

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1650 (Caloza) – As Amended April 23, 2026

Policy Committee:	Judiciary	Vote:	9 - 3
	Public Safety		7 - 2

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill requires any privately owned vehicle rented by, or furnished to, a federal, state, or local law enforcement agency for use in detaining, arresting, or transporting persons to display a temporary decal showing the agency name and logo, subject to specified exceptions, and authorizes the Attorney General, district attorneys, county counsel, and city attorneys to bring civil actions for injunctive or declaratory relief against agencies that fail to comply.

Specifically, this bill:

- 1) Exempts plainclothes operations by specified state agencies and their federal equivalents, exigent circumstances, SWAT and tactical team operations, dignitary protection details where identification would compromise the operation, and active undercover operations or investigative activities.
- 2) Authorizes the Attorney General, district attorneys, county counsel, or city attorneys to bring civil actions for injunctive or declaratory relief against the renting agency and entitles a prevailing plaintiff to reasonable attorney’s fees and costs.
- 3) Requires rental car contracts to specify that decal compliance is mandatory and permits contracts to require the law enforcement agency to indemnify the rental owner.
- 4) Applies only to rental car contracts entered into on or after January 1, 2027.

FISCAL EFFECT:

- 1) Possible costs (General Fund, special funds) to the Department of Justice (DOJ) of an unknown amount. Actual costs will depend on whether the Attorney General pursues enforcement actions, and, if so, the level of additional staffing needed by DOJ to handle the related workload. If DOJ hires staff to handle enforcement actions authorized by this bill, the department would incur significant workload costs, likely in the low hundreds of thousands of dollars annually at a minimum. If DOJ does not pursue enforcement as authorized by this bill, the department would likely not incur any costs.
- 2) Cost pressures (Trial Court Trust Fund, General Fund) of an unknown but potentially significant amount to the trial courts to adjudicate matters under the bill. One hour of court time has an estimated cost of approximately \$1,000; even a small number of contested matters could generate court costs exceeding the \$150,000 suspense threshold. Although courts are not funded on the basis of workload, increased pressure on the Trial Court Trust

Fund may create a need for increased funding for courts from the General Fund. The state budget provides annual General Fund backfills to the Trial Court Trust Fund to offset revenue reductions, totaling approximately \$117.3 million in 2025-26.

The Legislative Analyst's Office recently warned of General Fund structural deficits of around \$35 billion per year beginning in the 2027-28 fiscal year.

COMMENTS:

1) **Purpose.** According to the author:

Since the summer of 2025, enforcement activities by ICE have intensified across our state... we have seen growing concern on the use of unmarked rental vehicles in enforcement operations that have involved arrest, detention, and transport of members of our community. When vehicles used by government agencies lack proper identification, it becomes difficult for the public to distinguish between legitimate law enforcement and bad actors.

2) **Background.** California law generally requires that authorized emergency vehicles operated by law enforcement agencies be readily identifiable, including through standardized warning lamps, sirens, and other identification features. SB 805 (Pérez), Chapter 126, Statutes of 2025, required non-uniformed peace officers and federal law enforcement officers operating in California to visibly display identification while performing enforcement duties. The Ninth Circuit enjoined the federal-officer application on April 22, 2026, on intergovernmental immunity grounds.

Use of unmarked rental vehicles by federal law enforcement, including U.S. Immigration and Customs Enforcement and U.S. Customs and Border Protection, has drawn public attention in the context of federal immigration enforcement operations in California beginning in summer 2025. The Public Safety Committee analysis cites incidents in Los Angeles in which Border Patrol agents conducted enforcement operations using unmarked rental trucks, and reporting from Illinois that federal agents were swapping license plates on rental vehicles to avoid detection.

The bill responds by requiring privately owned vehicles rented by or furnished to federal, state, or local law enforcement agencies for use in detention, arrest, or transport to display a temporary agency-identification decal, subject to exceptions for plainclothes, undercover, tactical, exigent, and protective operations modeled after the exceptions in SB 805. To the extent the bill is challenged in court, any defense costs would be borne by the Department of Justice.

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