# SENATE COMMITTEE ON TRANSPORTATION

# Senator Lena Gonzalez, Chair 2021 - 2022 Regular

**Bill No:** AB 1685 **Hearing Date:** 6/14/2022

**Author:** Bryan **Version:** 4/6/2022

Urgency: No Fiscal: Yes

Consultant: Katie Bonin

**SUBJECT:** Vehicles: parking violations

**DIGEST:** This bill requires processing agencies to forgive at least \$1,500 in parking tickets for individuals who are verified to be homeless.

# **ANALYSIS:**

# Existing law:

- 1) Provides several options to processing agencies collecting unpaid parking penalties for tickets, including filing an itemization of unpaid parking penalties and service fees with Department of Motor Vehicles (DMV) for collection with the registration of a vehicle, so long as the processing agency:
  - a) Provides a payment plan option for indigent persons, as defined, that allows unpaid parking fines and fees to be paid off in monthly installments of no more than \$25 for total amounts due that are \$500 or less, in a period within 24 months. No prepayment penalty for paying off the balance prior to the payment period may be accessed.
  - b) Waives all late fees and penalty assessments, exclusive of any state surcharges, as defined, if an indigent person enrolls in the payment plan. Waived late fees and penalty assessments may be reinstated if the person falls out of compliance with the payment plan.
  - c) Limits the processing fee to participate in a payment plan to \$5 or less for indigent persons and \$25 or less for all other persons. The processing fee may be added to the payment plan amount at the discretion of the payee; and,
  - d) Allows the application for indigency determination for a period of 120 calendar days from the issuance of a notice of parking violation, or 10 days after the administrative hearing determination, whichever is later.

2) Requires a processing agency to allow a registered owner or lessee who falls out of compliance with a payment plan a one-time extension of 45 calendar days from the date the plan becomes delinquent to resume payments before the processing agency files an itemization of unpaid parking penalties and service fees with DMV.

- 3) Requires a processing agency to include information regarding its payment plan option above on its public website, and a web page link and telephone number to more information on the program.
- 4) Defines "indigent" for the purposes of this section to mean anyone who meets the income requirements for or is currently on several public assistance programs, including: Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP, or more commonly known as food stamps), Medi-Cal or IHSS.
- 5) Establishes the California Interagency Council on Homelessness (CICH) with the purpose of coordinating the state's response to homelessness by utilizing Housing First Practices.

#### This bill:

- 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. A legal services provider or health care provider may require an applicant to be a client in order to make the verification.
- 4) Provides that an area in which the availability of homeless services providers is sparse, as determined by the continuum of care, 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:**

- 1) *Purpose*. 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."
- 2) The real cost of a parking ticket for an individual experiencing homelessness. In Sacramento, the fine for a parking ticket amounts to \$52. If the individual is unable to pay that ticket on time, the late fee adds an additional \$52. If the city then requires the DMV to collect the unpaid debt, DMV would add the entire cost of the outstanding parking ticket and fines to vehicle registration fees. If 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.

Many individuals experiencing homelessness live in their vehicles. Cal Matters estimates that there is roughly 161,000 people experiencing homelessness in California based on the latest tally taken in 2020 before COVID-19. Similarly, Cal Matters estimates that 16,528 of the 161,000 people experiencing homelessness own and live in their vehicle. Parking tickets accumulate quickly and create a cycle of debt wherein they are unable to pay back parking fines. As the tickets pile up, costs rise to include late fees, making it more likely that the individual's car will be towed. Having five or more unpaid parking tickets allows law enforcement to tow someone's car, essentially towing away the individual's home, and potentially their only place of safety.

3) Towing costs. 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.

AB 1685 builds on existing law by permitting individuals experiencing homelessness to have their parking ticket balances, up to \$1,500, waived. Hence, reducing the likelihood of their vehicle being towed and further exacerbating their indigence.

- 4) Where do the expenses go? Waiving fees does not mean that the costs simply go away. Upon issuance of parking tickets, towing and storage of the vehicle may be appropriate, this is done by a private company. If the owner of the vehicle does not pay these fees, will the city be required to pay them, and if that is the case will the city be less likely to tow a vehicle that could be presenting a safety hazard? AB 1685 does not specify how these additional expenses will be handled.
- 5) Opposition. As written, AB 1685 would require a processing agency to forgive at least \$1,500 in parking fines and fees annually for a qualified homeless person and also requires a processing agency to provide certain information regarding the parking citation forgiveness program. The California Mobility and Parking Association (CMPA) writes in opposition to the bill citing their concerns for the scope of the fine forgiveness and concerns that the measure does not restrict the \$1,500 amount to a single agency.
- 6) *Double Referral*. This bill was also referred to the Senate Human Services Committee.

# **RELATED LEGISLATION:**

**AB 2775 (Quirk Silva, 2022)** — this bill would exempt the payment of vehicle registration fees for recreational vehicles owned by a person who verifies to the department that they are homeless and using the recreational vehicle as their residence. *This bill is pending in the Senate Transportation committee*.

**AB 2510 (Bennett, 2022)** — this bill would waive the driver's license renewal fee for a homeless person. That bill is pending a hearing in this committee. *This bill is pending in the Senate Transportation committee*.

AB 2544 (Lackey), Chapter 494, Statutes of 2018), AB 503 (Lackey), Chapter 741, Statutes of 2017, and AB 3277 (Jones Sawyer) Chapter 44, Statutes of 2020 — these bills require processing agencies to take several steps prior to asking DMV to collect their unpaid debt from indigent individuals, including establishing a payment program and waiving late fees and penalty assessments.

**AB 1325 (Jones-Sawyer, 2019)** — this bill would have required processing agencies to offer unhoused individuals community service in lieu of paying parking tickets. *This bill died in Assembly Appropriations committee*.

**AB 302** (**Berman, 2019**) — this bill would have required a community college campus that has parking facilities on campus to grant overnight access to those facilities, on or before July 1, 2020, to any homeless student who is enrolled in coursework, has paid any enrollment fees that have not been waived, and is in good standing with the community college for the purpose of sleeping in the student's vehicle overnight. *This bill died on the Senate Floor*.

**AB 516** (Chiu, 2019) — this bill would have repealed existing law that authorizes peace officers to tow vehicles for having five or more delinquent parking or traffic violations, for leaving a vehicle on a road for 72 or more consecutive hours, and for a having a lapsed vehicle registration in excess of six months. *This bill died in Senate Appropriations committee*.

**AB 891 (Burke, 2019)** — this bill would have required cities with more than 330,000 people to have a safe parking program, as defined. *This bill was vetoed by the Governor*.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

**POSITIONS: (Communicated to the committee before noon on Wednesday, June 8.)** 

## **SUPPORT:**

Abundant Housing LA

Asian Americans Advancing Justice - California

Bend the Arc: Jewish Action, Southern California

**Brilliant Corners** 

California Federation of Teachers Afl-cio

California Housing Partnership Corporation

Corporation for Supportive Housing (CSH)

Culver City Democratic Club

Downtown Women's Center

East Bay Housing Organizations

Housing California

Inner City Law Center

John Burton Advocates for Youth

**LA Family Housing** 

Los Angeles Homeless Services Authority

National Alliance to End Homelessness

National Association of Social Workers, California Chapter

North Westwood Neighborhood Council, Community Health & Homelessness

Committee

Orange County United Way

Path

Root & Rebound

Streets for All

**Sycamores** 

The People Concern

Western Center on Law & Poverty, INC.

## **OPPOSITION:**

California Public Parking Association