

CONCURRENCE IN SENATE AMENDMENTS

AB 2541 (Mark González)

As Amended August 21, 2026

Majority vote

SUMMARY

Requires the Arts Council to apply to the Department of Motor Vehicles (DMV) to sponsor "The Lowrider" specialized license plate.

Senate Amendments

- 1) Authorize the Arts Council to use 4% to 6% of the funds appropriated to the Lowrider specialized plate program to a nonprofit entity to consult with or enter into an agreement with for the design of the plate.
- 2) Limit what nonprofits the Arts Council may consult with to ones that engage in any of the following:
 - a) Latino arts and cultural preservation related to lowrider imagery and culture.
 - b) Promoting lowrider culture through youth engagement programs, public exhibitions, or community based cultural events.
 - c) Educational initiatives that celebrate and maintain the history and cultural contributions of California's lowriders and diverse communities.

COMMENTS

Candy paint jobs with glimmering specks of metallic. Custom upholstery of magenta velvet. Bouncing hydraulics cruising low and slow. The names 'Purple Rain' and 'Erotic City' gleaming from the lacquered frames." According to Smithsonian Magazine, these are the words that could only describe the famous lowriders belonging to L.A.'s Chicano community.

Cruising in lowriders has been an important subculture in California for decades, popularized by Chicano communities after World War II as the "hot rod" trend began to sweep the country. Lowriders are customized cars with lowered bodies, often painted in colorful designs that may be fitted with hydraulics to allow height adjustable suspension. Lowriders are displayed in events involving cars slowly moving down a street in a repetitive manner, referred to as cruising. Lowriders have taken on a political function, with cruising events serving as fundraisers for the United Farm Workers Labor Union, political fundraisers, COVID-19 vaccine drives, and participating in the census.

Cruising became popularized nationally after the release of *American Graffiti*, the breakout film for George Lucas and Harrison Ford. *American Graffiti*, released in 1973, was a coming of age comedy-drama set in 1960s Modesto, California featuring a group of friends cruising the streets before heading off to college. The film was nominated for an Oscar for "best film", and the Library of Congress recognizes it as a film for preservation in the National Film Registry. It remains one of the most profitable movies ever made, grossing \$200 million on a less than a \$1 million budget. The summer after the movie came out, San Rafael's main street was clogged

with cars seeking to reenact the movie's cruising scenes, but was subsequently shut down by police.

A bill is not necessary to create a new specialized plate. Creating a new specialized license plate does not require legislation. Members of the Legislature or private individuals can ask state agencies to sponsor a new plate. If there is a good plan in place to get to the 7,500 prepaid commitments, an agency would likely be willing to sponsor a plate because it would result in additional revenue for that agency.

One such agency that has taken advantage of this is the California Natural Resources Agency (CNRA). DMV provides a packet to state agencies on how to sponsor a plate. CNRA in this past year reached out to multiple professional sports teams and signed a deal with several sports teams. However, even after winning the Super Bowl in 2021, the Los Angeles Rams' plate has not received enough prepaid commitments to be created. The San Francisco 49ers had to pay for their fans' license plates in order for them to get past the 7,500 prepaid commitment thresholds to create a new license plate.

Legislative mandates for specialized plates are historically ineffective, with only a 16% success rate in meeting the 7,500-prepaid threshold since 2000. Furthermore, the existing program yields diminishing fiscal returns relative to marketing costs. Of the 12 legislatively sponsored plates approved since 2000, only two have met the threshold. Of the four that have passed since 2014, only one reached the threshold. In the 2015-16 legislative session, seven bills were introduced directing a state agency to sponsor a specialized license plate. All seven died in either the Senate or Assembly Appropriations Committee. In the 2017-2018 session, five specialized license plates were introduced. One made it to the Governor and was vetoed. In the 2019 session, two specialized license plates were introduced, and both were held in Senate Appropriations Committee. In the 2020 session, three bills were introduced. One died in Assembly Appropriations Committee, the other two were never set for a hearing. In 2021-2022 session two bills were held in Assembly Appropriations Committee. Two bills to renew applications for legacy license plates were introduced in the 2023-2024 session. Both were held on the Assembly Appropriations Committee. Last year one specialized license plate was introduced in the Assembly. It died in Assembly Appropriations Committee.

