

---

## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair  
2021 - 2022 Regular Session

---

### AB 1685 (Bryan) - Vehicles: parking violations

**Version:** April 6, 2022

**Policy Vote:** TRANS. 13 - 1, HUMAN S. 4  
- 0

**Urgency:** No

**Mandate:** Yes

**Hearing Date:** August 1, 2022

**Consultant:** Mark McKenzie

**Bill Summary:** AB 1685 would require parking ticket processing agencies to establish a parking citation forgiveness program for persons who are homeless, and require the forgiveness of at least \$1,500 per applicant each year.

#### **Fiscal Impact:**

- The California Interagency Council on Homelessness (Cal-ICH) estimates costs of approximately \$645,000 in the first year and \$613,000 annually ongoing for 4.0 PY of staff to develop a process to determine homeless eligibility status, solicit, compile, and collect information from processing agencies, and establish and administer a database to collect and store information for reporting purposes. (General Fund)
- Unknown, potentially significant state costs for state parking entities (primarily state institutions of higher education) to establish parking citation forgiveness programs, determine applicants' status as homeless, post information on websites, and report specified information to Cal-ICH.. (General Fund, State University Parking Revenue Fund)
- Unknown, significant reduction in state parking citation revenue (for citations issued by state parking entities) related to the mandatory forgiveness of at least \$1,500 in parking debt per eligible applicant each year. Staff notes that homeless persons are likely to opt for this forgiveness program rather than entering into a payment plan, as specified in existing law. (State University Parking Revenue Fund, other funds administered by institutions of higher education)
- Unknown significant local costs and revenue losses related to the requirements that processing agencies establish parking citation forgiveness programs for individuals experiencing homelessness, waive fines and fees, provide information on websites, and report specified information to Cal-ICH. It is unclear whether these costs would be reimbursable by the state because local entities appear to have fee authority that disclaims state responsibility for reimbursement. Ultimately, however, whether local costs are reimbursable would be subject to a determination by the Commission on State Mandates, to the extent an eligible local agency files a test claim. (General Fund)

**Background:** Existing law authorizes an agency that processes notices of parking violations and delinquent parking violations, after completing specified collection efforts, to file an itemized list of unpaid parking penalties and service fees with the Department of Motor Vehicles (DMV) for collection when a vehicle owner attempts to register his or

her vehicle. Existing law requires DMV, after receiving an itemized list of a person's unpaid parking penalties and fees, to refuse to renew his or her vehicle registration until all outstanding penalties and fees are paid. After collecting payments for unpaid parking penalties and fees, DMV forwards the revenues to the local jurisdictions that filed the itemized list of unpaid tickets, after deducting its administrative costs.

Existing law prohibits a processing agency from referring an itemized list of unpaid tickets to DMV to collect on delinquent amounts unless a payment plan is provided for indigent persons. An indigent person is generally defined as having net income at or below 125 percent of the federal poverty level, or receiving benefits under specified public assistance programs. The payment plan must allow monthly installments of no more than \$25 for total amounts less than \$500, and provide for a waiver of all late fees and penalty assessments, exclusive of specified assessments. Registered owners must be informed about the payment plan option, and the local agency must allow for an indigency determination for a period of 120 days from the issuance of a parking ticket, or 10 days after an administrative hearing determination, whichever is later. Processing agencies must include information regarding the availability of the payment plan option on their public websites, and a web link and telephone information line.

**Proposed Law:** AB 1685 would require processing agencies to establish a parking citation forgiveness program for homeless individuals. Specifically, this bill would:

- Require each processing agency to provide a parking citation forgiveness program that requires forgiveness of any outstanding parking fines and fees, including service or late fees, within 30 days of receiving an application from a person verified as homeless, for any vehicle for which they are the registered owner.
- Authorize a processing agency to limit the amount of forgiveness, as long as the limitation is no less than \$1,500 per applicant, per calendar year, and the limitation allows at least four applications per applicant, per year.
- Prohibit 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.
- Authorize a processing agency to verify an applicant's eligibility through a continuum of care (CoC) or a homeless services provider that is connected to the coordinated entry system and is contracting with a CoC, as specified. A legal services provider or health care provider may require an applicant to be their client in order to make the verification.
- Require Cal-ICH to develop an alternative low-barrier process to determine if an applicant is experiencing homelessness, in any area in which the availability of homeless services providers is sparse as determined by the CoC.
- Require each processing agency to include information on the availability of a parking citation forgiveness program and specified instructions in the same manner that it generally provides public information and at a clear and easily accessible location on its internet website, as specified.
- Require each processing agency, by March 1, 2024, and annually thereafter, to report to Cal ICH on the number of applications received under the forgiveness program, and the total number of citations and total amount of penalties and fines waived during the previous calendar year, as specified.

- Require Cal-ICH, by June 1, 2024 and annually thereafter, to submit a report to the Legislature compiling the information received from all processing agencies from the previous calendar year, as specified.

**Related Legislation:** AB 2544 (Lackey), Chap. 494/2018, required parking ticket processing agencies to provide indigent persons with the option of entering into a specified payment plan that includes a waiver of late fees for unpaid tickets issued before July 1, 2018.

AB 503 (Lackey), Chap. 741/2017, prohibited a processing agency, beginning on July 1, 2018, from referring unpaid parking penalties and fees to the DMV for collection, unless the agency provides a payment plan option for indigent persons.

AB 503 (Lackey), Chap. 741/2017, required an agency that processes notices of parking violations and delinquent parking violations to provide a payment plan option for indigent persons before collecting unpaid penalties and fees through DMV.

**Staff Comments:** This bill has been keyed as a state mandated local program by Legislative Counsel because it requires local processing agencies to establish parking citation forgiveness programs for individuals experiencing homelessness, waive fines and fees, provide information on websites, and report specified information to Cal-ICH. While these requirements would likely impose significant costs and revenue losses on local agencies, these costs are unlikely to be deemed reimbursable by the state. Staff notes that local agencies have the authority to adjust parking fines and fees to cover costs to administer and enforce parking requirements, and existing law disclaims the requirement for state reimbursement if a local agency has that authority. Furthermore, Committee staff is unaware of any claims for state-reimbursement for other similar mandates, such as the existing requirement for parking citation processing entities to establish payment plans for unpaid parking tickets and forgive late fees for indigent persons. Whether the requirements of this bill require state reimbursement would ultimately be subject to a determination by the Commission on State Mandates, to the extent an eligible local agency files a test claim.

-- END --