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# SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair  
2025 - 2026 Regular Session

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## SB 1018 (Grove) - Human trafficking: specialized license plates

**Version:** April 9, 2026

**Urgency:** No

**Hearing Date:** May 4, 2026

**Policy Vote:** TRANS. 12 - 0, PUB. S. 6 - 0

**Mandate:** No

**Consultant:** Mark McKenzie

**Bill Summary:** AB 1018 would require the Office of Emergency Services (OES) to apply to the Department of Motor Vehicles (DMV) to sponsor a Survivors of Human Trafficking specialized license plate program, as specified. The bill would also require OES to administer a grant program for the benefit of survivors of human trafficking, and require OES and DMV to accept donations for the program on their respective websites.

### Fiscal Impact:

- OES estimates costs of \$539,000 in the first year and \$359,000 annually thereafter for staff time and contract costs to implement the bill, including contract costs for designing the plate, implementing an outreach program to promote the plate to the public, and developing an online donation collection portal on the OES website. Ongoing costs would be incurred to administer the new grant program, upon appropriation of funds by the Legislature. (General Fund)
- Assuming 7,500 pre-paid applications are collected by OES, 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)
- DMV would incur one-time costs to create an online portal to collect donations for deposit into the Survivors of Human Trafficking License Plate Fund. Staff notes that the online donation portal must be implemented regardless of whether the license plate program is established. The department has yet to determine these costs, but staff assumes these costs would be in the low hundreds of thousands of dollars. (Motor Vehicle Account)
- Upon full implementation of the proposed plate program, there would be ongoing revenues of approximately \$300,000 annually available for the new grant program established by this bill (based on 7,500 plate renewals). These revenues could be higher to the extent additional domestic violence and sexual assault awareness plates are issued. (Survivors of Human Trafficking License Plate Fund)
- There would be unknown, likely minor to moderate additional revenues, to the extent donations are collected through the OES and DMV websites for deposit into the Survivors of Human Trafficking License Plate Fund.

**Background:** Prior to 2007, any new special interest license plate required specific legislative authorization. This practice was held to be unconstitutional in that the Legislature approved some of the plates, and rejected others, using no standardized or objective criteria for those decisions. Current law, as enacted by AB 84 (Leslie), Ch. 454/2006, authorizes any state agency to sponsor a special interest license plate, and apply to DMV to establish a new license plate program after collecting at least 7,500 applications and accompanying fees and submitting them to DMV. The applications must be collected within one year, with an option to extend that timeframe by an additional year under specified conditions. The new specialized license plate must have a design or contain a message that publicizes or promotes a state agency, or the official policy, mission, or work of the agency.

In addition to the regular fees for an original or renewal registration, existing law requires payment of the following fees for the issuance, renewal, or transfer of the specialized license plate: \$50 for original issuance; \$40 for renewal; \$15 for transfer to another vehicle; and \$35 for substitute replacement plates. Once a specialized license plate program has been implemented, all additional fee revenues associated with the plate, after subtracting DMV administrative costs, are deposited into the Specialized License Plate Fund, and made available to the sponsoring agency upon appropriation by the Legislature for projects and programs that promote the agency's official policy, mission, or work. A sponsoring agency may not spend more than 25 percent of its license plate fee revenues for administrative, marketing, and promotional costs associated with the plate. If an applicant wishes to personalize a specialized license plate, the following additional fees would apply: \$48 for original issuance, \$38 for renewal, and \$38 for transfer to another vehicle. Any fees paid for personalization would be deposited into the California Environmental License Plate Fund for expenditure on various environmental protection purposes.

According to Public Policy Institute of California (PPIC), human trafficking refers to the commercial exploitation of people through force, fraud, or coercion. The California Department of Justice reports that California, in part due to its position as a populous border state with a significant immigrant population, is one of the nation's top destination states for trafficking human beings. CalOES currently administers the Human Trafficking Victim Assistance Program, which is a grant program intended to help human trafficking victims/survivors recover from the trauma they experienced and assist them with reintegrating into society through comprehensive safety and supportive services using a trauma-informed, culturally sensitive, victim/survivor-centered approach.

