
THIRD READING

Bill No: SB 1338
Author: Jones (R)
Amended: 5/14/26
Vote: 21

SENATE PUBLIC SAFETY COMMITTEE: 5-1, 4/21/26
AYES: Arreguín, Seyarto, Caballero, Cortese, Pérez
NOES: Wiener

SENATE APPROPRIATIONS COMMITTEE: 7-0, 5/14/26
AYES: Cervantes, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

SUBJECT: Vehicles: repossession

SOURCE: California Association of Licensed Repossessors

DIGEST: This bill increases the fines for the infraction of interfering with a reposessor transporting a vehicle to a storage facility, auction, or dealer once repossession is complete.

ANALYSIS:

Existing law:

- 1) Defines “assault” as an unlawful attempt, coupled with a present ability, to inflict a violent injury upon another person, and makes the offense punishable by up to six months in the county jail, by a fine not exceeding \$1,000, or by both. (Penal (Pen.) Code, §§ 240, 241, subd. (a).)
- 2) Defines “battery” as the willful and unlawful use of force or violence upon another person, and makes the offense punishable by up to six months in the county jail, by a fine not to exceed \$2,000, or by both. (Pen. Code, §§ 242, 243, subd. (a).)

- 3) Provides that any person who commits an assault upon another by any means of force likely to produce great bodily injury shall be punished by imprisonment in a county jail for up to one year, or in the state prison for two, three, or four years, or by a fine not exceeding \$10,000, or by both the fine and imprisonment. (Pen. Code, § 245, subd. (a)(4).)
- 4) Prohibits a person from interfering with the transport of a vehicle to a storage facility, auction, or dealer by an individual who is employed by a repossession agency or who is licensed as a reposessor, as specified, once repossession is complete, as specified. Does not apply to a peace officer while acting in an official capacity. Provides that this offense is punishable as an infraction. (Vehicle (Veh.) Code, § 10856, subd. (a).)
- 5) Requires that a person convicted of an infraction for a violation of the Vehicle Code is to be punished as follows:
 - a) By a fine not exceeding \$100.
 - b) For a second infraction occurring within one year of a prior infraction that resulted in a conviction, a fine not exceeding \$200.
 - c) For a third or subsequent infraction occurring within one year of two or more prior infractions that resulted in convictions, a fine not exceeding \$250. (Veh. Code, § 42001, subd. (a).)
- 6) Requires any tow yard, impounding agency, or governmental agency, or any person acting on behalf of a person employed by a repossession agency or who is licensed as a reposessor, to release a vehicle or other collateral to anyone that is legally entitled to that vehicle or other collateral. Does not apply to a vehicle being held for evidence by law enforcement or a prosecuting attorney. (Veh. Code, § 10856, subd. (b).)
- 7) Defines a repossession agency as any person who, for any consideration whatsoever, engages in business or accepts employment to locate or recover collateral, whether voluntarily or involuntarily, including, but not limited to, collateral registered under the provisions of the Vehicle Code that is subject to a security agreement. (Business (Bus.) & Professions (Prof.) Code, § 7500.2.)
- 8) Provides that a repossession is complete if any of the following occurs:
 - a) The reposessor gains entry to the collateral.

- b) The collateral becomes connected to a tow truck or the reposessor's tow vehicle, as specified.
- c) The reposessor moves the entire collateral present.
- d) The reposessor gains control of the collateral. (Bus. & Prof. Code, § 7500.2.)

This bill:

- 1) Increases the fines for the infraction of interfering with a reposessor transporting a vehicle to a storage facility, auction, or dealer once repossession is complete, to the following amounts:
 - a) Up to \$200 for a first offense.
 - b) Up to \$400 for a second offense within one year of a prior offense.
 - c) Up to \$500 for a third or subsequent offense within one year of two prior offenses.
- 2) Defines “interfere” for purposes of this infraction to mean “to physically impede by obstructing, hindering, or preventing movement, including removing or disabling equipment used for transporting the vehicle.”

