
THIRD READING

Bill No: AB 1685
Author: Bryan (D), et al.
Amended: 8/25/22 in Senate
Vote: 21

SENATE TRANSPORTATION COMMITTEE: 13-1, 6/14/22
AYES: Gonzalez, Bates, Allen, Becker, Cortese, Dodd, Limón, McGuire, Min,
Newman, Skinner, Wieckowski, Wilk
NOES: Melendez
NO VOTE RECORDED: Archuleta, Dahle, Rubio

SENATE HUMAN SERVICES COMMITTEE: 4-0, 6/27/22
AYES: Hurtado, Cortese, Kamlager, Pan
NO VOTE RECORDED: Jones

SENATE APPROPRIATIONS COMMITTEE: 6-0, 8/11/22
AYES: Portantino, Bates, Bradford, Laird, McGuire, Wieckowski
NO VOTE RECORDED: Jones

ASSEMBLY FLOOR: 74-0, 5/25/22 - See last page for vote

SUBJECT: Vehicles: parking violations

SOURCE: Author

DIGEST: This bill requires processing agencies to forgive at least \$1,500 in parking tickets for individuals who are verified to be homeless.

Senate Floor Amendments of 8/25/22:

- 1) Replace the requirement that processing agencies report information on the amount of their forgiveness to the California Interagency Council on Homelessness (CICH) with the lesser requirement that the agencies simply collect that information.

- 2) Authorize the CICH to request forgiveness information from processing agencies.
- 3) Exempt from the Administrative Procedures Act any revision the CICH makes to its rules to implement these provisions.

ANALYSIS:

Existing law:

- 1) Provides several options to processing agencies collecting unpaid parking penalties for tickets, including filing an itemization of unpaid parking penalties and service fees with Department of Motor Vehicles (DMV) for collection with the registration of a vehicle, so long as the processing agency:
 - a) Provides a payment plan option for indigent persons, as defined, that allows unpaid parking fines and fees to be paid off in monthly installments of no more than \$25 for total amounts due that are \$500 or less, in a period within 24 months. No prepayment penalty for paying off the balance prior to the payment period may be accessed;
 - b) Waives all late fees and penalty assessments, exclusive of any state surcharges, as defined, if an indigent person enrolls in the payment plan. Waived late fees and penalty assessments may be reinstated if the person falls out of compliance with the payment plan;
 - c) Limits the processing fee to participate in a payment plan to \$5 or less for indigent persons and \$25 or less for all other persons. The processing fee may be added to the payment plan amount at the discretion of the payee; and,
 - d) Allows the application for indigency determination for a period of 120 calendar days from the issuance of a notice of parking violation, or 10 days after the administrative hearing determination, whichever is later.
- 2) Requires a processing agency to allow a registered owner or lessee who falls out of compliance with a payment plan a one-time extension of 45 calendar days from the date the plan becomes delinquent to resume payments before the processing agency files an itemization of unpaid parking penalties and service fees with DMV.

- 3) Requires a processing agency to include information regarding its payment plan option above on its public website, and a web page link and telephone number to more information on the program.
- 4) Defines “indigent” for the purposes of this section to mean anyone who meets the income requirements for or is currently on several public assistance programs, including: Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP, or more commonly known as food stamps), Medi-Cal or IHSS.
- 5) Establishes the California Interagency Council on Homelessness (CICH) with the purpose of coordinating the state’s response to homelessness by utilizing Housing First Practices.

This bill:

- 1) Provides that for unpaid parking penalties issued on and after July 1, 2023, the processing agency may not request that vehicle registration be withheld unless all of the following conditions are met by the agency:
 - a) The agency has created a parking forgiveness program for the homeless.
 - b) An applicant who is verified to be homeless shall have any outstanding parking fines and fees forgiven no less than 30 days after their application is received by the processing agency. The agency may limit the forgiveness to \$1,500 per calendar year and limit the number applications to four times a year.
 - c) Authorizes a processing agency to verify an applicant’s status through a continuum of care or a homeless services provider, including, but not limited to, a health care provider, legal services provider, or other entity that services people experiencing homelessness and makes referrals to other homeless services providers, that is connected to the coordinated entry system and is contracting with a continuum of care. A legal services provider or health care provider may require an applicant to be a client in order to make the verification.
 - d) Provides that an area in which the availability of homeless services providers is limited, as determined by the continuum of care in the form and manner prescribed by CICH, the CICH shall develop an alternative low-barrier process to determine an applicant’s status as homeless.

