

Date of Hearing: June 26, 2017

ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

SB 611 (Hill) – As Amended June 19, 2017

SENATE VOTE: 37-0

SUBJECT: Vehicles

SUMMARY: Reforms the Department of Motor Vehicles' (DMV's) disabled person (DP) parking placard program and makes non-substantive, technical changes to the Ignition Interlock Device (IID) pilot program. Specifically, **this bill:**

1) With respect to the placard program:

- a) Requires DMV to conduct quarterly audits of applications and to seek cooperation of the Medical Board of California or the appropriate regulatory board, as needed, to complete the audit;
- b) Adds licensed podiatrists to the list of medical practitioners authorized to certify a disability related to the foot or ankle for purposes of obtaining a placard;
- c) Requires program applicants to provide proof of his or her True Full Name established by a state issued driver's license (DL) or identification card (ID card), documents required to obtain a state issued DL or ID card, or documents used to establish legal presence in the United States;
- d) Requires DMV, six years after the issuance of a placard and every six years thereafter, to send a renewal form to placard holders at least 90 days prior to the June 30th expiration date;
- e) Requires placard holders who wish to renew their placard to complete, sign, and return the placard renewal notice to the DMV prior to the expiration of their current placard;
- f) Requires DMV, upon receipt of a completed placard renewal form, to mail a new placard to the placard holder;
- g) Requires DMV, when evaluating records to identify deceased placard holders, to also consult the Social Security Administration's Death Master File; and,
- h) Limits the number of placards DMV may issue to replace lost or stolen placards to four in the two-year period, after which a placard holder is required to reapply for a placard, which includes obtaining a medical professional's certification of the individual's disability.

2) With respect to the IID pilot program:

- a) Clarifies that the IID pilot program does not apply to drug-only driving under the influence (DUI);

- b) Amends the date by which DMV must develop IID pilot program components (rules, forms, and sanctions) to conform to statutory timeframes;
- c) Clarifies restriction options for first-time DUI offenders, including retaining court discretion to order IID installation;
- d) Makes driver's license sanctions and IID restriction period uniform and consistent;
- e) Establishes consistency among all provisions pertaining to a person's failure to comply with IID maintenance and calibration requirements; and,
- f) Corrects drafting errors and incorrect references and makes a number of other conforming changes to existing provisions.

EXISTING LAW:

- 1) Allows individuals who are issued a DP plate or parking placard to park for unlimited time in all metered parking spaces, in any parking zone with a restricted time limit, at any parking space designated for use by disabled persons, or any space designated along streets as preferential parking zones for residents and merchants.
- 2) Allows DMV to cancel or revoke a placard if DMV is satisfied that the placard was fraudulently obtained, erroneously issued, or that the placard is being used in an unlawful manner.
- 3) Requires a person, in order to obtain a DP placard or plate, to submit a certificate signed by a physician, surgeon, or licensed chiropractor indicating that the person has lost the use of one or more lower extremities or both hands, or has a significant limitation in the use of his or her lower extremities.
- 4) Prohibits a person from knowingly permitting the use of a placard for parking purposes unless the person to whom the placard was issued is being transported.
- 5) Provides misdemeanor penalties for placard misuse, punishable by fines of not less than \$250 or more than \$1,000, imprisonment in the county jail for not more than six months, or both the fine and imprisonment.
- 6) Requires DMV to provide an unlimited number of replacement placards if a placard is reported lost or stolen.
- 7) Creates an IID pilot extending from January 1, 2019, to January 1, 2026, which requires a DUI offenders to install an IID on his or her vehicle for a specified period of time in order to obtain a restricted license or to reinstate his or her license and to remove the required suspension.

FISCAL EFFECT: Unknown

COMMENTS: *Placard Program:* The state has rightfully recognized the need to accommodate individuals with mobility problems by providing them with preferential parking, using specially designated license plates and placards, that allow them to park in preferential parking stalls as well as to park free for unlimited time periods at metered parking spaces. Unfortunately, with

the privilege of free and unlimited parking, there has been growing problem of abuse by people who are not, in fact, disabled. While the actual magnitude of placard abuse is difficult to verify, reports in metropolitan areas show that the majority of metered spaces are taken by vehicles bearing these placards. For example, a survey conducted by the City of Sacramento found that 73% of metered parking spaces in certain areas of the city were occupied by cars bearing placards and that the majority of the cars were parked in the spaces most of the day, suggesting that the occupants worked nearby. Surveys conducted by the San Francisco Metropolitan Transit Association (SFMTA) indicate that fraudulent placard use is a significant problem, with SFMTA noting that on many occasions nearly 50% of cars parked in the downtown area have placards. SFMTA goes on to say that placards abuse results in a substantial loss parking revenue and reduces the "turnover" of available parking spaces.

