</p> <p>a. How much CDCR, FTB, and selected counties annually spend on collection efforts.</p> <p>b. The mechanisms that exist to ensure that restitution obligations are properly collected and disbursed.</p>	<ul style="list-style-type: none"> <li>• Acquired and reviewed CalVCB's Funding Condition Statements for fiscal years 2014–15 through 2023–24. Conducted interviews with CalVCB staff to evaluate the status and outlook of the State Restitution Fund.</li> <li>• Acquired and compiled FTB's annual appropriations, expenditures, and revenue data. Analyzed FTB data on fees, amounts collected, number of clients, and surplus disbursed. Calculated FTB's collection costs and net fees withheld for administrative expenses.</li> <li>• Obtained and reviewed accounting data—such as monthly expense reports—related to its restitution collection efforts from CDCR from fiscal years 2021–22 through 2023–24 and interviewed accounting and OVSRS staff.</li> <li>• Obtained and reviewed county and court staffing cost and timesheet data related to its restitution collection efforts for the fiscal years 2021–22 through 2023–24.</li> <li>• Obtained and reviewed CalVCB's policies and procedures on monthly payment processing and overview of the Restitution Program.</li> <li>• Obtained and reviewed FTB's policies and procedures for collecting and distributing restitution as part of its Court-Ordered Debt program.</li> <li>• Obtained and reviewed CDCR's policies and procedures, interviewed staff, and documented the process, electronic systems, and relevant controls in place.</li> <li>• Obtained and reviewed county and court policies and procedures, interviewed staff, and documented the process, electronic systems, and relevant controls in place.</li> </ul>
<p>7 Review and assess any other issues that are significant to the audit.</p>	<ul style="list-style-type: none"> <li>• Interviewed members of the following advocacy groups that advocate for judicial reform: Californians for Safety and Justice, Crime Victims United, Initiate Justice, Smart Justice, and the UC Berkeley School of Law Policy Advocacy Clinic to understand the effects of the victim restitution system on both the individuals that owe restitution and the victims that receive it.</li> <li>• Reviewed the laws and policies of an original selection of 11 states, which were selected to be politically diverse or similar in population to California. Reviewed the policies of an additional 19 states to determine how widespread certain best practices were.</li> </ul>

Source: Audit workpapers.

### Assessment of Data Reliability

The U.S. Government Accountability Office, whose standards we are statutorily obligated to follow, requires us to assess the sufficiency and appropriateness of computer-processed information we use to support our findings, conclusions, or recommendations. In performing this audit, we relied on electronic data files that we obtained from San Diego Revenue, CDCR, Contra Costa Superior Court, and FTB. To evaluate these data, we reviewed information about the data, interviewed staff knowledgeable about the data, and conducted electronic testing of key data elements. As a result of our work, we found that these data were of undetermined reliability for the purposes of calculating statistics for the number and amount of restitution ordered and collected and associated fees. Although we recognize that these limitations may affect the precision of the numbers we present, there is sufficient evidence in total to support our audit findings, conclusions, and recommendations.

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**DATE:** March 26, 2026

**TO:** Grant Parks, California State Auditor

**FROM:** Nick Maduros, Secretary

**SUBJECT:** California State Auditor Draft Audit Report 2025-117  
Franchise Tax Board's Victim Restitution

Pursuant to the above audit report, enclosed are the Franchise Tax Board's comments pertaining to the results of the audit.

The Government Operations Agency would like to thank the California State Auditors for its comprehensive review. The results provide us with the opportunity to better serve our clients and protect the public.

Enclosures



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ADMINISTRATIVE SERVICES  
SECTION MS A162  
**FRANCHISE TAX BOARD**  
PO BOX 115  
SACRAMENTO CA 95741-0115

03.26.2026

GRANT PARKS  
CALIFORNIA STATE AUDITOR  
621 CAPITOL MALL, SUITE 1200  
SACRAMENTO, CA 95814

**Re: Response to California State Auditor's Report 2025-117 Victim Restitution**

Thank you for the opportunity to respond to the California State Auditor's (state auditor) Report No. 2025-117. There were no recommendations for Franchise Tax Board (FTB). However, there are recommendations to the Legislature that will have an impact on FTB should they be executed.

FTB's Response:

**RECOMMENDATIONS:**

**RECOMMENDATION #1:** Require CDCR and local collection entities to refer delinquent restitution orders and fines to FTB.

**FTB's Response #1:** FTB does not have a response.

**RECOMMENDATION #2:** Determine whether state and local collection entities should address FTB's costs in one of the following ways:

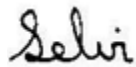
- a. By passing costs to the individual who owes restitution by increasing the amount of the restitution order to cover FTB's administrative fee.
- b. By passing costs to the victim- with the victim's consent- by allowing FTB's administrative fee to be paid from the restitution order amount.
- c. By paying FTB's administrative fee from its own funds.

**FTB's Response #2:** The proposed option "c" may shift funding responsibilities, require system updates, and create operational and financial impacts for FTB/COD, as well as increased administrative duties for participating agencies. If the proposal advances as scoped, additional funding may be required to implement necessary system changes and address these impacts.

## **CONCLUSION**

In closing, FTB appreciates the efforts of the auditor, and the opportunity to partner with you to complete this review.

Sincerely,



Selvi Stanislaus, Executive Officer

cc: Nick Maduros

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