

ARIZONA CODE OF JUDICIAL ADMINISTRATION
Part 5: Court Operations
Chapter 2: Programs and Standards
Section: 5-205 Collections

A. Definitions. In this section, the following definitions apply:

“Court” or “courts” means the limited jurisdiction courts or superior court in each county.

“Delinquent cases” means all cases for which court ordered financial obligations have not been paid and not been otherwise assigned to private collection services, or actively worked by a warrant officer or other governmental collection activity.

“DSO/TIP program” means the debt setoff/tax intercept program established by A.R.S. § 42-1122.

“DSO/TIP participants” means the limited jurisdiction courts, the superior court, city and county attorney’s offices, and probation departments in each county participating in the DSO/TIP program administered by the Administrative Office of the Courts (AOC).

“Excess FARE revenue” means the remaining balance of any revenues in the FARE fund after payment of the FARE vendor, other governmental agencies and the Administrative Office of the Courts (~~AOC~~) for costs incurred.

“Expansion” means any activity that requires capital fund expenditures, binding contractual obligations or technology development or enhancement, including web related services. It does not include maintenance of existing collection services or renewal of an existing contract.

“Extraordinary circumstances” means incarceration, deployment for military service, hospitalization, a serious medical illness or a death in the immediate family that would prevent payment of any fines, fees or restitution.

“FARE” means the fines/fees and restitution enforcement program established to collect delinquent court ordered restitution, fines, fees, and surcharges.

“FARE Compliance Assistance Program (FARE CAP)” means a program that assists defendants in resolving delinquent court financial obligations when the defendant makes a partial payment of the outstanding case balance; in exchange, the court may reinstate the defendant’s driver’s license, waive a portion of the outstanding collections fees, cease collection activities, and allow the defendant to establish a new and reasonable time payment plan.

“FARE fund” means an account established by the supreme court with the state treasurer and the General Accounting Office.

“FARE participant” means a court participating in the FARE program.

“FARE vendor” means the vendor contracted with the AOC to provide FARE program services.

“Fine reduction program” means a program to reduce the amount of outstanding criminal and civil traffic fines, penalties, and surcharges pursuant to A.R.S. § 28-1601.

“State tax intercept” means the interception of a state tax refund through the Arizona Department of Revenue for the payment of delinquent restitution, fines, fees, and surcharges.

“TTEAP” means the Traffic Ticket Enforcement Assistance Program established by A.R.S. §§ 28-1630 et seq., where a hold is placed on the registration of all vehicles registered to the defendant until all delinquent restitution fines, fees, and surcharges have been paid or a waiver has been issued.

“Vendor” means a contracted vendor to provide collection services to a court.

- B. Purpose.** This section is intended to result in the effective administration of statewide collection programs with the goals of compliance with and enforcement of court orders and the law, enhanced customer service, increased revenues, consistency and uniformity in case processing and efficiencies in the collection process.
- C. Applicability.** This section applies to FARE and DSO/TIP participants as defined in Section A ~~all superior courts and limited jurisdiction courts.~~
- D. Administration.** The AOC shall oversee the FARE, DSO/TIP and TTEAP programs including:
1. Provision of local collection services to include: reminder notices, web and telephone based credit and debit card payment options, delinquency notices, installment payment plan services, referral to the DSO/TIP program, referral to the TTEAP program, electronic skip tracing, case record data enhancement, and advanced collection services including credit bureau reporting, skip tracing, outbound calling, and wage garnishment when authorized by the court.
 2. Processing of existing delinquent court cases.
 3. ~~Provision of staff support for the FARE Advisory Committee established by Administrative Order No. 2007-39.~~ Establishing and consulting with a FARE Advisory Workgroup, as needed.
 4. Managing and directing of the FARE vendor in the provision of contracted services including all current and future program maintenance and enhancement.