Background

There are reports of people assaulting reposseors while they are in the process of repossessing or transporting a vehicle, and this bill is intended to deter those assaults. For example, in February 2026, a repossession agent in Apple Valley towed a vehicle when a suspect approached and threatened him with a firearm; the defendant put the firearm away when he was informed the tow truck driver was a repossession agent. (Victor Valley News Group, *20-Year-Old Apple Valley Resident Arrested After Allegedly Pointing Gun at Repo Driver In Victorville*, (Feb. 14, 2026) <<https://www.vvng.com/20-year-old-apple-valley-resident-arrested-after-allegedly-pointing-gun-at-repo-driver-in-victorville/> [as of April 4, 2026].) In 2025, a Huntington Beach man assaulted a repossession agent who was attempting to recover a towed boat, causing significant injuries. (Lily Dallow, *Huntington Beach man arrested after assault, SWAT standoff over towed boat*, KTLA 5 (Dec. 19, 2025) < <https://ktla.com/news/local-news/huntington-beach-man-arrested-after-assault-swat-standoff-over-towed-boat/> [as of April 4, 2026].) In 2023, repossession agent Blaine LaPrairie responded to a call to repossess a vehicle when he was shot in the upper body. He was transported to a nearby hospital, where he later died from his injuries. (Vivian Chow, *Southern California*

repo man killed on the job, suspect at large, KTLA 5 (Dec. 15, 2023) <<https://ktla.com/news/local-news/socal-repo-man-killed-on-the-job-suspect-at-large/> [as of April 4, 2026].) The sponsor further notes that people sometimes obstruct tow trucks or repossession agents with other vehicles, which can impede the repossession process.

Under existing law, it is an infraction for a person to interfere with the transport of a vehicle to a storage facility, auction, or dealer by a repossession agent once repossession is complete. (Veh. Code, § 10856, subd. (a).)

A repossession is complete if any of the following occurs: the repossession agent gains entry to the collateral; the collateral becomes connected to a tow truck or the repossession agent's tow vehicle, as specified; the repossession agent moves the entire collateral present; or the repossession agent gains control of the collateral. (Bus. & Prof. Code, § 7500.2.)

A violation of the infraction described above is punishable with a fine, as follows:

- a) For a first infraction, a fine not exceeding \$100
- b) For a second infraction occurring within one year of a prior infraction, a fine not exceeding \$200
- c) For a third or subsequent infraction occurring within one year of two or more prior infractions, a fine not exceeding \$250. (Veh. Code, § 42001, subd. (a).)

Existing law does not define what it means to “interfere” with the transportation of the vehicle for purposes of this statute, which raises concerns that the statute in existing law may be unconstitutionally vague. A statute is unconstitutionally vague if it does not provide adequate notice of the conduct proscribed. (*People v. Superior Court* (Caswell) (1988) 46 Cal. 3d 381, 389.) Here, if someone argues with the repossession agent taking their vehicle, does that qualify as interference? This statute, as written in existing law, likely does not provide adequate notice of what is prohibited; thus, it likely does not survive the vagueness test.

This bill increases the fines for the infraction of interfering with a repossession agent transporting a vehicle to a storage facility, auction, or dealer once repossession is complete, set at the following amounts:

- a) Up to \$200 for a first offense
- b) Up to \$400 for a second offense within one year of a prior offense

- c) Up to \$500 for a third or subsequent offense within one year of two prior offenses

This bill also defines the term “interfere” for purposes of this infraction to mean “to physically impede by obstructing, hindering, or preventing movement, including removing or disabling equipment used for transporting the vehicle.” This change likely addresses the concern regarding vagueness, discussed above.

Notably, assault and battery against anyone, including against a repossession agent, are already criminal offenses. An assault is “an unlawful attempt, coupled with a present ability, to commit a violent injury on the person of another.” (Pen. Code, § 240.) A battery is “any willful and unlawful use of force or violence upon the person of another.” (Pen. Code, § 242.) Put simply, assault is attempted battery. “Simple” battery or assault does not involve infliction of serious injury or the likelihood of serious bodily injury. Simple assaults and batteries on most individuals are misdemeanors punishable by up to 6 months in jail, a fine of up to \$1,000, or both.

