

Department of Finance		Fund: 0487
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Financial Responsibility Penalty Account		
<u>Legal Citation/Authority</u> Chapter 1494, Statutes of 1985 Insurance Code section 12980		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/Special Revenue Funds	<u>Fund Classification</u> <u>Legal Basis</u> Governmental/General Fund Special Accounts	
<u>Purpose</u> A depository for penalty fees to be expended for matters including, but not limited to, automobile insurance and financial responsibility of vehicle owners and operators.		
<u>Administering Agency/Organization Code</u> Department of Motor Vehicles/Org 2740 and Department of Insurance/Org 0845		
<u>Major Revenue Source</u> Penalty fees imposed to restrict a person’s driving privilege in lieu of suspending a person’s driving privileges.		
<u>Disposition of Fund (upon abolishment)</u> The sum of \$100,000 is appropriated to the Department of Insurance to be allocated for 1) investigative services from complaints by licensees of the Department of Insurance (\$50,000) and, 2) for administrative costs of the Department of Motor Vehicles in performing required notifications (\$50,000). The unused portion of this appropriation at July 1, 1986 shall revert to the Financial Responsibility Penalty Account in the General Fund. The balance in this fund on July 1st of each year which is not subject to appropriation shall revert to the General Fund.		
<u>Appropriation Authority</u> Section 12980 of the Insurance Code provides that the moneys in the account shall be expended upon appropriation.		
<u>State Appropriations Limit</u> Always Excluded – Revenues in this fund are not proceeds of taxes and even after transfer, will never become proceeds of taxes because the major revenue source is derived from penalties.		
<u>Comments/Historical Information</u>		