5. Administering the DSO/TIP program, including entering into DSO/TIP participant agreements as necessary to carry out program duties and collecting the court-ordered monetary obligations that include the DSO/TIP fee established in subsection (H).
6. Preparing fiscal projections and creating a budget based on those projections to fund the FARE and DSO/TIP programs.
7. Establishing a FARE fee schedule to provide for the services of the FARE and DSO/TIP programs.
8. Administering the FARE fund and expending revenues in the fund to pay the operational expenses incurred in the FARE and DSO/TIP programs.
9. Recommending allocation of excess FARE revenues in the FARE fund to the Arizona Judicial Council (AJC).
10. Maintaining operational oversight over all FARE and DSO/TIP software.
11. Maintaining oversight of data interface with the FARE vendor, the Motor Vehicle Division (MVD) the Department of Revenue (DOR) and the Arizona Lottery (AZL).
12. Overseeing the receipt of monies from the DOR and AZL in response to finalized court claims and shall distribute those monies to the courts proportionately to the court claims processed.
13. Providing user training for the FARE and DSO/TIP programs to the courts.
14. Assisting the courts in resolving identity and data related discrepancies between the courts, the FARE vendor, MVD, DOR and AZL.
15. Ensuring connectivity between the FARE vendor, the administrative office, MVD and the local courts. The AOC shall also ensure connectivity between the administrative office and DOR.
16. Collecting, receipting, and depositing DSO/TIP fees in the FARE Fund.

E. [No changes]

F. **General Provisions for DSO/TIP Participants.** DSO/TIP participants shall:

1. Submit a DSO/TIP participant's agreement in the form provided by the AOC.
2. Ensure that all social security number, case, person, and balance information submitted to the DSO/TIP program has been reviewed for accuracy and shall make all necessary corrections to ensure accurate and complete data is submitted timely.

3. Review interceptions by the DOR for validity within ten days of receipt. Erroneous interceptions shall be released immediately. DSO/TIP participants are responsible for all applicable DOR fees, penalties and interest per A.R.S. § 42-1122(O).
4. Finalize all interceptions within 30 days of receipt from DOR. DSO/TIP participants that do not comply with the 30-day finalization limit shall refund to the debtor any applicable DOR fees, penalties and interest incurred.
5. Receipt all valid interceptions into the case management system.
6. Remit to the AOC the DOR intercept fees upon receipt of the fee invoice.
7. Pay the \$9 DSO/TIP fee established in subsection (H) of this section for each interception in cases that have not been referred to the FARE program.

G. [No changes]

H. FARE and DSO/TIP Collection Fees.

1. The FARE fees shall be set as follows:
 - a. A \$49 delinquency fee shall be assessed when a case is identified as being delinquent and submitted to the FARE vendor.
 - b. A 19.5% special collections fee shall be assessed to all cases submitted to the FARE vendor for special collections by courts that are participating in the FARE program only after at least two delinquency notices have been sent to the defendant.
 - c. A \$10 installment payment plan fee, shall be assessed if the court chooses to have the FARE vendor manage installment payment plans when all services of FARE are implemented in the court. This fee is in addition to the time payment fee imposed pursuant to A.R.S. § 12-116(A).
2. The delinquency fee, the special collections fee, and the installment payment plan fee shall cover the provision of additional services and costs to operate the FARE program.
3. The FARE fees shall be assessed on court fees and costs reduced to judgment under A.R.S. § 12-302, and for each violation of a local ordinance, civil traffic violation, boating violation, petty offense, misdemeanor, and felony charge where a financial sanction is imposed. The FARE fees shall be added to existing cases on the date agreed for implementation of the FARE program in the court. Imposition of the FARE fees on new cases shall occur as the cases are added to the program.
4. The FARE fees shall be in addition to any fines, fees or surcharges authorized by statute or local, or city, or county ordinance.

5. The FARE fees shall be in the next category of priority for payment following the time payment fee established pursuant to A.R.S. § 12-116(A); ACJA §§ 3-401(E) and 4-301(E).
6. The FARE fees shall not apply to parking violations except for default parking violations.
7. The FARE fees shall not be waived or suspended by a judge unless the judge waives or suspends all monetary obligations.
8. The delinquency fee may be waived if the judge states on the record that extraordinary circumstances exist which would prevent the defendant from responding timely to the notices and satisfying the court obligation.
9. A \$9 DSO/TIP fee shall be assessed on all DSO/TIP claims submitted by DSO/TIP participants who do not utilize the FARE program. The AOC will withhold the fee at the time of interception.

I. and J. [No changes]