

Date of Hearing: April 7, 2025

ASSEMBLY COMMITTEE ON TRANSPORTATION

Lori D. Wilson, Chair

AB 1299 (Bryan) – As Amended March 17, 2025

SUBJECT: Parking violations

SUMMARY: Authorizes a local authority to offer a reduction or suspension of parking penalties if a person can demonstrate an inability to pay the parking penalty in full. Specifically, **this bill:**

- 1) Authorizes an issuing agency to consider any other extenuating circumstances relevant to the payment of the parking penalty, including but not limited to documented homeless status and financial hardship, when deciding to reduce or suspend parking penalties.
- 2) Requires processing agencies to extend the period of time they offer payment plans to indigent persons from within 120 days of receiving the parking ticket to any time in order for the issuing agency to use the Department of Motor Vehicles (DMV) as a collection agent.

EXISTING LAW:

- 1) Authorizes a local authority to allow payment of the parking penalty in installments or defer payments. (Vehicle Code Section 40215)
- 2) Provides several options to processing agencies collecting unpaid parking penalties for tickets, including filing an itemization of unpaid parking penalties and service fees with 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 the determination if a person is indigent 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. (VEH 40220)
- 3) 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. (VEH 40220)

- 4) 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. (VEH 40220)
- 5) 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 In-Home Supportive Services (IHSS). (VEH 40220)

FISCAL EFFECT: Unknown

COMMENTS: Existing law authorizes an agency issuing parking tickets to offer a payment plan to help an individual pay for unpaid parking tickets. However, if the parking agency wishes to utilize the DMV as a collections agent for unpaid tickets, they must offer payment plans and a waiver of late fees to indigent persons as long as they request a payment plan within 120 days of receiving the citation. This bill permits local authorities to reduce the parking ticket amount or waive parking tickets for those who cannot pay a parking ticket and requires parking agencies to offer a payment plan to indigent persons at any time, not just within the first 120 days.

According to the author, “AB 1299 is a common sense bill that gives local government’s discretion to reduce or waive parking penalties based on the individual’s circumstances, including, but not limited to, financial hardship. For people living in poverty, parking tickets pose are a severe financial burden that can quickly spiral from a \$52 fine to a vehicle registration hold. This bill gives local agencies the ability to look at a person’s whole circumstance when deciding an action on a parking ticket. For situations where a parking ticket can push an individual from poverty to financial crisis, local jurisdictions should have the ability to do what is best for their constituent.”

The cost of fines and fees associated with traffic and parking citations has steadily increased over the last few decades. Traffic fees can add up to hundreds of dollars after taking into account add-on fees. Add-on fees for minor offenses double or quadruple the original fine, and until recently California suspended drivers’ licenses for failure to pay traffic fines.

Local agencies may use the DMV to collect unpaid parking ticket debt. DMV can require payment in full for unpaid parking tickets to for a person to renew their vehicle registration. For indigent individuals, these piling parking tickets have created a cycle of debt where they are unable to pay back parking fines, and then get additional penalties for driving an unregistered vehicle and an increased vehicle registration fee for late payments.

The cost of being late on payment of a parking ticket can spiral out of control for an indigent person. In the City of Los Angeles, the fine for a parking ticket for overstaying or failing to pay a meter amounts to \$63. If someone cannot pay that ticket on time, the late fee adds \$88. Los Angeles can then transfer the tickets to the DMV to collect the unpaid debt as a requirement to pay vehicle registration fees. Vehicle registration late fees can increase by 60% of the original fees for payments over 30 days late, which may increase the registration fee by as much as \$100. If a person is stopped by law enforcement for having an unregistered vehicle, the fine for driving an unregistered vehicle is currently \$285. All totaled, these fines alone add up to \$536. This

would amount to 1/3 of a single individual's monthly income if they made the maximum amount of money to be eligible for Medi-Cal.

In addition to unpaid debt, parking fees or late registration may result in a person's vehicle being towed by law enforcement. Having five or more unpaid parking tickets allows law enforcement to tow someone's vehicle or place a restrictive device on it. If the fines are moved to the DMV for collections and the individual cannot afford to pay their vehicle registration, law enforcement can tow the vehicle if the registration is more than six months past due.

Recovering a vehicle after it has been towed is expensive. *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 would be \$499. The cost of five unpaid parking tickets in Los Angeles would result in a total cost of \$520 with late penalties. The cost of a three-day tow in addition to the five unpaid parking tickets (\$1,254) would amount to all but \$200 of an indigent person's monthly income if they made the maximum amount to make them eligible for Medi-Cal.