**Proposed Law:** SB 1018 would require OES to apply to DMV to sponsor a human trafficking awareness license plate pursuant to the requirements of the specialized license plate program in existing law. The bill would require additional fees derived from the plate program, after DMV deducts its administrative costs, to be deposited into the Survivors of Human Trafficking License Plate Fund (SHTLP Fund), established by this bill. Revenues would be allocated to OES, upon appropriation by the Legislature, for funding a new survivors of human trafficking grant program.

This bill would also require OES to administer a grant program for the benefit of survivors of human trafficking, and require grants to be awarded from the SHTLP Fund. SB 1018 requires OES to establish a balanced regional distribution of funds and award

grants to community-based organizations that are led by survivors of human trafficking or guided by substantial survivor input and that provide direct services to vulnerable individuals in areas with a high concentration of human trafficking. The bill would require OES, by January 1, 2028 and annually thereafter, to report to the Legislature on the amount of revenues deposited into the SHTLP Fund, the amount of each grant, and the identity of each recipient.

Lastly, the bill would require both OES and DMV to accept donations to the SHTLP Fund on their respective websites, without requiring the purchase of a specialized license plate.

**Related Legislation:** AB 2321 (Gomez), Chap. 358/2014, required CalOES to apply to DMV to sponsor a domestic violence and sexual assault awareness license plate program and established the California Domestic Violence Prevention Fund for the deposit of the revenue derived from these license plates.

**Staff Comments:** As noted above, any state agency may sponsor a specialized license plate program and apply to DMV to issue the plates upon collection of 7,500 pre-paid applications without legislative action. Rather than allow the COES to sponsor a plate at its discretion, this bill would require the department to apply to DMV to sponsor a human trafficking awareness license plate program.

As a sponsoring entity, existing law requires OES to design a plate, apply to DMV to sponsor a plate program, and collect 7,500 pre-paid applications within 12 months. If the requisite number of applications has not been reached within a year, OES has the *option* of either returning all fees and deposits to applicants, or notifying DMV that it intends to continue collection efforts to obtain the minimum 7,500 applications within the subsequent 12 months. If the OES elects to continue collection efforts, it must contact applicants who submitted applications and fees to determine whether they would prefer to continue the application or have their deposits and fees refunded. Staff notes that only two of the 12 specialized plate programs signed into law since 2000 have successfully met the minimum threshold of 7,500 pre-paid applications (California 1960s Legacy plates and Breast Cancer Awareness plates). Existing law, as enacted by AB 2321 (Gomez), Chap. 358/2014, requires OES to establish a specialized license plate program that promotes awareness of domestic violence and sexual assault. OES reports that only about 100 commitments were made to purchase the license plates. Since this was well short of the 7,500 minimum threshold, the commitments were refunded.

Staff notes that the new program established by this bill appears to be duplicative of the Human Trafficking Victim Assistance Program, which is also administered by OES (Gov. Code Sections 8590.6-8590.7). The Committee may wish to consider an amendment to direct any new funding related to this bill, through the proposed specialized license plate program and website donations, to the existing human trafficking grant program, rather than establishing a new program with similar beneficiaries.

The DMV indicates that the necessary automation workload related to establishing the new license plate program would likely occur after the department's modernization efforts are complete, to the extent sufficient pre-paid applications are collected by OES

to establish the program. The vehicle registration component of the Digital eXperience Platform Project (DXP) is expected to be ready for rollout in the fall of 2026. DMV cannot predict the costs to modify the new system at this time, but staff assumes costs associated with these programming efforts could be in the low hundreds of thousands of dollars, which would likely be offset by revenues from the pre-paid applications for the new plate. Costs to develop a new online portal for collecting donations to the SHTLP Fund, which would be implemented regardless of whether the license plate program is established, have yet to be determined, but staff assumes one-time costs in the low hundreds of thousands of dollars.

The Motor Vehicle Account (MVA) is the primary funding source for the California Highway Patrol and DMV. The MVA has had a structural deficit since the 2021-22 fiscal year, with expenditures exceeding revenues by approximately \$60 million in the current year, and approximately \$112 million in the budget year (projected). Absent further actions to address the MVA fund condition, approving any new proposals that increase MVA expenditures would exacerbate the current structural imbalance of the fund. The Budget Summary published for the Governor's proposed 2026-27 Budget notes that "the MVA will be insolvent as soon as 2028-29. Given the ongoing fiscal constraints in the MVA, the Administration will continue to limit new workload or initiatives, including those with delayed implementation dates that would create additional cost pressures over time."

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