

UNFINISHED BUSINESS

Bill No: SB 922
Author: Laird (D), et al.
Amended: 7/2/26
Vote: 21

SENATE LOCAL GOVERNMENT COMMITTEE: 7-0, 3/18/26

AYES: Durazo, Choi, Arreguín, Ashby, Cervantes, Laird, Seyarto

SENATE FLOOR: 33-2, 5/18/26

AYES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

NOES: Ochoa Bogh, Strickland

NO VOTE RECORDED: Alvarado-Gil, Jones, Niello, Padilla, Valladares

ASSEMBLY FLOOR: 51-12, 8/6/26 - See last page for vote

SUBJECT: Vehicles: local agency charges: use of streets or highways

SOURCE: Author

DIGEST: This bill allows local agencies to impose taxes, permit fees, or other charges for the privilege of using its streets or highways to recover costs for street repair and public services.

Assembly Amendments of 7/2/26 remove the authority for local agencies to impose taxes, permit fees, or other charges for the privilege of using its streets or highways for reasons other than to recover costs for street repair and public services.

ANALYSIS:

Existing law:

- 1) Grants local agencies the authority to impose various fees, charges, and taxes to pay for public services.
- 2) Prohibits 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.

This bill:

- 1) 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.
- 2) Allows local agencies to impose a fee, charge, or surcharge described above.

Background

Local taxes, fees, and charges. 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). 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, Chapter 1337, Statutes of 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.

Comments

Purpose of this 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."

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

SUPPORT: (Verified 8/6/26)

Mayor Todd Gloria, City of San Diego

American Federation of State, County and Municipal Employees, Afl-cio
California Chapters of the American Public Works Association

California Police Chiefs Association
California Special Districts Association
California State Association of Counties
California State Council of Service Employees International Union (seiu
California)
Californians Against Waste
City and County of San Francisco
City of Belmont
City of Beverly Hills
City of Burbank/Burbank Redevelopment Agency
City of Campbell
City of Capitola
City of Chino Hills
City of Concord
City of Fairfield
City of Foster City
City of Fullerton
City of Garden Grove
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 Milpitas
City of Moorpark
City of Moreno Valley
City of Murrieta
City of Norwalk
City of Oxnard
City of Oxnard Public Works
City of Pacific Grove
City of Paramount
City of Paso Robles
City of Pico Rivera
City of Port Hueneme
City of Rancho Cucamonga
City of Redondo Beach
City of Redwood City

City of Rocklin
City of Salinas
City of San Bernardino
City of San Mateo
City of Santa Barbara
City of Santa Paula
City of Scotts Valley
City of Soledad
City of Stanton
City of Thousand Oaks
City of Torrance
City of Tulare
City of Union City
City of Upland
City of Vacaville
City of Vernon
City of Walnut Creek
City of Westminster
County of Contra Costa
County of Madera
County of Monterey
County of Santa Cruz
Lamorinda Legislative Coalition
League of California Cities
Marin County Council of Mayors and Councilmembers
Recology
Recyclesmart
Republic Services
Rural County Representatives of California
Sonoma County Mayors' and Councilmembers' Association
Town of Apple Valley
Town of Truckee
West Valley Solid Waste Management Authority

OPPOSITION: (Verified 8/6/26)

California Taxpayers Association
Coalition of Sensible Taxpayers
Contra Costa Taxpayers Association

ASSEMBLY FLOOR: 51-12, 8/6/26

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bennett, Berman, Bonta, Bryan, Calderon, Caloza, Connolly, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Irwin, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schultz, Sharp-Collins, Solache, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NOES: Alanis, Davies, DeMaio, Dixon, Ellis, Hadwick, Hoover, Johnson, Lackey, Macedo, Ta, Tangipa

NO VOTE RECORDED: Bains, Bauer-Kahan, Boerner, Carrillo, Castillo, Chen, Elhawary, Flora, Fong, Jeff Gonzalez, Patel, Patterson, Sanchez, Schiavo, Soria, Wallis

Prepared by: Jonathan Peterson / L. GOV. / (916) 651-4119
8/7/26 13:37:14

**** END ****