Under current law, DMV issues permanent DP plates and placards to disabled veterans and persons with permanent disabilities. To obtain a plate or placard, the individual must obtain certification of their disability from a specified medical professional. Once the medical professional completes and signs the application, the individual completes the remaining portions, submits the application to DMV, and a permanent placard is issued. Once a placard is issued, it is automatically mailed to the placard holder by DMV to the address listed on file every two years. To ensure that placards are not mailed to individuals who may be deceased, DMV is required to compare its records to those held by the State Department of Public Health (prior to mailing out new placards) and to remove a person from the program if it is determined that the person is deceased.

To discourage people from fraudulently using placards, the law provides for civil penalties ranging from \$250-\$1,000 or criminal misdemeanor penalties which include fines ranging from \$250-\$1,000, up to one month in a county jail, or both for this offense. Despite severe penalties for fraudulently using placards, there remains widespread abuse, particularly in cities where parking is costly and hard to come by. The problem with placard abuse is twofold: first it creates a situation where legitimately disabled persons are not able to find parking close to their destination, and second, it diminishes parking revenues that would normally be collected by the municipality.

While a number of bills have been introduced to address the problem of placard fraud (see previous legislation below), little has been done to substantially address the problem in a way that does not adversely impact disabled persons who rely on the placards. Seeking to learn more about efforts that could help reduce placard fraud, Assemblymembers Eric Linder and Mike Gatto, in May 2016, requested an audit of the procedures that DMV currently uses to prevent and combat fraud in the program.

The California State Auditor's report, released in April 2017, found that much of the fraud in the program results from insufficient program oversight by DMV. Specifically, the State Auditor noted, among other things, that DMV does not sufficiently ensure that applications for placards or plates are legitimate, that DMV fails to identify and cancel placards or plates issued to individuals that are likely deceased, and policies allowing individuals to receive unlimited numbers replacement placard is problematic. In its response to the audit, DMV agreed to address the State Auditor's recommendations.

This bill implements many of the State Auditor's recommendations, including ensuring applicants provide their "true full name," as verified by specified documents, to help DMV

match the names of applicants against existing records to better identify and remove deceased individuals from the program. This bill also includes the requirement that DMV consult the Social Security Administration's Death Master to provide a more comprehensive scan before mailing placards at each renewal cycle.

To ensure that placards are being distributed only to legitimate placard holders, this bill also requires that DMV send a renewal form to placard holders once every six years and that the applicant sign and return the form affirming that they wish to continue receiving a placard. This process will help to "weed out" individuals who may no longer need or use the placard, individuals who may have moved and not filed a change of address with DMV, as well as individuals who may be deceased but were not identified through a database search. While it is possible that someone may forge a placard holder's signature and continue to receive and use a placard fraudulently, this system will help ensure that only legitimate placard holders receive placards by mail and reduce the "temptation" for individuals to use placard that may arrive in the mail but do not belong to them.

In their audit, the State Auditor's office noted that the ability of placard holders to obtain an unlimited number of replacement placards can lead to abuse. The State Auditor pointed to data showing that in a three-year period, between July 2013 and June 2016, the vast majority of individuals who requested replacement placards obtained four or fewer, while a lesser, but still significant, number of individuals obtained ten or more placards. The State Auditor described two cases in where individuals obtained over twenty placards in a two-year time period. To help reduce fraud and abuse associated with unlimited renewals of lost or stolen placards, this bill would limit the number of allowable replacement placards. If more than four placards are requested over this time period, the placard holder would first need to submit a new application to DMV, including a certification of the individual's disability by an approved medical professional.

The State Auditor also noted that statutes governing the program suggest, rather than require, DMV to conduct quarterly audits of applications. The State Auditor recommends that DMV be required to conduct application audits to ensure that they are completed correctly and that DMV seek assistance from the Medical Board of California or the appropriate regulatory board, as needed to verify information contained on the application. This bill also includes the State Auditor's recommendation that podiatrists be added to the list of medical professionals authorized to certify a disability involving the foot or ankle.

Writing in support of this bill, SFMTA notes that there is a need to implement the State Auditor's recommendations regarding DMV's management of the placard program, in as much as reforms are needed to ensure those who are disabled can conveniently park throughout San Francisco. They note that the current system is not achieving the goal of providing convenient accessible parking for Californians because of widespread abuse. In their letter, SFMTA states that in many cities across the country, placard holders are required to pay full metered rates which, SFMTA points out, substantially reduces placard abuse. It goes on to recommend that a combination of administrative oversight (such as those described in the State Auditor's report) and removing free and unlimited parking for all placard holders would be the most effective solution to disincentivize placard abuse.

