

Date of Hearing: April 14, 2026

ASSEMBLY COMMITTEE ON JUDICIARY
Ash Kalra, Chair
AB 1650 (Caloza) – As Amended April 6, 2026

As Proposed to be Amended

SUBJECT: RENTAL VEHICLES: LAW ENFORCEMENT

KEY ISSUE: SHOULD LAW ENFORCEMENT BE REQUIRED TO AFFIX A TEMPORARY IDENTIFYING DECAL TO ANY RENTAL VEHICLE USED FOR LAW ENFORCEMENT OPERATIONS IN THE STATE?

SYNOPSIS

Since returning to power in January 2025, the Trump Administration's aggressive immigration enforcement activities have wrought fear and frustration in communities across the country. Because federal authorities appeared wholly unprepared to tackle the sweeping scale of immigration enforcement while employing the public intimidation tactics favored by the President, they have been forced to utilize rental vehicles to carry out law enforcement activities. While this has produced at-times comical images of federal agents falling out of the back of U-Haul trucks or toddling around midwestern neighborhoods in entry-level rental cars, these enforcement techniques carry significant threats to public safety. These risks are why existing state law recognizes that it is imperative for law enforcement to identify themselves. Accordingly, California law requires law enforcement vehicles to be readily recognizable to the general public by mandating the use of flashing lights and various official emblems.

Building on existing California law, this bill would require all rental cars used in law enforcement activities in the state to display a temporary decal on the vehicle with the agency's name or insignia. This requirement would only attach when the vehicle is being used for enforcement activities. The bill would exempt plain clothes and undercover operations as well as exigent circumstances. As proposed to be amended, the bill requires rental car companies to explain the decal mandate in a rental contract and permits the rental car company to require the law enforcement agency to indemnify them for any violations the law enforcement agency may commit. Finally, the bill adopts standard public prosecutor civil penalty provisions.

This bill is supported by a range of immigrant advocates, labor groups, and student associations. The proponents contend this bill will help keep California communities safer by requiring law enforcement to identify themselves when conducting enforcement activities. The bill is opposed by the California Chamber of Commerce who argues businesses should not have to stand in between a policy dispute between the state and federal government. The Peace Officers Research Association of California opposed a prior version of this measure and it is unclear if the current version as in print, and as proposed to be amended, is still objectionable to the group and its front-line law enforcement members. Should this bill be approved by this Committee it will subsequently be heard by the Committee on Public Safety.

SUMMARY: Requires a law enforcement agency that rents a vehicle for the purpose of detaining, arresting, or transporting persons who have violated, or are suspected of having violated, any law to display a decal on the side of the vehicle. Specifically, **this bill:**

- 1) Requires any privately owned vehicle rented by, or furnished to, any federal, state, or local law enforcement agency for the use of detaining, arresting, or transporting persons who have violated, or are suspected of having violated, any law, to have a temporary decal displaying the agency name and logo.
- 2) Requires the decal described in 1) to display in sharp contrast to the background on the front door panels and shall be of such size, shape, and color as to be readily legible during daylight hours from a distance of 50 feet the indica or name of the law enforcement entity.
- 3) Provides that the provisions of 1) do not apply to the following circumstances:
 - a) An officer engaged in plainclothes operations who is employed by the Business, Consumer Services, and Housing Agency, the Office of Law Enforcement Support, the California Health and Human Services Agency, the Labor and Workforce Development Agency, the Natural Resources Agency, the Department of Corrections and Rehabilitation, the Transportation Agency, the California Environmental Protection Agency, the Government Operations Agency, or by any department, board, commission, or other entity within those agencies or the federal equivalent of these state agencies;
 - b) Exigent circumstances involving an imminent danger to persons or property, the escape of a perpetrator, or the destruction of evidence, including if the officer is responding to one of these circumstances while off duty;
 - c) Privately owned vehicles rented to, or otherwise furnished or loaned to a Special Weapons and Tactics or tactical team unit that is actively performing their tactical team responsibilities; or
 - d) Privately owned vehicles rented to, or otherwise furnished or loaned to, an officer engaged in protective operations involving elected officials, judicial officers, or other designated dignitaries if the display of identification would compromise the safety, anonymity, or tactical effectiveness of the protection detail.
- 4) Requires the terms and conditions of the rental car contract to specify compliance with the temporary decal requirement and permits the contract terms to require the law enforcement agency to indemnify the owner of the private vehicle.
- 5) Provides that a failure to display a decal in accordance with this section shall subject the entity renting the vehicle from the private owner to liability that shall be enforced by a civil action, brought in the name of the people of California by the Attorney General, a district attorney, county counsel, or a city attorney, who may seek injunctive or declaratory relief.
- 6) Provides that a prevailing plaintiff in an action brought pursuant to 5) is entitled to reasonable attorney's fees and costs.
- 7) Makes various findings and declarations.
- 8) Provides that the bill only applies to cars rented on or after January 1, 2027.