- e) Requires processing agencies to inform parking ticket recipients of this forgiveness program, as specified.
 - f) The agency shall, by no later than March 1, 2024, collect and have readily available information on the number of applications received and the amount of fines and penalties waived. The California Interagency Council may request copies of this information.
- 2) Authorizes CICH to develop necessary regulations and exempts those regulations from the Administrative Procedures Act.

Comments

- 1) *Purpose.* According to the author, "parking enforcement can exacerbate poverty and the cost of enforcement for local governments are often greater than the fines and fees that end up being collected. AB 1685 will waive many parking fees for people who are unhoused. Instead of continuing to penalize poverty, let's save some money with good policy and use it to get people more of the housing and services they really need. Lose your financial stability, lose your house. Lose your house, live in your car. Lose your car, set up an encampment. This cycle of poverty is vicious and AB 1685 creates the policy solution that allows us to do better."
- 2) *The real cost of a parking ticket for an individual experiencing homelessness.* In Sacramento, the fine for a parking ticket is \$52. If the individual is unable to pay that ticket on time, the late fee adds an additional \$52. If the city then requires the DMV to collect the unpaid debt, DMV would add the entire cost of the outstanding parking ticket and fines to vehicle registration fees. If unable to pay this amount all at once on top of their vehicle registration fees, late fees for vehicle registration increase by 60% of the original fee for payments over 30 days late, which can increase the registration fee as much as \$100. If a person is then pulled over for having an unregistered vehicle, the fine for driving unregistered vehicles is currently \$285. All totaled, these fines add up to \$489.

Many individuals experiencing homelessness live in their vehicles. Cal Matters estimates that there is roughly 161,000 people experiencing homelessness in California based on the latest tally taken in 2020 before COVID-19. Similarly, Cal Matters estimates that 16,528 of the 161,000 people experiencing homelessness own and live in their vehicle. Parking tickets accumulate quickly and create a cycle of debt wherein they are unable to pay back parking fines. As the tickets pile up, costs rise to include late fees, making it more likely that the individual's car will be towed. Having five or more unpaid parking tickets

allows law enforcement to tow someone's car, essentially towing away the individual's home, and potentially their only place of safety.

- 3) *Towing costs. Towed into Debt: How Towing Practices in California Punish Poor People*, a report issued by the sponsors of this bill, notes that the average tow fee in California is \$189, with a \$53 storage fee per day and a \$150 administrative fee. After three days of storage, a towing fee could come out to \$499. The cost of five unpaid parking tickets in Sacramento would result in a total cost of \$520 with late fees. The cost of a three day tow plus the costs of the five unpaid parking tickets (\$1,019) would amount to all but \$400 of an indigent person's monthly income if they made the maximum amount to make them eligible for Medi-Cal.

The Legislature has addressed the impact of parking fines on the homeless. In 2017 the Legislature passed and the Governor signed AB 503 (Lackey: Chapter 741) to reduce parking penalties for indigent individuals by requiring the offering of a payment plan and the waiver of penalties. Subsequent legislation has been enacted to close loopholes in the original legislation and to increase the cap on the amount that can be subject to a payment plan.

This bill builds on existing law by requiring that processing agencies waive unpaid parking ticket balances of up to \$1,500 waived for individuals verified as experiencing homelessness. Supporters expect that this will reduce the likelihood of their vehicle being towed and further exacerbating their indigence.

