

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

AB 1765 (Alanis) – As Amended March 5, 2026

Policy Committee: Transportation Vote: 16 - 0
 Military and Veterans Affairs 8 - 0

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

SUMMARY:

This bill increases, from less than 8,001 pounds unladen weight to less than 10,001 pounds unladen weight, the weight limit of a commercial motor vehicle for which the Department of Motor Vehicles (DMV) may waive registration fees to be paid by a qualified disabled veteran, former American prisoner of war, surviving spouse of a former American prisoner of war, Congressional Medal of Honor recipient and surviving spouse of a Congressional Medal of Honor recipient.

FISCAL EFFECT:

This bill will have two fiscal effects: DMV administrative and information technology (IT) costs to implement the bill and loss of revenue to, primarily, the Motor Vehicle Account (MVA).

The dollar amount of DMV’s administrative and IT costs is unknown but, inferring from information provided by DMV (see below), likely in the hundreds of thousands to millions of dollars. The DMV estimates the loss in fee revenue in the hundred of thousands of dollars, mainly to the MVA, based on the following:

- Approximately 21,000 commercial vehicles with disable veteran license plates, between 5% and 10% of which would qualify for the bill’s fee waiver.
- Approximately 1,400 commercial vehicles with Purple Heart license plates, between 5% and 10% of which would qualify for the bill’s fee waiver.

Fees and Revenue Loss			
	Fee Amounts	Lost Revenue (Low--5%)	Lost Revenue (High--10%)
Registration (MVA)	76	85,120	170,240
California Highway Patrol (MVA)	34	38,080	76,160
Vehicle License (Local Gov)	106	118,720	237,440
Transportation Infrastructure Fee (Roads)	81	90,720	181,440
Weight Fee (State Highway Account)	120	134,400	268,800
Totals	\$ 417	\$ 467,040	\$ 934,080

Regarding DMV IT costs, the DMV has generally warned, in relation to any recent bill that the DMV concludes will require it to modify its IT systems, that it is undertaking a comprehensive modernization of its IT systems and accommodating new requirements into that modernization effort would delay overall implementation and increase costs of the upgrade considerably.

The Motor Vehicle Account, the main funding source for both the DMV and the California Highway Patrol, faces insolvency. The Legislative Analyst's Office (LAO) advises, "Until a plan is put in place to address MVA's structural deficit, we recommend the Legislature set a high bar for considering approval of any proposals that create additional MVA cost pressures and accelerate the risk of insolvency."

COMMENTS:

Existing law exempts certain individuals—veterans and their surviving spouses—from the requirement to pay vehicle registration fees. Those individuals are (1) disabled veterans, (2) former prisoners of war, (3) recipients of the Congressional Medal of Honor and (4) surviving spouses of former prisoners of war or of recipients of the Congressional Medal of Honor who have elected to retain the relevant special license plates issued pursuant to state law. Starting on January 1, 2027, state law will similarly exempt from vehicle registration fees a recipient of the Purple Heart.

Vehicles to which this exemption applies include a passenger motor vehicle, a motorcycle or a commercial vehicle that weighs no more than 8,000 pounds. The author contends this weight limit oftentimes results in individuals who state law exempts from paying vehicle registration fees paying such fees, nonetheless. According to the author:

many disabled veterans rely on heavy-duty vehicles, including 2500- and 3500-series pickup trucks, to safely and lawfully tow recreational trailers such as travel trailers, fifth-wheel campers, and toy haulers. AB 1765 would eliminate the weight cap, thereby expanding eligibility for the DV fee exemption to ensure disabled veterans are not excluded based solely on the weight classification of their vehicle.

The Peace Officers Research Association of California agrees, writing "many modern vehicles, including trucks and SUVs commonly used by veterans and their families, now exceed the current weight limit, unintentionally excluding otherwise eligible individuals from receiving this benefit."

There is no opposition registered against this bill.

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