

ASSEMBLY THIRD READING

AB 1685 (Bryan)

As Amended April 6, 2022

Majority vote

SUMMARY

Requires processing agencies to forgive at least \$1,500 in parking tickets for individuals who are verified to be homeless.

Major Provisions

- 1) Requires processing agencies to forgive at least \$1,500 in parking tickets once per calendar year for individuals who have been verified to be homeless.
- 2) Allows an applicant to ask for forgiveness at least four times a year.
- 3) Authorizes a processing agency to verify an applicant's status through a continuum of care or a homeless services provider, including, but not limited to, a health care provider, legal services provider, or other entity that services people experiencing homelessness and makes referrals to other homeless services providers, that is connected to the coordinated entry system and is contracting with a continuum of care.
- 4) Provides that an area in which the availability of homeless services providers is sparse, as determined by the continuum of care, the California Interagency Council on Homelessness (CICH) shall develop an alternative low-barrier process to determine an applicant's status as homeless.
- 5) Prohibits a processing agency from establishing or imposing any additional qualifications for citation forgiveness under this program, including mandatory participation in any service or program, or mandatory community service.
- 6) Uses federal definitions for the definitions of continuum of care, coordinated entry system, homeless, and homeless services provider.

COMMENTS

The cost of fines and fees associated with traffic and parking citations has steadily increased over the last few decades. After adding on fees to base fines, tickets can total in the hundreds of dollars. Add-on fees for minor offenses double or quadruple the original fine, and until recently California suspended driver's licenses for failure to pay traffic fines.

For parking tickets, local agencies are allowed to use the Department of Motor Vehicles (DMV) to collect unpaid debt. DMV can require payment in full for unpaid parking tickets in order to renew vehicle registration. For indigent individuals, these piling fees have created a cycle of debt where they are unable to pay back parking fines, and then get additional fines for driving an unregistered vehicle and an increased vehicle registration fee for late payments.

The cost from being late on payment of a parking ticket could easily spiral out of control for an indigent person. In Sacramento, the fine for a parking ticket amounts to \$52. If someone is unable to pay that ticket on time, the late fee adds an additional \$52. If Sacramento then were to

ask DMV to collect the unpaid debt, DMV would add the entire cost of the outstanding parking ticket and fines to vehicle registration fees. If someone were unable to pay this amount all at once on top of their vehicle registration fees, late fees for vehicle registration increase by 60% of the original fee for payments over 30 days late, which can increase the registration fee as much as \$100. If a person is then pulled over for having an unregistered vehicle, the fine for driving unregistered vehicles is currently \$285. All totaled, these fines alone add up to \$489. This would amount to 1/3 of a single individual's monthly income if they made the maximum amount of money to be eligible for Medi-Cal.

The unpaid debt is not the only issue for someone who received parking tickets. Having five or more unpaid parking tickets allows law enforcement to tow someone's vehicle or place a restrictive device on it. If the fines are moved to DMV for collections and the individual cannot afford to pay their vehicle registration, law enforcement can tow the vehicle if the registration is more than six months expired.

Recovering a vehicle after it has been towed is expensive. *Towed into Debt: How Towing Practices in California Punish Poor People*, a report issued by the sponsors of this bill, notes that the average tow fee in California is \$189, with a \$53 storage fee per day and a \$150 administrative fee. After three days of storage, a towing fee could come out to \$499. The cost of five unpaid parking tickets in Sacramento would result in a total cost of \$520 with late fees. The cost of a three day tow plus the costs of the five unpaid parking tickets (\$1,019) would amount to all but \$400 of an indigent person's monthly income if they made the maximum amount to make them eligible for Medi-Cal.

The Legislature passed AB 503 (Lackey), Chapter 741, Statutes of 2017 to stop the spiral of debt for an indigent person. Assemblymember Lackey introduced two follow-up bills as a result of processing agencies trying to get around implementing the law. AB 2544 (Lackey), Chapter 494, Statutes of 2018, clarified that parking agencies had to offer payment plans for tickets issued prior to July 1, 2018 because processing agencies refused to consider older tickets when implementing the law. AB 833 (Lackey), Chapter 495, Statutes of 2019, clarified that the \$300 maximum cap for which a parking agency had to offer a payment plan only applied to the base fines, not to late penalties, because the City of Sacramento was refusing to offer payment plans to individuals who had more than two tickets with a late fee. In 2020, the Legislature passed AB 3277 (Jones-Sawyer) Chapter 55, which increased the maximum cap from \$300 to \$500.