EXISTING LAW:

- 1) Provides, as a matter of legislative policy, that red lights and sirens on vehicles should be restricted to authorized emergency vehicles engaged in police, fire and lifesaving services; and that other types of vehicles which are engaged in activities which create special hazards upon the highways should be equipped with flashing amber warning lamps. (Vehicle Code Section 30.)
- 2) Requires every authorized emergency vehicle to be equipped with at least one steady burning red warning lamp visible from at least 1,000 feet to the front of the vehicle, as specified. (Vehicle Code Section 25252.)
- 3) Provides that a rental company and a renter may agree that the renter will be responsible for no more than all of the following:
 - a) Physical or mechanical damage to the rented vehicle up to its fair market value, as determined in the customary market for the sale of that vehicle, resulting from collision regardless of the cause of the damage;
 - b) Loss due to theft of the rented vehicle up to its fair market value, as determined in the customary market for the sale of that vehicle, provided that the rental company establishes by clear and convincing evidence that the renter or the authorized driver failed to exercise ordinary care while in possession of the vehicle, as specified;
 - c) Physical damage to the rented vehicle up to its fair market value, as determined in the customary market for the sale of that vehicle, resulting from vandalism occurring after, or in connection with, the theft of the rented vehicle;
 - d) Physical damage to the rented vehicle up to a total of five hundred dollars (\$500) resulting from vandalism unrelated to the theft of the rented vehicle;
 - e) Actual charges for towing, storage, and impound fees paid by the rental company if the renter is liable for damage or loss; and
 - f) An administrative charge, which includes the cost of appraisal and all other costs and expenses incident to the damage, loss, repair, or replacement of the rented vehicle. (Civil Code Section 1939.03.)
- 4) Specifies the content of optional damage waivers in a rental car contract. (Civil Code Section 1939.09 (c).)
- 5) Defines the following terms:
 - a) “Rental company” means a person or entity in the business of renting passenger vehicles to the public;
 - b) “Renter” means any person in a manner obligated under a contract for the lease or hire of a passenger vehicle from a rental company for a period of less than 30 days. (Civil Code Section 1939.01.)

- 6) Defines a “passenger vehicle” as any motor vehicle, other than a motortruck, truck tractor, or a bus and used or maintained for the transportation of persons. (Vehicle Code Section 465.)

FISCAL EFFECT: As currently in print this bill is keyed fiscal.

COMMENTS: Since returning to office in January of 2025, the Trump Administration has prioritized aggressive and unprecedented crackdowns against undocumented immigrants, immigrants with lawful status, and American citizens who stand-up to protect their neighbors. The U.S. Immigration and Customs Enforcement’s own website brags about arresting and commencing deportation proceedings against 26,000 people in 2025. Even more troubling than the arbitrary nature of the federal government’s immigration crackdown is the reckless tactics utilized by many federal law enforcement officers.

One troubling tactic has been the use of unmarked rental vehicles for immigration enforcement. These unmarked vehicles stalk suspected immigrants and those who seek to protect them. Because these rental vehicles are unmarked, it is not at all apparent that a person is being followed by law enforcement. Accordingly, this bill would require all law enforcement agencies renting vehicles in California for the purpose of conducting law enforcement activity to display a temporary decal on the side of the vehicle denoting the vehicle as belonging to law enforcement. In support of this common sense measure, the author states:

ICE is terrorizing our communities—in our schools, businesses, places of worship, neighborhoods, and our own homes. The practice of using privately-owned rented vehicles in ICE raids creates confusion as to whether ICE agents are acting with lawful authority and places motorists and pedestrians in danger. AB 1650 enhances the safety of all persons present during an ICE raid. AB 1650 holds the Trump Administration accountable and lets them know that if they come for one of us, they come for all of us. While ICE is tearing families apart and kidnapping children, Trump is building a multi-million dollar ballroom and is cutting billions of dollars in healthcare. As leaders and legislators, we should be working to fix our broken immigration system with humanity, not advancing policies that deny dignity, opportunity, and justice for all.

