



TO: Chief Business Officers
Chief Student Services Officers

FROM: Gina Browne
Assistant Vice Chancellor, Equitable Student Learning, Experience & Impact Office

RE: Participation in the 2023-24 Chancellor's Office Tax Offset Program

The Chancellor's Office is accepting requests from California community college districts to participate in the Chancellor's Office Tax Offset Program (COTOP) for 2023-24. COTOP enables the Chancellor's Office to act on behalf of local community college districts for the purpose of collecting outstanding student financial aid and other specific non-financial aid obligations through participation in the Franchise Tax Board (FTB) Interagency Tax Offset Program. Under the COTOP program, the FTB offsets the amount owed to a district from the debtor's personal state income tax refunds, lottery winnings, or other state refunds. The offset amount, minus a 25% administrative fee, is then sent to the district.

Districts that participate in COTOP agree to:

- Consider, when appropriate, leveraging available funding sources to resolve student debt and to provide a fiscal incentive for students to re-enroll before submitting a debt for offset.
- Per [Cal. Civ. Code § 1788.93](#), shall not do any of the of the following:
 - a) Refuse to provide a transcript for a current or former student on the grounds that the student owes a debt.
 - b) Condition the provision of a transcript on the payment of a debt, other than a fee charged to provide the transcript.
 - c) Charge a higher fee for obtaining a transcript or provide less favorable treatment of a transcript request because a student owes a debt.
 - d) Use transcript issuance as a tool for debt collection.
- Follow collections procedures described in [section 8776.6](#) of the State Administrative Manual (SAM) prior to submitting a debt for offset.

Action Requested:

To participate in the 2023-24 COTOP program or if you have any questions, please contact the COTOP program at cotop@cccoco.edu.

Attachment 1 – COTOP Recoverable Debt Types

The following types of debtor obligation are recoverable through COTOP:

- Defaulted Perkins, Nursing, Emergency, and EOPS loans
- Campus financial aid funds, Extended Opportunity Programs and Services (EOPS) grants, California College Promise Grant (CCPG) fee waivers for which the student was ineligible
- Non-resident tuition fees
- Enrollment fees
- Library fines
- Library replacement material charges
- Parking fees
- Parking fines (incurred within three years of date submitted for collection only)
- Residence hall rent contracts
- Cafeteria meal contracts
- Telephone bills
- Drop fees (incurred prior to January 1992)
- Personal checks returned for non-sufficient funds (limited to bookstore and other charges listed in this section only)
- Returned check service charges
- Childcare charges
- Instructional equipment breakage/replacement charges
- Health fees
- Transcript fees
- International student insurance charges
- Dental health center charges
- Community services fees
- Lost key charges
- Transportation charges or fees
- Audit fees
- Contract class charges
- Instructional materials fees
- Damage to campus facilities or equipment charges
- Personal checks written to "Cash" returned for non-sufficient funds (including returned check service fee)
- Auto repair costs (including parts, lab fee, sales tax on parts)
- Student representation fee
- Student center fee