

CONCURRENCE IN SENATE AMENDMENTS

AB 2437 (Chen)

As Amended June 15, 2026

Majority vote

SUMMARY

Requires an impounding agency to accept valid bank debit cards and prohibits it from requiring a legal owner or legal agent to present any documentation other than the documents specified in statute to obtain a vehicle from an impounding agency after it has been impounded.

Senate Amendments

- 1) Make technical, clarifying changes.
- 2) Add additional circumstances in which an impounding agency must accept a valid bank debit card.
- 3) Require the Towing and Storage Fees and Access Notice to include that a towing company must accept a valid bank debit card.

COMMENTS

Debit cards. The debit card has been around since 1966 and started as a pilot program by the Bank of Delaware. In 1990 there were around 300 million debit card transactions. By 2009, prepaid cards and debit cards were used in 37.6 billion transactions. Despite this, the sponsors of this bill claim that towing and storage facilities are refusing to accept debit cards as a form of payment to keep cars longer so that they can charge higher fees or even sell the cars at auction. They also claim storage facilities require them to provide additional documents than what is required by law to prolong storage of a vehicle.

In order to address this problem, this bill adds debit cards to the list of payments towing and storage facilities must accept and require storage facilities to accept a combination of payments, and if their credit or debit card machine is not working, requiring them to make a telephone call to authorize the charge.

According to the Author

"Currently, consumers and repossessionors face delays in retrieving impounded vehicles due to administrative burdens and inconsistent release procedures in code. This bill seeks to lift those burdens and prevent delays by ensuring that debit cards can be utilized when retrieving a impounded vehicle from the tow yard, that only the documentation required by statute is needed for a repossessionor to retrieve a vehicle from a tow yard, and streamlining vehicle codes to utilize one, consistent, release procedure that requires expired registration be current before a consumer can retrieve their vehicle from a repossession agency."

Arguments in Support

The California Association of Licensed Repossessionors, *the sponsors of this bill*, argue "Current law allows for credit cards to be used when retrieving a vehicle from impound. AB 2437 would clarify that debit cards must also be accepted. The bill would also ensure that no paperwork outside of the required documents be necessary for retrieving a vehicle from impound. This will

ensure consumers can save money when their vehicle is repossessed from a tow yard while the reposessor searches for additional paperwork that is not required in statute."

Arguments in Opposition

None on file.

FISCAL COMMENTS

Pursuant to Senate Rule 28.8, negligible costs.

VOTES:

ASM TRANSPORTATION: 15-0-1

YES: Wilson, Davies, Aguiar-Curry, Ahrens, Carrillo, Harabedian, Hart, Hoover, Jackson, Lackey, Macedo, Papan, Ransom, Rogers, Sharp-Collins

ABS, ABST OR NV: Ávila Farías

ASM APPROPRIATIONS: 14-0-1

YES: Wicks, Hoover, Aguiar-Curry, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ABS, ABST OR NV: Arambula

ASSEMBLY FLOOR: 77-0-3

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Arambula, Flora, Celeste Rodriguez

SENATE FLOOR: 39-0-1

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ABS, ABST OR NV: Alvarado-Gil

UPDATED

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