The use of rental vehicles has become a hallmark of federal immigration enforcement. While the massive rollout of immigration enforcement is clearly being coordinated and managed through the White House to target cities that particularly displease the President, like many actions undertaken by the Trump Administration, some aspects of the current immigration enforcement scheme can be described as haphazard at best. Because federal officials likely lacked sufficient vehicles and other resources to meet the scale of President Trump’s immigration enforcement demands, the agency has had to rely on rented vehicles. From agents jumping out of yellow Penske rental trucks in Los Angeles like wannabe commandos (*Border patrol agents use unmarked rental truck to ambush people at LA Home Depot – video*, The Guardian (Aug. 6, 2025) available at: <https://www.theguardian.com/us-news/video/2025/aug/06/border-patrol-agents-use-unmarked-rental-truck-to-ambush-people-at-la-home-depot-video>) to agents clearly driving around midwestern cities in rental cars procured from airport rental facilities, the almost comical nature of some federal law enforcement actions belies the dangers that these actions pose to impacted communities.

For example, the Illinois Secretary of State discovered that federal agents were swapping the license plates of rental vehicles to avoid detection during Operation Midway Blitz, a targeted enforcement campaign aimed at predominantly Latino neighborhoods in Chicago. (Natasha

Korecki, *Illinois officials warn rental car companies that it is illegal for immigration agents to swap license plates*, NBC News (Dec. 2, 2025) available at: <https://www.nbcnews.com/news/us-news/illinois-rental-car-license-plates-immigration-agents-illegal-rcna246115>.) Not only is swapping license plates a violation of Illinois law, the tactic made it harder for rental car companies to track their own vehicles. This is on top of the terror that unmarked vehicles plucking unsuspecting people from their streets inflicted on communities.

While many early efforts to stop this behavior, including those originally taken by the Illinois Secretary of State, targeted ire at rental car companies, the companies themselves note it is nearly impossible to stop federal law enforcement from utilizing their vehicles. For starters, even if a vehicle is booked through a corporate account, the desk staff at a rental agency may not know the car was rented by law enforcement. Furthermore, there is nothing stopping federal agents from renting cars in their personal capacity and then using them for federal law enforcement. Accordingly, safeguards must be aimed at the *renter* of the vehicle and not the *car rental company* who may not be aware of the purpose for renting a vehicle.

This bill would require all law enforcement, not just the federal government, to identify itself when using rental vehicles in enforcement actions. Existing California law, found in several sections of the Vehicle Code, establishes a statutory scheme whereby law enforcement vehicles operating in this state must be readily identifiable. This protects both law enforcement, as they are easily identifiable, and the public who know a vehicle represents a government official. However, when law enforcement utilizes unmarked rental vehicles for official law enforcement activities, this statutory scheme becomes frustrated and the danger to individual law enforcement officers and the general public grows.

Accordingly, this bill would require all law enforcement agencies, from the local level to the federal government, to apply a temporary decal to a rental vehicle with the law enforcement agency's insignia or name prominently displayed. This would apply only when the vehicle is being utilized to detain, arrest, or transport persons who have violated, or are suspected of having violated, any law. Thus, this bill would not apply to a police officer renting a vehicle to attend a conference or other non-enforcement related use. The bill provides carveouts for certain plain clothes and undercover operations as well as exigent circumstances when an officer has no choice but to detain a person to deter an imminent threat to public safety.

The bill makes the decal provisions enforceable by a civil action brought by the Attorney General, district attorneys, and local civil prosecutors. Finally, proposed amendments require the rental car company to specify in rental agreements that the decal is mandatory and provides the rental car company the ability to seek indemnity should they be inadvertently brought into litigation surrounding this bill.

