

Date of Hearing: June 29, 2026

ASSEMBLY COMMITTEE ON TRANSPORTATION
Lori D. Wilson, Chair
SB 897 (Choi) – As Introduced January 16, 2026

SENATE VOTE: 37-0

SUBJECT: Vehicles: abandoned vehicles

SUMMARY: Authorizes the City of Laguna Woods to use the amount of abandoned vehicle abatement funds received from the fee imposed by the service authority that formerly operated in the County of Orange, and the interest accrued thereon, for purposes of enforcing provisions of the Vehicle Code.

EXISTING LAW:

- 1) Authorizes the creation of a service authority for the abatement of abandoned vehicles, and the imposition of a one dollar (\$1) vehicle registration fee, in a county if the board of supervisors of the county, by a two-thirds vote, and a majority of the cities having a majority of the incorporated population within the county have adopted resolutions providing for the establishment of the authority and imposition of the fee. (Vehicle Code (VEH) 22710)
- 2) Specifies that the money received by a service authority shall be used only for the abatement, removal, or the disposal as a public nuisance of any abandoned, wrecked, dismantled, or inoperative vehicle or part of the vehicle from private or public property. (VEH 22710)
- 3) Allows the money received by a service authority that is unexpended in a fiscal year to be carried forward by the service authority for the abandoned vehicle abatement program in the following fiscal year as agreed upon by the service authority and its member agencies. (VEH 22710)
- 4) Provides that a service authority shall cease to exist on the date that all revenues received by the authority have been expended. (VEH 22710)

FISCAL EFFECT: Unknown

COMMENTS: Existing law gives local governments the power to create service authorities for the abatement of abandoned vehicles. A county and its constituent cities can establish a service authority for the abatement of abandoned vehicles and impose a \$1 surcharge on vehicle registrations, plus another \$2 on commercial vehicles, within the county to fund the service authority.

In 1991, Orange County authorized the surcharge on vehicles in the county and renewed the surcharges a decade later. In 2012, the County decided against renewing the charge, in part because of the lack of need for the revenue. Per law, the existing revenue was distributed back to the localities in which the funds were raised.

Laguna Woods is a unique, master-planned city in southern Orange County, California, primarily comprised of Laguna Woods Village, one of the nation's premier gated communities for adults aged 55 and older. Incorporating in 1999 as the county's 32nd city, it spans roughly four square miles of rolling hills and features a quiet, beautifully landscaped suburban environment focused heavily on active senior living. The city offers its residents an extensive array of amenities, including championship golf courses, equestrian facilities, multiple clubhouses, and hundreds of special-interest clubs.

The City of Laguna Woods has over \$42,000 in unspent Abandoned Vehicle Abatement Fee revenue. According to the City of Laguna Wood's Budget and Work Plan, Fiscal Year's 2025-2027, "The City maintains funds in its Service Authority for Abandoned Vehicles Fund to assist with the abatement of abandoned vehicles. Service Authority for Abandoned Vehicles (SAAV) revenue was generated as a result of the City's former membership in the now defunct Orange County Service Authority for Abandoned Vehicles (OC SAAV), which operated between 1991 and 2012, pursuant to California Vehicle Code Section 22710(a).

During its operation, the OC SAAV imposed and collected a \$1 per vehicle registration fee (\$2 for commercial vehicles) to offset member agencies' costs of abating abandoned vehicles. The City continues to maintain SAAV funds that it has been unable to spend due to a lack of abandoned vehicles to abate (none in at least the past 17 years). The Orange County Transportation Authority (OCTA), which acted as the administrator of the OC SAAV, has informed the City that its SAAV funds cannot be returned to OCTA, nor transferred to another city that has a use for them, due to limitations in state law. As a result, the City is pursuing state legislation that would provide for alternative use or disposition of its SAAV funds."

According to the author, "The City of Laguna has not had a single case of an abandoned vehicle needing abatement in over 17 years. The funds are from the SAAV funds are accruing interest and not being used. This legislation will authorize City of Laguna to spend the funds towards other transportation and safety related issues."

The City of Laguna Woods, *writing as the sponsor of this bill*, argues "SB 897 would give the City of Laguna Woods the authority to spend its SAAV fund balance in a manner that creates clear public benefit. Specifically, since the original purpose of the SAAV funds was to enforce provisions of the Vehicle Code related to abandoned vehicles, SB 897 seeks only to allow the City of Laguna Woods to use its SAAV fund balance to enforce other provisions of the Vehicle Code (e.g., reckless driving, running red lights, speeding, and other moving violations). SB 897 would make use of the City of Laguna Woods' SAAV fund balance possible while ensuring that such use remains both vehicle and public safety focused."

Previous legislation. AB 486 (Ruskin) Chapter 389, Statutes of 2007 expanded the circumstances under which a county service authority for the abatement of abandoned vehicles may use the revenue it generates from imposing a \$1 annual vehicle registration surcharge, required that the use of the funds be audited each year, and modified the statutory authority to abate abandoned vehicles.

REGISTERED SUPPORT / OPPOSITION:

Support

City of Laguna Woods (sponsor)
League of California Cities Orange County Division

Opposition

None on file

Analysis Prepared by: David Sforza / TRANS. / (916) 319-2093