Committee comments: This bill takes a measured approach to tackling what is known to be widespread abuse of placards. The author has worked closely with the disabled community to

ensure that the bill will not result in an undue hardship while, at the same time, reforming the program to ensure abuse is curtailed.

IID pilot: The Legislature passed and Governor Brown signed into law SB 1046 (Hill), Chapter 783, Statutes of 2016, that required DUI offenders to install an IID on his or her vehicle for a specified period of time in order to get a restricted license or to reinstate his or her license and to remove the required suspension time before a person can get a restricted license. Since the passage of SB 1046, DMV has identified a number of issues that require technical clean up in order to ensure the program can be implemented as intended. For example, SB 611 corrects code references to accurately reflect that the IID pilot program applies to individuals convicted of alcohol-related DUI offenses (not drug-only offenses); corrects program effective dates to ensure that they mesh with operative dates of other, related requirement; clarifies language to ensure proper implementation of the program in accordance with existing laws; requirements and court direction; and corrects a number of drafting errors or incorrect references and makes other conforming changes.

Committee comments: The provisions making technical changes to the IID pilot program are needed to ensure that the pilot performs as intended and that there is consistency within and between existing programs.

Previous legislation-parking placards: AB 2602 (Gatto) of 2016 would have created a two-tiered DP parking system whereby only those persons with disabilities that severely limited mobility and dexterity qualify for free and unlimited parking at metered spaces. AB 2602 was held on the Assembly Appropriations Committee suspense file.

AB 1111 (Gatto) of 2015 would have allowed local jurisdictions to install parking meters in accessible parking spaces and allowed local jurisdictions to make changes to DP parking requirements. AB 1111 was returned to the Chief Clerk by this committee pursuant to Joint Rule 56.

SB 1123 (de León) of 2011 would have suspended, for 30 days, the DL of a person who misuses a disabled parking placard and allowed cities and counties to charge disabled persons for parking at 10-hour meters. SB 1123 was returned to the Secretary of the Senate by the Senate Transportation and Housing Committee pursuant to Joint Rule 56.

AB 1531 (DeSaulnier), Chapter 413, Statutes of 2007, altered signage and painting requirements for DP parking spaces, limited the number of times that temporary disability placards may be renewed, and increased fines for second and third violations related to illegal parking in disabled spaces.

AB 327 (Runner), Chapter 555, Statutes of 2003, allowed local governments to impose an additional \$100 penalty for the violation of statutes related to disabled persons' parking privileges.

AB 1314 (Havice), Chapter 640, Statutes of 2001, among other things, revised provisions regarding wheelchair curbside access.

Previous legislation-IID pilot program: SB 1046 (Hill), Chapter 783, Statutes of 2016, requires a DUI offender to install an IID on his or her vehicle for a specified period of time in order to get a

restricted license or to reinstate his or her license and to remove the required suspension time before a person can get a restricted license.

SB 61 (Hill), Chapter 350, Statutes of 2015, extended the existing DMV IID pilot project to July 1, 2017.

SB 55 (Hill) of 2013 would have established a program where under a condition of being issued a restricted driver's license, being reissued a driver's license, or having a the privilege to operate a motor vehicle reinstated for a second or subsequent conviction for an alcohol-related violation, a person would be required to install an IID for a specified period of time on all vehicles owned by the driver. SB 55 was held on the Assembly Appropriations Committee suspense file.

SB 598 (Huff), Chapter 193, Statutes of 2009, required DMV to advise a person convicted of a second or third DUI offense with a blood alcohol concentration of 0.08% or more that her or she may have a restricted driver's license, if he or she shows verification of installation of an IID and pays a fee sufficient to cover the costs of administration.

AB 91 (Feuer), Chapter 217, Statutes of 2009, established an IID pilot program in four counties which mandates the use of IIDs for all DUI offenders.

REGISTERED SUPPORT / OPPOSITION:

Support

Placard program: San Francisco Municipal Transportation Agency

IID pilot: Association for Los Angeles Deputy Sheriffs

Association of Deputy District Attorneys

California Association of Code Enforcement Officers

California College and University Police Chiefs Association

California Narcotic Officers Association

California Police Chiefs Association Inc.

Crime Victims United of California

Los Angeles County Professional Peace Officers Association

Los Angeles Police Protective League

Riverside Sheriffs' Association

Opposition

None on file

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