Proposed amendments seek to clarify that liability for violating this bill falls onto the law enforcement agency and not the rental car provider. The bill is opposed by the California Chamber of Commerce who contends, "we do not believe that businesses should be compelled to participate in disagreements between California policymakers and the federal policies of the present – or any future – administration." This point is well taken and the author notes that recent amendments were designed to ensure that the rental car company would not have to be at the forefront of enforcing state law.

However, the author recognizes that the bill in print may contain sufficient ambiguity as to require rental car agencies to have to proactively enforce this bill or incur liability. The author proposes two amendments to seek to mollify the business community's concerns.

First, to clarify that liability only attaches to the law enforcement entity renting the vehicle, the civil action section of the bill is being amended to read:

(c) (1) A failure to display a decal in accordance with this section shall subject the entity renting the vehicle *from the private owner* to liability that shall be enforced by a civil action, brought in the name of the people of California by the Attorney General, a district attorney, county counsel, or a city attorney, who may seek injunctive or declaratory relief.

Additional amendments will require the rental agency to add to the terms of all rental agreement provisions noting that if the vehicle is utilized for law enforcement activities a decal must be applied. Secondly, the bill clarifies that the rental agency may require a law enforcement agency to indemnify them for all harms committed by a law enforcement agency renting a vehicle. That new subdivision will read:

(d) The terms and conditions of the rental car contract shall specify that compliance with the temporary decal requirement of subdivision (a) is mandatory. The contract may include a term requiring the law enforcement agency to indemnify the owner of the private vehicle.

It is not clear if these amendments fully address opposition concerns, but they are designed to signal that the business community is not the target of the measure and that the author is willing to address their concerns.

ARGUMENTS IN SUPPORT: This bill is supported by several immigration advocates, labor organizations, and student groups. In support of the bill, Homies Unidos writes:

Since the summer of 2025, ICE agents have been raiding the streets, targeting immigrant communities, families, and innocent civilians. Starting with the raids in Los Angeles, suspect ICE enforcement activities have spread throughout California, including in San Diego, Sacramento, San Francisco, and other cities. Advocacy campaigns and public debates have exposed that rental companies provide vehicles for ICE operations, prompting protests and calls for corporate accountability.

Homies Unidos strongly support AB 1650 because in the Westlake, Koreatown and Pico Union, we have seen our community terrified by masked ICE agents coming out of rental trucks and snatching people like kidnappers in countries our immigrants are fleeing from. Our community has concerns that ICE, with the millions of dollars allocated should drive their own vehicles to be recognized.

Prohibiting rental vehicles from being used in activities that violate people's rights prevents the misuse of commercial services and enhances community trust.

ARGUMENTS IN OPPOSITION: As noted this bill is opposed by the California Chamber of Commerce and the Peace Officers Research Association of California. In opposition the Chamber writes:

AB 1650 creates new requirements for rental cars such that, if they are used by law enforcement (including immigration detention) for “detaining, arresting, or transporting persons who have violated ... any law,” then they must have decals that clearly delineate the agency using the vehicle. Then, AB 1650 creates limited exceptions for certain agencies and circumstances.

To enforce its provisions, AB 1650 then gives enforcement authority to the Attorney General, district attorneys, city attorneys, or county counsel to sue the renting company and allows the recovery of attorney’s fees and costs.

Notably, AB 1650 makes no consideration for if a renting individual or agency rents a vehicle with appropriate decals but then removes them. In other words – AB 1650 is an attempt to prevent federal law enforcement from using rental vehicles – but places the burden on the rental car company to determine the purposes for which the vehicle will be used, and to potentially refuse service to such law enforcement. Obviously, this comes in the context of federal *immigration* enforcement – but the law is not limited to such specific activities or to this administration.

REGISTERED SUPPORT / OPPOSITION:

Support

AAPI Equity Alliance
Associated Students of the University of California
Associated Students UCSB
California Community Foundation
CFT – a Union of Educators & Classified Professionals, AFT, AFL-CIO
Homies Unidos INC
International Institute of Los Angeles
Pilipino Workers Center
UCLA Undergraduate Student Association Council

Opposition

California Chamber of Commerce
Peace Officers Research Association of California (prior version)

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