
SENATE COMMITTEE ON LOCAL GOVERNMENT

Senator María Elena Durazo, Chair

2025 - 2026 Regular

Bill No: SB 922
Author: Laird
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Fiscal: No
Consultant: Peterson

VEHICLES: LOCAL AGENCY CHARGES: USE OF STREETS OR HIGHWAYS

Allows local agencies to impose taxes, permit fees, or other charges for the privilege of using its streets or highways provided they are not based on weight to recover costs for street repair and public services.

Background

Local taxes, fees, and charges. The California Constitution and various statutes grant local agencies the authority to impose various fees, charges, and taxes to pay for public services. Prior to 1978, local agencies could enact taxes by ordinance. Proposition 13 (1978) amended the Constitution to require a 2/3 vote of the electorate to enact a local special tax. Proposition 62 (1986) prohibited local agencies from imposing general taxes without majority approval of local voters, and clarified the 2/3 vote necessary to impose special taxes. Proposition 218 (1996) extended those vote thresholds to charter cities and required local agencies' to obtain voter approval to levy new assessments, fees, and taxes, which was subsequently limited by Proposition 26 (2010). Under Proposition 26, any levy, charge, or exaction of any kind imposed by a local government is a tax, requiring voter approval, except for:

- A charge for a benefit or privilege conveyed directly to the payor and not conveyed to those not charged;
- A charge for a service or product provided directly to the payor and not provided to those not charged;
- A fee to cover certain costs of regulation;
- Entrance fees for state or local property;
- Fines imposed by a court or a local government;
- A charge imposed as a condition of property development; and
- Assessments and property related fees governed by Proposition 218.

Local agencies impose taxes, fees, and charges to finance a variety of public services. For example, state law requires local agencies to provide solid waste handling services, or contract with another local agency or solid waste enterprise. If the local agency provides the service, they charge customers directly. Most jurisdictions in the state operate with some form of “franchise,” or contract, that limits solid waste hauling within the jurisdiction to one or more specified companies. Under these agreements, the local agency charges the franchisee for the benefit of operating within the public right-of-way. The franchisee then charges customers for providing waste hauling services. Many local agencies include the costs to cover the wear and tear on the roads from the heavy waste hauling trucks in their fees. A typical car weighs roughly 4,400 pounds, while a loaded garbage truck can weigh as much as 60,000 pounds.

Weight fees. California collects fees based on weight from commercial vehicles to finance transportation projects, which generates over \$1 billion annually. In 1989, the Legislature passed Senate Constitutional Amendment 1, which became Proposition 111 on the June 1990 ballot. Proposition 111, along with its implementing legislation (AB 471, Katz, 1989) increased weight fees. Along with these measures, the Legislature passed SB 286 (Campbell), which, when Proposition 111 passed, prohibited local agencies from imposing taxes, permit fees, or other charges for the privilege of using its streets or highways, other than a permit fee for particularly large loads, after December 31, 1990, unless the local agency had imposed the fee prior to June 1, 1989. The Legislature intended for this measure to assuage concerns that local agencies would follow suit and increase local fees, charges, or taxes for the privilege of using their roads.

Rogers v. Redlands. In 2025, a resident of Redlands, a city of over 70,000 residents in San Bernardino County, sued the city alleging that the portion of their waste hauling fees used to repair road damage from garbage trucks constituted a charge for the privilege of using the city's roads, violating SB 286's prohibition on these charges. In *Rogers v. Redlands* 112 Cal. App. 5th 667, the California Court of Appeals affirmed the Superior Court of San Bernardino's decision that agreed with the resident and required Redlands to stop factoring road repair into their waste hauling fees. The California Supreme Court denied the opportunity to review the case.

Local agencies want to restore local agencies' authority to include road repair costs in certain fees, charges, and taxes.

Proposed Law

Senate Bill 922 states that fees, charges, or surcharges for local agencies to recover costs of street maintenance, repair, and other costs to provide public services do not count as a tax, permit fee, or other charge for the privilege of using its streets or highways. SB 922 explicitly allows local agencies to impose such a fee, charge, or surcharge. The measure also allows local agencies to impose taxes, permit fees, or other charges for the privilege of using its streets or highways, provided they are not based on weight.

SB 922 also makes findings and declarations to further its intent.

Comments

1. **Purpose of the bill.** According to the author, "Senate Bill 922 affirms the local agency authority to collect service-related fees from public service operations, such as waste hauling, to recover street maintenance and repair costs. While local agencies have historically integrated these infrastructure costs into utility rates or franchise agreements, a 2025 court interpretation of existing law challenged this practice. SB 922 clarifies the statute to restore regulatory certainty, ensuring local agencies will continue to have funding for the repair of pavement deterioration caused by heavy-duty service vehicles."

2. **Getting it right.** SB 922 seeks to address two issues. First, it seeks to restore local agencies' ability to include road repair costs in their waste hauling fees, which the *Rogers* decision prohibited. Second, it seeks to limit the prohibition on fees for the privilege of using roads to weight fees so that other charges do not face similar legal challenges to those in *Rogers*. However, making these two changes could lead some local agencies to seek to impose fees, charges, and taxes for the privilege of using their roads—contrary to what may have been the intent of SB 286—merely by avoiding basing those fees on weight. For example, in 2019, the

Legislature passed AB 1605 (Ting), which sought to impose a fee to mitigate congestion on and around the 1000 block of Lombard Street in the City and County of San Francisco (known as the “Crooked Street”). However, Governor Newsom vetoed the measure in part because it violated SB 286’s prohibition. If SB 922 becomes law, San Francisco could decide to revisit this fee without legislation so long as the fee is not based on weight. The Committee may wish to consider narrowing the types of fees, charges, and taxes that local agencies can impose for the privilege of using its roads.

Support and Opposition (3/13/2026)

Support: American Federation of State, County and Municipal Employees, Afl-cio
California Police Chiefs Association
California Special Districts Association
California State Association of Counties (CSAC)
California State Council of Service Employees International Union (seiu California)
Californians Against Waste
City and County of San Francisco
City of Beverly Hills
City of Capitola
City of Fullerton
City of Glendale
City of Goleta
City of Gonzales
City of Grover Beach
City of Hollister
City of Lakewood CA
City of Marina
City of Moreno Valley
City of Oxnard
City of Oxnard Public Works
City of Port Hueneme
City of Rancho Cucamonga
City of Redondo Beach
City of Salinas
City of San Bernardino
City of Santa Paula
City of Scotts Valley
City of Stanton
City of Tulare
City of Upland
League of California Cities
Recology
Recyclesmart
Republic Services
Rural County Representatives of California (RCRC)
Town of Apple Valley
Town of Truckee
West Valley Solid Waste Management Authority

Opposition: California Building Industry Association
California Taxpayers Association

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