As of January of 2018, the United States Interagency Council on Homelessness estimates that there are 129,972 individuals experiencing homelessness on any given day. Of that total, 6,702 were family households, 10,836 were veterans, 12,396 were unaccompanied young adults (aged 18-24), and 34,332 were individuals experiencing chronic homelessness. According to *Towed into Debt*, one third of the estimated 39,000 homeless individuals in Los Angeles live in vehicles.

According to the Author

"Parking enforcement can exacerbate poverty and the cost of enforcement for local governments are often greater than the fines and fees that end up being collected. AB 1685 will waive many parking fees for people who are unhoused. Instead of continuing to penalize poverty, let's save some money with good policy and use it to get people more of the housing and services they really need. Lose your financial stability, lose your house. Lose your house, live in your car. Lose your car, set up an encampment. This cycle of poverty is vicious and AB 1685 creates the policy solution that allows us to do better."

Arguments in Support

According to The Los Angeles Homeless Services Authority, the sponsors of this bill, "Vehicles provide a last vestige of stability, and a way to access jobs, appointments with doctors, case managers, and way to maintain the social networks that can provide a way out of crisis.

Unfortunately, many unhoused people's vehicles are at risk of being towed due to outstanding parking citations. Much of this debt goes unpaid and uncollected. But, in some cases, people experiencing homelessness pay what little money they have available to clear their tickets, or turn to service providers and outreach workers to use homeless service funds to clear these citations.

AB 1685 builds on existing programs by creating a state-wide solution, directing cities to create programs similar to those developed by the City Los Angeles and City of San Francisco that create opportunities for people experiencing homelessness to waive their ticket balances. Parking fines significantly burden this population while also threatening the loss of their vehicle, while providing very little revenue for the government.

Arguments in Opposition

According to the California Public Parking Association (CMPA), "CMPA is opposed to the potential scope of the fine forgiveness and is also concerned that the measure does not restrict the \$1,500 amount to a single agency. Municipal, University and other public parking programs are typically independent operations that enforce local parking rules, as well as state and local laws related to parking in order to benefit the residents and visitors to those jurisdictions. At their fundamental core, parking Enforcement programs are designed to ensure compliance of local and state parking regulations to facilitate availability of parking spaces throughout the city, which supports local businesses and events. While the stated goal of AB 1685 is laudable, CMPA urges consideration of the collateral impacts on municipalities if the tools used to bolster compliance are largely removed."

FISCAL COMMENTS

According to Assembly Appropriations Committee, "The Department of Motor Vehicles indicates, to comply with this bill, the DMV would follow existing procedures when processing parking citations on a vehicle record. Therefore, DMV does not anticipate any implementation efforts or costs.

However, the bill entails cost of a potentially significant amount (General Fund) because the bill will result in foregone parking citation revenue to local agencies. If such an agency or agencies submit a claim with the Commission on State Mandates, and the commission determines the bill imposes a reimbursable mandate on local government, the state would need to reimburse the local costs."

VOTES**ASM TRANSPORTATION: 14-0-1**

YES: Friedman, Fong, Berman, Daly, Davies, Gipson, Kalra, Lee, Medina, Nazarian, Nguyen, O'Donnell, Ward, Wicks

ABS, ABST OR NV: Cunningham

ASM HOUSING AND COMMUNITY DEVELOPMENT: 7-0-1

YES: Wicks, Carrillo, Gabriel, Kalra, Kiley, Quirk-Silva, Ward

ABS, ABST OR NV: Seyarto

ASM APPROPRIATIONS: 16-0-0

YES: Holden, Bigelow, Bryan, Calderon, Carrillo, Megan Dahle, Davies, Mike Fong, Fong, Gabriel, Eduardo Garcia, Levine, Quirk, Robert Rivas, Akilah Weber, Wilson

UPDATED

VERSION: April 6, 2022

CONSULTANT: David Sforza / TRANS. / (916) 319-2093

FN: 0002556