

ASSEMBLY THIRD READING

AB 2949 (Lee)

As Amended March 17, 2022

Majority vote

SUMMARY

Exempts vehicles registered to veterans displaying specialized license plates from paying tolls or related fines.

Major Provisions

- 1) Exempts from toll payment or other charge on a toll road, toll bridge, toll highway, vehicular crossing, or other toll facility, except for a high-occupancy toll lane, any vehicle displaying one of the six California license plate types that are only available to qualifying veterans from the Department of Motor Vehicles (DMV). These veterans include:
 - a) Disabled veterans,
 - b) Pearl Harbor survivors,
 - c) Members of the Legion of Valor, which includes recipients of the Army, Navy, and Air Force Medals of Honor, the Army Distinguished Service Cross, and the Navy and Air Force Crosses,
 - d) Former American prisoners of war,
 - e) Recipients of the Congressional Medal of Honor; and,
 - f) Recipients of the Purple Heart.

COMMENTS

What is covered? This bill applies to tolls and other charges on toll roads, toll bridges, toll highways, vehicular crossings or other toll facilities, except high-occupancy toll lanes.

Who is covered? This bill does not excuse all veterans from paying tolls. Rather, it exempts vehicles displaying special license plates that can only be obtained by veterans who meet specific, additional criteria and can provide official documentation of their status to the DMV. Special plates are available to veterans who have been prisoners of war, veterans who survived the attack on Pearl Harbor, veterans who have been severely disabled in the course of their service, and veterans who have received particular distinctions (e.g., the Purple Heart, the Congressional Medal of Honor). As these examples suggest, the special plate requirement limits the scope of the bill to a small subset of California veterans. According to the DMV, there are 34,365 disabled veterans and 5,580 other individuals with specialized license plates that meet the specifications in this bill.

Enforcement challenges. Toll systems often either rely primarily on, or are backstopped by a camera that photographs each vehicle's license plate as it passes through a toll booth. Therefore, toll operators may be able to program their automated systems to identify vehicles displaying qualifying veteran plates. However, this bill provides no direction to toll facility operators regarding administration of this requirement. Additionally, not all toll facilities in the state utilize

license plate cameras. This could complicate enacting this program across the diverse types of tolling facilities in the state and may result in veterans not receiving the benefit intended by this bill. It is also important to consider that some special status plates can be retained on a vehicle by a surviving spouse after the qualifying veteran's death, and as a result the benefits of this bill may extend beyond the intended veteran.

Cost impact on toll facilities. Supporters of this legislation argue that due to the small number of covered veterans, the bill's impact on revenues from toll highways and bridges would be de minimis. Depending on the type of tolling facility, the cost of related programming changes for toll systems is also likely to be relatively minor. It is important to bear in mind, however, that distinguished veterans already receive similar small courtesies, such as discounted fishing licenses and free admission to California state parks. Unlike programs that enhance veterans' access to education, health care, housing, or employment, these small benefits do not substantively improve veterans' opportunities or quality of life. They do, however, deprive public agencies of funds. While any such benefit taken in isolation may seem de minimis, the more that are permitted, the greater the cost to the rest of California's citizens, who must make up the difference.

Veterans who are disabled, survived Pearl Harbor, a Medal of Honor or Purple Heart recipient, or a former Prisoner of War face enough difficulties after their military service. By exempting these veterans from toll charges, we will provide assistance to those who sacrificed for us in service."

Committee comments: Exempting veterans from toll payment in California raises the question of whether various other groups will seek similar treatment. Unlike the exemption for emergency vehicles engaged in emergency response, this exemption is not based on a specific and tangible need without additional specifications. As such, the bill may open the door to additional toll exemptions. Additionally, with the number of specialized plates currently issued, this bill would represent a significant cost to the state if the Commission on State Mandates determines that this bill contains costs mandated by the state.

According to the Author

According to the author, "The minimum wage for California is \$15 an hour. Meanwhile, the toll road from the Bay Area to Sacramento is \$14 roundtrip, which could be someone's entire hour's salary. AB 2949 requires that a vehicle displaying one of the specified veteran's plates be exempted from tolls or other charges on toll roads or bridges."

Arguments in Support

According to the American Legion Department of California, supporters of this bill, "Tolls can be incredibly cost-prohibitive throughout the Bay Area and Southern California, which can result in a significant economic impact on someone who must take a toll road. The minimum wage for California is \$15 an hour.

Meanwhile, the toll road from the Bay Area to Sacramento is \$14 roundtrip, which could be someone's entire hour salary. Given that many jobs can be concentrated in certain regions of the state, it may be necessary for someone to commute daily on a toll bridge for work roundtrip.

These barriers can be prohibitive for disabled veterans, who may find it more difficult to attain a job. According to the Pew Research Center, nearly three in ten disabled veterans say their impairments prevented them from getting or keeping a job at some point in their working lives.

In addition, those with the greatest degree of disability encountered the most obstacles in the workplace – with two-thirds who are 100% disabled saying their impairments prevented them from getting a job.

Lastly, disabled veterans using these tolls roads may be traveling to access ongoing medical treatment. Our disabled veterans should not be further burdened by toll costs in order to seek necessary care."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Appropriations Committee, this bill will result in forgone local revenue of an unknown amount, but likely in excess of \$150,000. If locals file a claim with the Commission on State Mandates, and the commission determines this bill creates a reimbursable state mandate, the state would need to reimburse local costs, most likely from the General Fund.

There are 34,365 disabled veteran's plates currently in circulation. In addition, there is a much smaller number of plates in circulation that are also available to veterans only, such as plates available to former prisoners of war and plates available to recipients of the Congressional Medal of Honor. If 10% of the roughly 40,000 vehicles with such "veterans" plates made four round-trip journeys each year from the Bay Area to Sacramento – a trip the author describes as costing \$14 in tolls – then local toll authorities would forego \$224,000 each year, an amount the state might be required to reimburse.

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 MILITARY AND VETERANS AFFAIRS: 9-0-0

YES: Ramos, Voepel, Boerner Horvath, Daly, Mathis, Muratsuchi, Petrie-Norris, Salas, Smith

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

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