The Legislature passed AB 503 (Lackey), Chapter 741, Statutes of 2017 to stem the spiral of debt for an indigent person. Assemblymember Lackey introduced two follow-up bills as a result of processing agencies trying to get around implementing the law. AB 2544 (Lackey), Chapter 494, Statutes of 2018, clarified that parking agencies had to offer payment plans for tickets issued before July 1, 2018, because processing agencies refused to consider older tickets when implementing the law. AB 833 (Lackey), Chapter 495, Statutes of 2019, clarified that the \$300 maximum cap for which a parking agency had to offer a payment plan only applied to the base fines, not too late penalties because the City of Sacramento was refusing to provide payment plans for individuals who had more than two tickets with a late fee. In 2020, the Legislature passed AB 3277 (Jones-Sawyer) Chapter 55, which increased the maximum cap from \$300 to \$500. This bill would require parking agencies to offer the payment plan at any time, not just within the first 120 days of receiving the parking ticket.

Parking tickets can be particularly problematic for individuals who live in their vehicles because of the risk of having their vehicle towed, either for having five or more parking tickets or for unpaid registration for more than six months as a result of being unable to afford to pay vehicle registration as a result of parking tickets sent to DMV for collection purposes.

Western Center on Law and Poverty, a co-sponsor of this bill, argues "AB 1299's commonsense approach is to provide discretion for local governments to reduce and waive parking penalties based on the circumstances, including an individual's financial status. Research and experience show that people are more likely to pay for something they can afford. California has had great success in similar reforms, such as the Judicial Council's My Citations program, which reduces traffic tickets based on the driver's ability to pay. It is also critical to remove barriers for individuals who are attempting to come forward and resolve unpaid tickets. For low-income drivers who are juggling a number of financial pressures, enforcing unnecessary deadlines to petition for a reduction or request a payment plan does not match their financial realities and threaten the effectiveness of ability-to-pay initiatives."

According to the point-in-time estimates of homeless from the 2023 Annual Homelessness Assessment Report to Congress, there are an estimated 180,000 people that were experiencing homelessness in California, up 6% from the previous count.

According to the University of California, Los Angeles (UCLA) report *Who Lives in Vehicles and Why? Understanding Vehicular Homelessness in Los Angeles* in 2020, almost 60% of the city's unhoused population lived in their vehicle. According to that report, “Compared to non-vehicular respondents, people living in vehicles identified as female, White, and older at higher rates. The vehicular unhoused were also more likely to be in households with children. People living in vehicles reported higher employment rates and were more likely to be actively looking for work.”

According to the UCLA report, while women make up 30% of the unhoused population, they make up 46% of those living in a vehicle. While only 5% of the unhoused population were living with children, 18% of those living in a vehicle were living with children. A higher percentage of unhoused persons living in vehicles were unhoused because of domestic violence (10.7%) while 31% of those living in their vehicles had reported suffering from domestic violence.

Related legislation: AB 1022 (Kalra) of 2025 removes the authority for a peace officer to impound a vehicle for having five or more unpaid parking tickets. That bill is pending before this committee.

AB 3277 (Reggie-Jones), Chapter 55, Statutes of 2020 made various eligibility and programmatic changes to the payment plan program administered by local agencies relative to parking citations.

AB 503 (Lackey), Chapter 741, Statutes of 2017 required the offering of a payment plan and the waiver of penalties for indigent people with unpaid parking tickets prior to filing an itemization of them at the DMV, starting on July 1, 2018.

SB 1487 (Glazer) of 2024 would have prohibited a late payment penalty for a parking violation from exceeding 30% of the original penalty and would extend the time to pay a parking violation before additional penalties accrue. That bill was held in Assembly Appropriations Committee on suspense.

AB 1082 (Kalra) of 2023 would have, among other provisions, revised the ability of local processing agencies to refer delinquent parking violations to the DMV and revised requirements for payment plans. The bill was held in the Senate Appropriations Committee on suspense.

AB 1685 (Bryan) of 2022 would have required processing agencies to forgive at least \$1,500 in parking fines and fees annually for a qualified homeless person. The bill was vetoed by Governor Newsom.

REGISTERED SUPPORT / OPPOSITION:

Support

Los Angeles City Attorney's Office (co-sponsor)
Western Center on Law and Poverty (co-sponsor)
California Mobility and Parking Association

Opposition

None on file

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