SENATE RULES COMMITTEE

Office of Senate Floor Analyses (916) 651-1520 Fax: (916) 327-4478

THIRD READING

Bill No:AB 1299Author:Bryan (D) and Celeste Rodriguez (D)Amended:3/17/25 in AssemblyVote:21

SENATE TRANSPORTATION COMMITTEE: 13-0, 6/24/25
AYES: Cortese, Strickland, Archuleta, Arreguín, Blakespear, Cervantes, Dahle, Gonzalez, Grayson, Limón, Menjivar, Seyarto, Umberg
NO VOTE RECORDED: Richardson, Valladares

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 75-1, 5/27/25 (Consent) - See last page for vote

SUBJECT: Parking violations

SOURCE: Author

DIGEST: This bill authorizes a local authority to waive or reduce parking penalties at any time if a person can demonstrate circumstances relevant to their inability to pay the penalty, and requires processing agencies to allow indigent persons to request a parking penalty payment plan at any time.

ANALYSIS:

Existing law:

- 1) Authorizes a local authority to allow payment of the parking penalty in installments or defer payments. (Vehicle Code (VEH) § 40215)
- 2) Provides several options to processing agencies collecting unpaid parking penalties for tickets, including filing an itemization of unpaid parking penalties and service fees with the 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 the determination if a person is indigent 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. (VEH § 40220)
- 3) 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. (VEH § 40220)
- 4) 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. (VEH § 40220)
- 5) 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, Supplemental Nutrition Assistance Program (SNAP, or more commonly known as food stamps), Medi-Cal or In-Home Supportive Services . (VEH § 40220)

This bill:

- 1) Authorizes an issuing agency to consider at any time any other extenuating circumstances relevant to the payment of the parking penalty, including but not limited to, documented homeless status and financial hardship, when deciding to reduce or suspend parking penalties.
- 2) Requires processing agencies to extend the period of time they offer payment plans to indigent persons from within 120 days of receiving the parking ticket to any time in order for the issuing agency to use DMV as a collection agent.

Comments

- 1) *Purpose of this bill.* According to the author, "AB 1299 is a common sense bill that gives local government's discretion to reduce or waive parking penalties based on the individual's circumstances, including, but not limited to, financial hardship. For people living in poverty, parking tickets pose are a severe financial burden that can quickly spiral from a \$52 fine to a vehicle registration hold. This bill gives local agencies the ability to look at a person's whole circumstance when deciding an action on a parking ticket. For situations where a parking ticket can push an individual from poverty to financial crisis, local jurisdictions should have the ability to do what is best for their constituent."
- 2) High Burden of Parking tickets. Unpaid parking tickets can pose a significant burden for low-income individuals. Parking tickets can initiate a cascading effect of worsening consequences, from mounting fines, to the vehicle being towed, to a lien sale of the vehicle by the tow company at a total loss to the owner. According to the 2019 report *Towed into Debt: How Towing Practices in California Punish Poor People*, "[s]tatewide, over one fourth of tows are conducted just because the owner had unpaid parking tickets, lapsed registration, or parked in one place for 72 hours. Vehicles towed for these reasons are 2-6 times more likely to be sold at lien sale than the average towed car." The report identified that in San Francisco 50% of vehicles towed for unpaid parking tickets were sold by the tow company, while only 9% of all vehicles towed were sold.
- 3) *Past legislative efforts*. Under current law, processing agencies are already required to take several steps prior to asking DMV to collect the unpaid debt from indigent individuals, including establishing a payment program and waiving late fees and penalty assessments. The Legislature passed AB 503 (Lackey, Chapter 741, Statutes of 2017) to stem the spiral of debt for an

indigent person. The bill reduced parking penalties for indigent individuals by requiring the offering of a payment plan and the waiver of penalties. Assemblymember Lackey introduced two follow-up bills as a result of processing agencies trying to circumvent implementing the law. AB 2544 (Lackey, Chapter 494, Statutes of 2018), clarified that parking agencies had to offer payment plans for tickets issued before 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 too late penalties because the City of Sacramento was refusing to provide payment plans for 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 3277 also lengthened the period of time an individual can request a payment plan from 60 calendar days from the issuance of a parking violation to 120 days from the issuance of a parking violation.

4) Flexibility for issuing agencies. This bill grants greater flexibility to agencies issuing parking tickets, easing restrictions on their ability to reduce, suspend, or offer payment plans for parking fines for individuals experiencing homelessness. First, this bill removes the requirement that a person who received a parking ticket must request a payment plan for their fine within 120 days. Instead, under this bill, a person could request to participate in a repayment plan at any time. According to this bill's sponsors, some individuals who need payment plans miss the 120 day window and thus become ineligible for payment plans. Second, this bill allows the issuing agency to defer, reduce, or waive the parking penalty at any time if the ticketed person can demonstrate their inability to pay, or other extenuating circumstances, such as homelessness or financial hardship. This provision is permissive to the issuing agency. Currently, an issuing agency is limited as to when, why, and to what extent they can reduce penalties.

Research indicates that reducing fines and fees results in greater repayment rates. According to an analysis by the Judicial Council of California of citation repayment data, "repayment success rates increased as the ordered amount decreased. Furthermore, the results of these three studies align on the proportional relationship between repayment likelihood and the amount ordered, showing an approximately 20 percent repayment rate at fines exceeding \$500 and increasing approximately 10 percent with each subsequent reduction of \$100 up to 70 percent for amounts between \$0 and \$100."

Related/Prior Legislation

AB 1022 (Kalra, 2025) – Would have removed the authority for a peace officer to impound a vehicle for having five or more unpaid parking tickets. This bill was held in the Assembly Appropriations Committee.

SB 1487 (Glazer, 2024) – Would have prohibited a late payment penalty for a parking violation from exceeding 30% of the original penalty and would extend the time to pay a parking violation before additional penalties accrue. This bill was held in Assembly Appropriations Committee on suspense.

AB 1082 (Kalra, 2023) – Would have, among other provisions, revised the ability of local processing agencies to refer delinquent parking violations to the DMV and revised requirements for payment plans. This bill was held in the Senate Appropriations Committee on suspense.

AB 1685 (Bryan, 2022) – Would have required processing agencies to forgive at least \$1,500 in parking fines and fees annually for a qualified homeless person. The bill was vetoed by Governor Newsom.

AB 3277 (Jones-Sawyer, Chapter 55, Statutes of 2020) – Made various eligibility and programmatic changes to the payment plan program administered by local agencies relative to parking citations.

AB 503 (Lackey, Chapter 741, Statutes of 2017) – Required the offering of a payment plan and the waiver of penalties for indigent people with unpaid parking tickets prior to filing an itemization of them at the DMV, starting on July 1, 2018.

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

SUPPORT: (Verified 7/7/25)

Bay Area Legal Aid California Housing Partnership California Mobility and Parking Association Coalition of California Welfare Rights Organization Communities United for Restorative Youth Justice Community Legal Services in East Palo Alto Debt Free Justice California Grace Institute - End Child Poverty in CA Housing California Initiate Justice John Burton Advocates for Youth Justice2jobs Coalition Los Angeles City Attorney's Office

San Francisco Public Defender

Western Center on Law & Poverty

OPPOSITION: (Verified 7/7/25)

None received

ASSEMBLY FLOOR: 75-1, 5/27/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
NOES: DeMaio
NO VOTE RECORDED: Bennett, Jeff Gonzalez, Nguyen

Prepared by: Isabelle LaSalle / TRANS. / (916) 651-4121 7/8/25 16:38:51

**** END ****