Specialized license plates are not a strong source of revenue. Data from the 2023 DMV Consolidated Report suggests that specialized plates are not a robust revenue source. Total revenue for the programs was \$11.3 million, but \$1 million (8%) was diverted to marketing and administration. The most successful plate brought in \$2.8 million and spent 21% of its revenue on marketing. Only three of the license plates brought in more than \$1 million. The newest license plate brought in less than \$200,000, suggesting new entries struggle to gain traction in a crowded market.

According to the Author

"To continue California's legacy in celebrating diversity, honoring impact, and uplifting communities, AB 2541 will signal another wave of support for the lowrider community, all while bolstering arts programs across the state! This current federal administration is spreading hate and vitriol. The Lowrider License Plate Program is a visible symbol of cultural pride, heritage, and resilience. Together, the legislature can ensure that this modern symbol of resistance keeps rolling forward—cruising through our streets for generations to come."

Arguments in Support

According to Brown Issues, *the sponsor of this bill*, "For decades, California imposed fines, restrictions, and local anti-cruising ordinances that targeted the lowrider community. These policies criminalized cultural expression and attempted to suppress a movement rooted in identity, creativity, and community pride. Despite these barriers, lowriders

continued to build, paint, and cruise, transforming cars into rolling works of art that reflect family, faith, and freedom. At a moment when diverse communities across the state continue to confront cultural erasure and political division, AB 2541 offers a positive and unifying path forward. Establishing the Lowrider Specialized License Plate affirms California's commitment to celebrating cultural traditions rooted in resilience and ensuring they continue to thrive."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to Senate Appropriations Committee:

- 1) The California Arts Council (CAC) estimates one-time costs of approximately \$574,000 and ongoing costs of approximately \$534,000 for 2.5 PY of staff and additional legal/policy support to establish the new plate program and administer a new grant program. It is unclear whether this level of funding would be necessary; staff estimates costs could be in the low hundreds of thousands of dollars annually. The council indicates that it would incur staff workload prior to receiving any revenues from the new license plate program, including DMV application coordination, plate design consultation, stakeholder engagement, and communications and outreach to achieve the 7,500 pre-paid application threshold. Initial implementation costs would likely be a General Fund expenditure, which could be partially offset to the extent funds from nonprofit or private sources are available, as specified in the bill. The ongoing costs would be incurred to administer the new grant program, upon appropriation of funds by the Legislature. Ongoing costs would be at least partially offset by license plate renewal revenues, upon full implementation, as a sponsoring agencies may retain 25% of revenues generated from a specialized license plate program. (General Fund, Specialized License Plate Fund)
- 2) Assuming 7,500 pre-paid applications are collected by the CAC, DMV would incur one-time costs to make necessary IT programming changes to implement the new specialized license plate program. DMV notes that the plate program would likely qualify after the department's IT modernization efforts are complete, so it is unable to accurately predict programming costs to modify the new system. Staff assumes these one-time costs would be in the low hundreds of thousands of dollars, which would likely be offset by pre-paid application fees. (Motor Vehicle Account)
- 3) Upon full implementation of the proposed plate program, there would be ongoing revenues of approximately \$300,000 annually available annually to the CAC, upon appropriation by the Legislature, to fund specified projects (based on 7,500 plate renewals). These revenues could be higher to the extent there is significant demand and additional "The Lowrider" plates are issued. (Specialized License Plate Fund)

VOTES:**ASM TRANSPORTATION: 16-0-0**

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

ASM APPROPRIATIONS: 15-0-0

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

ASSEMBLY FLOOR: 78-0-2

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, 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

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UPDATED

VERSION: August 21, 2026

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FN: 0004034