
THIRD READING

Bill No: AB 1650
Author: Caloza (D), et al.
Amended: 8/13/26 in Senate
Vote: 21

SENATE JUDICIARY COMMITTEE: 11-2, 6/23/26

AYES: Umberg, Allen, Ashby, Caballero, Durazo, Laird, Reyes, Stern, Wahab,
Weber Pierson, Wiener

NOES: Niello, Valladares

SENATE PUBLIC SAFETY COMMITTEE: 5-1, 6/30/26

AYES: Arreguín, Caballero, Cortese, Pérez, Wiener

NOES: Seyarto

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/13/26

AYES: Cervantes, Cabaldon, Grayson, Richardson, Wahab

NOES: Seyarto, Dahle

ASSEMBLY FLOOR: 59-20, 5/27/26 - See last page for vote

SUBJECT: Rental vehicles: law enforcement

SOURCE: Author

DIGEST: This bill requires any privately owned vehicle rented by, or furnished to, any federal, state, or local law enforcement agency for use in detaining, arresting, or transporting persons suspected of violating any law to display a temporary decal displaying the agency name and logo, as specified.

ANALYSIS:

Existing law:

- 1) 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 (Veh.) Code § 25252.)
- 2) 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 a 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. (Civ. Code § 1939.03.)
- 3) Specifies the content of optional damage waivers in a rental car contract. (Civil (Civ.) Code § 1939.09 (c).)
- 4) Defines the following terms, for the purposes of various provisions regulating vehicle rentals:
 - a) “rental company” to mean a person or entity in the business of renting passenger vehicles to the public;
 - b) “renter” to mean 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. (Civ. Code § 1939.01.)

This bill:

- 1) Makes various findings and declarations related to public safety and the need to appropriately mark rental vehicles used by law enforcement agencies.
- 2) Specifies that 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, must be required to have a temporary decal displaying the agency name and logo.
- 3) Requires that the indicia or name of the governmental entity operating the vehicle be displayed in sharp contrast to the background on the front door panels and must be of such size, shape, and color as to be readily legible during daylight hours from a distance of 50 feet. Requires the governmental entity to create and affix the temporary decal to the vehicle.
- 4) Specifies that the requirement described in (2) and (3), above, does not apply to:
 - a) an officer engaged in plainclothes operations;
 - 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 while off duty;
 - c) a Special Weapons and Tactics or tactical team unit that is actively performing their tactical team responsibilities, including predeployment, staging, and training use;
 - d) 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;
 - e) an officer engaged in surveillance, active undercover operations, or investigative activities; or
 - f) when the vehicle is used solely for the transport of a person who is already in lawful custodial status following arrest pursuant to a judicial warrant issued by a court of competent jurisdiction, or pursuant to a judicially issued extradition order, and is being transported to or from a custodial facility or transportation hub, where the officer reasonably determines that the display of a decal would compromise officer safety, public safety, or the security of the person being transported, as specified.
- 5) Specifies that a failure to display a decal in accordance with these provisions shall subject the entity renting the vehicle to liability to be enforced in a civil action by the Attorney General, a district attorney, county counsel, or a city

attorney. Permits such suits to be for injunctive or declaratory relief, and provides that a prevailing party is entitled to all reasonable attorney's fees and costs.

- 6) Requires the terms and conditions of the rental car contract to specify that compliance with the temporary decal requirement is mandatory, and permits the contract to include a term requiring the law enforcement agency to indemnify the owner of the private vehicle.
- 7) Specifies that these provisions do not apply to any rental car contract entered into prior to January 1, 2027.

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

According to the Senate Appropriations Committee:

Up to \$1.4 million in FY 2025-27 and up to \$2.5 million annually to investigate and pursue civil action against the entity renting vehicle from the private owner for failure to comply with the display requirements of the bill.

Unknown, potentially significant costs to the courts to adjudicate new penalties depending on many unknowns, including the numbers of people charged and the factors unique to each case. An eight-hour court day costs approximately \$10,500 based on the hourly rate of court personnel including at minimum the judge, clerk, bailiff, court reporter, jury administrator, administrative staff, and jury per-diems. While the courts are not funded on a workload basis, an increase in workload could result in delayed court services and would put pressure on the General Fund to fund additional staff and resources. The FY 2026-27 Budget appropriated \$70 million General Fund for this purpose (Trial Court Trust Fund, General Fund).

SUPPORT: (Verified 8/12/26)

California Faculty Association
California School Employees Association
CFT – a Union of Educators & Classified Professionals, AFT, AFL-CIO
Coalition for Humane Immigrant Rights
SEIU California
United Domestic Workers/AFSCME Local 3930

OPPOSITION: (Verified 8/12/26)

California State Sheriff's Association

ARGUMENTS IN SUPPORT:

According to SEIU California, which supports AB 1650:

The Supreme Court of the United States ruled that targeting service workers was justified. That is why it should be no surprise that, in the recent raids in Minnesota, over 30 service workers who are members of our union were arrested and detained. Since the summer of 2025, ICE raids targeting immigrant communities and families that began in Los Angeles have spread to San Diego, Sacramento, San Francisco, and other cities.

Among the locations that rental car companies operate out of are airports where SEIU United Service Workers West (USWW) members work. Requiring temporary decals would likely reduce the likelihood these workers would encounter immigration enforcement activity.

ARGUMENTS IN OPPOSITION:

According to the California State Sheriff's Association, which is opposed to AB 1650:

[AB 1650] would require any privately owned vehicle rented by, or furnished to, any law enforcement agency for the use of detaining, arresting, or transporting persons who have violated, or are suspected of having violated, any law, shall be required to have a temporary decal displaying the agency name and logo.

AB 1650 acknowledges that its provisions would create a security problem that burdens law enforcement agencies and attempts to address that notion by exempting several situations from the bill's reach. Unfortunately, there are other scenarios that are not excluded that create problems for law enforcement (e.g., cars used by local officers engaged in plainclothes operations or driven by the elected sheriff).

Also, all indications are that this bill is focused on federal immigration authorities and their enforcement practices. This is one of a number of bills that attempts to regulate federal practices and at the same time implicates state and local law enforcement. As we have already seen with bills enacted during this session, it is not uncommon for courts to eliminate such bills' application to

federal entities, thereby leaving the measures to only apply to state and/or local agencies.

ASSEMBLY FLOOR: 59-20, 5/27/26

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NOES: Alanis, Castillo, Chen, Davies, DeMaio, Dixon, Ellis, Flora, Gallagher, Jeff Gonzalez, Hadwick, Hoover, Johnson, Lackey, Macedo, Patterson, Sanchez, Ta, Tangipa, Wallis

NO VOTE RECORDED: Celeste Rodriguez

Prepared by: Ian Dougherty / JUD. / (916) 651-4113
8/17/26 13:58:34

**** END ****