This bill may not actually deter people from interfering with repossessions, because people doing so are likely in a state of passion and are unlikely to know of this increase in penalty. Existing research on deterrence indicates that “[l]aws and policies designed to deter crime by focusing mainly on increasing the severity of punishment are ineffective partly because criminals know little about the sanctions for specific crimes.” (National Institute of Justice, *Five Things About Deterrence*, U.S. Department of Justice (Jun. 5, 2016) <<https://nij.ojp.gov/topics/articles/five-things-about-deterrence> [as of April 4, 2026].) People are unlikely to learn about the fine for this offense being elevated, and so it is unlikely to deter offenses against repossession agents.

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

The Senate Appropriations Committee writes:

Unknown cost pressure for increased local incarceration (General Fund). Unknown court cost pressure. To the extent there are prosecutions for misdemeanor violations, there will be cost pressures related to the courts to adjudicate the criminal charges and costs to the counties to incarcerate people who are convicted. These actual cost pressures and costs will depend on the number of prosecutions and convictions. Costs will depend on the number of actions and the

amount of court time required by each action (Trial Court Trust Fund, General Fund).

SUPPORT: (Verified 5/14/26)

California Association of Licensed Repossessors (Source)
Daybreak Metro

OPPOSITION: (Verified 5/14/26)

ACLU California Action
All of Us or None
California Public Defenders Association
Californians United for a Responsible Budget
Ella Baker Center for Human Rights
Justice2Jobs Coalition
La Defensa
Legal Services for Prisoners with Children
Smart Justice California

ARGUMENTS IN SUPPORT: The California Association of Licensed Repossessors writes:

Unfortunately, a violent and dangerous trend has emerged in the repossession industry. After a vehicle has been repossessed and is in transit, individuals—including the registered owner—follow and attempt to stop the reposessor’s tow vehicle by using other vehicles to block exits, by boxing in the tow truck on residential streets or at intersections, or by otherwise obstructing the roadway. Once the reposessor’s vehicle has been stopped, individuals attempt to unhook the repossessed vehicle from the tow truck, enter or sit inside the repossessed vehicle, sit on the tow vehicle, or stand in front of the tow truck to prevent it from leaving. In some cases, when they are unable to regain possession of the vehicle, individuals damage the reposessor’s tow vehicle. This conduct creates serious public safety risks not only to the reposessor and the involved individuals, but also to law enforcement officers and passing motorists.

SB 1338 does not expand repossession authority nor alter the breach-of-peace doctrine, nor change the definition of when a repossession must cease. It is a narrowly tailored public safety enforcement

adjustment addressing post-repossession completion transport interference. This proposal amends Vehicle Code Section 10856 to reclassify interference with a repossessed vehicle after repossession has been lawfully completed from an infraction to a misdemeanor. Reclassifying this violation provides law enforcement with meaningful enforcement authority. It allows them to deter dangerous roadway obstruction and interference, to protect involved individuals and the general public, and preserves California's breach-of-peace doctrine.

ARGUMENTS IN OPPOSITION: ACLU California Action writes:

SB 1338 goes against existing, extensive public safety research which demonstrates that increased sentences do not deter or prevent crime. This is a sentiment reflected by the U.S Department of Justice's National Institute of Justice guidance that "laws and policies designed to deter crime by focusing mainly on increasing the severity of punishment are ineffective partly because criminals know little about the sanctions for specific crimes". In addition to not improving public safety, the Legislature cannot ignore the fiscal cost of incarceration. In 2021, incarcerating an individual in LA County jail for one year cost approximately \$90,000. The Legislature should not drive up local costs in pursuit of an ineffective carceral approach.

...

Lastly, our current laws already address situations where an individual interferes with a repossession agency employee in a nontrivial manner. If an individual assaults a repossession agency employee, they are already liable under Penal Code Section 241. Likewise, if an individual commits battery against a repossession agency employee, they are already liable under Penal Code Section 243 – with incidents resulting in serious injuries being punishable by up to 4 years of incarceration. There is no need for SB 1338.

Prepared by: Marshal Lawler / PUB. S. /
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