- 4) *Where do the expenses go?* Waiving fees does not mean that the costs simply go away. Upon issuance of parking tickets, towing and storage of the vehicle may be appropriate and this is often done by a private company. If the owner of the vehicle does not pay these fees, will the city be required to pay them, and if that is the case will the city be less likely to tow a vehicle that could be presenting a safety hazard? This bill does not specify how these additional expenses will be handled.
- 5) *Opposition.* The California Mobility and Parking Association (CMPA) writes in opposition to this bill citing their concerns for the scope of the fine forgiveness and concerns that the measure does not restrict the \$1,500 amount to a single agency. Other opposition includes cities that want the state to backfill any lost revenue or want to use their existing parking forgiveness program in lieu of the program established by this bill.

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

According to the Senate Appropriations Committee:

- The California Interagency Council on Homelessness (Cal-ICH) estimates costs of approximately \$645,000 in the first year and \$613,000 annually ongoing for 4.0 PY of staff to develop a process to determine homeless eligibility status, solicit, compile, and collect information from processing agencies, and establish and administer a database to collect and store information. (General Fund)
- Unknown, potentially significant state costs for state parking entities (primarily state institutions of higher education) to establish parking citation forgiveness programs, determine applicants' status as homeless, post information on websites, and report specified information to Cal-ICH. (General Fund, State University Parking Revenue Fund)
- Unknown, significant reduction in state parking citation revenue (for citations issued by state parking entities) related to the mandatory forgiveness of at least \$1,500 in parking debt per eligible applicant each year. Staff notes that homeless persons are likely to opt for this forgiveness program rather than entering into a payment plan, as specified in existing law. (State University Parking Revenue Fund, other funds administered by institutions of higher education)
- Unknown significant local costs and revenue losses related to the requirements that processing agencies establish parking citation forgiveness programs for individuals experiencing homelessness, waive fines and fees, provide information on websites, and report specified information to Cal-ICH. It is unclear whether these costs would be reimbursable by the state because local entities appear to have fee authority that disclaims state responsibility for reimbursement. Ultimately, however, whether local costs are reimbursable would be subject to a determination by the Commission on State Mandates, to the extent an eligible local agency files a test claim. (General Fund)

SUPPORT: (Verified 8/26/22)

Abundant Housing LA
Alameda County Democratic Party
Asian Americans Advancing Justice – California
Bend the Arc: Jewish Action, Southern California
Brilliant Corners
California Federation of Teachers, AFL-CIO

California Housing Partnership Corporation
Corporation for Supportive Housing
Culver City Democratic Club
Downtown Women's Center
East Bay Home Bridge Connect
East Bay Housing Organizations
Housing California
Inner City Law Center
John Burton Advocates for Youth
LA Family Housing
Long Beach Mayor Robert Garcia
Los Angeles County Democratic Party
Los Angeles Homeless Services Authority
National Alliance to End Homelessness
National Association of Social Workers, California Chapter
North Westwood Neighborhood Council
North Westwood Neighborhood Council, Community Health & Homelessness
Committee
Orange County United Way
Path
Root & Rebound
Streets for All
Sycamores
The People Concern
Union Station Homeless Services
Western Center on Law & Poverty, Inc.
YIMBY Action

OPPOSITION: (Verified 8/26/22)

California Public Parking Association
City of Beverly Hills
City of Oceanside
City of Santa Barbara
League of California Cities
Manteca Chamber of Commerce
Marin County Council of Mayors and Council Members
Mayor Eric Garcetti, City of Los Angeles
MCCMC

ASSEMBLY FLOOR: 74-0, 5/25/22

AYES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Bigelow, Bloom, Boerner Horvath, Mia Bonta, Bryan, Calderon, Carrillo, Cervantes, Chen, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Davies, Flora, Mike Fong, Fong, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Gray, Grayson, Haney, Holden, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Levine, Low, Maienschein, Mathis, Mayes, McCarty, Medina, Mullin, Muratsuchi, Nazarian, Nguyen, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Santiago, Seyarto, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wilson, Wood, Rendon

NO VOTE RECORDED: Berman, O'Donnell, Salas, Smith

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