

Date of Hearing: April 6, 2026

ASSEMBLY COMMITTEE ON TRANSPORTATION

Lori D. Wilson, Chair

AB 1765 (Alanis) – As Amended March 5, 2026

SUBJECT: Vehicles: fee waivers for disabled veterans

SUMMARY: Increases the commercial motor vehicle weight allowance from 8,001 pounds to less than 10,000 pounds unladen weight for a disabled veteran exempted from paying various vehicle-related fees, including the vehicle registration fee.

EXISTING LAW:

- 1) Requires the Department of Motor Vehicles (DMV) to issue to a qualifying veteran a disabled veteran placard or license plates. (Vehicle Code (VEH) section 5007)
- 2) Except for fees for duplicate license plates, duplicate certificates, or duplicate cards, exempts from fees for a single vehicle subject to registration, and that is not used for transportation for hire, compensation, or profit, any of the following:
 - a) A disabled veteran;
 - b) A former American prisoner of war;
 - c) The surviving spouse of a former American prisoner of war who has elected to retain the issued special license plates issued;
 - d) A Congressional Medal of Honor recipient; and,
 - e) The surviving spouse of a Congressional Medal of Honor recipient who has elected to retain the issued special license plates. (VEH 9105)
- 3) For purposes of this exemption, defines a vehicle as any of the following:
 - a) A passenger motor vehicle;
 - b) A motorcycle; and,
 - c) A commercial motor vehicle of less than 8,001 pounds unladen weight. (VEH 9105)

FISCAL EFFECT: Unknown

COMMENTS: Battery electric vehicles are heavier than their gas-powered equivalents. This bill increases the allowable weight of a commercial vehicle registered to a disabled veteran that would be exempt from certain vehicle-related fees. This increase is intended to accommodate the heavier weight of electric commercial trucks designed for personal use.

This bill would result in a loss of revenue for the DMV because it would increase the number of vehicles exempt from various vehicle-related fees. The DMV anticipates an annual revenue loss of an unknown amount to various funds. This loss results from a vehicle for which DMV issues a disabled veteran license plate being exempt from the following fees: vehicle registration fee (\$74), California Highway Patrol fee (\$32), vehicle license fee (\$105) and the transportation improvement fee (\$76).

Motor Vehicle Account. According to the Legislative Analyst's Office (LAO), the Motor Vehicle Account (MVA), the primary funding source for DMV, has been experiencing a structural

imbalance for many years, with expenditures consistently outpacing revenues. The state has been able to delay the account's insolvency through various budget adjustments, policy changes, and temporary transfers from other special funds. Several underlying causes of the MVA's structural deficit remain unaddressed, and the account is projected to become insolvent from the 2028-29 budget year onward. Moreover, given the scale of the state's projected budget shortfall in the coming years, relying on the General Fund or other special funds to help cover MVA expenditures will be challenging. The LAO argues that every new expenditure from the account—especially those that are comparatively large—should be well justified and clear a high bar for approval.

In the Governor's proposed 2026-2027 budget, the Governor warned that "the Budget currently projects that the MVA will be insolvent as soon as 2028-29. Given the ongoing fiscal constraints in the MVA, the Administration will continue to limit new workload or initiatives, including those with delayed implementation dates that would create additional cost pressures over time."

According to the author, "Assembly Bill 1765 (AB 1765) would amend Section 9105 of the Vehicle Code to remove the current 8,000-pound weight restriction for commercial vehicles eligible for the Disabled Veteran (DV) registration fee exemption. Under existing law, commercial vehicles exceeding 8,000 pounds are excluded from the DV fee exemption program. However, many disabled veterans rely on heavy-duty vehicles, including 2500- and 3500-series pickup trucks, to safely and lawfully tow recreational trailers such as travel trailers, fifth-wheel campers, and toy haulers. AB 1765 would eliminate the weight cap, thereby expanding eligibility for the DV fee exemption to ensure disabled veterans are not excluded based solely on the weight classification of their vehicle."

According to the Peace Officers Research Association of California, supporters of this bill, "I write to you today on behalf of the Peace Officers' Research Association of California (PORAC), representing over 86,000 public safety members and over 955 public safety associations. We are pleased to inform you of our support for AB 1765 relating to Vehicles: fee waivers for disabled veterans. AB 1765 expands eligibility for existing vehicle fee exemptions for disabled veterans and other decorated service members by increasing the allowable vehicle weight threshold. This update reflects the reality that many modern vehicles, including trucks and SUVs commonly used by veterans and their families, now exceed the current weight limit, unintentionally excluding otherwise eligible individuals from receiving this benefit. By modernizing this threshold, AB 1765 ensures that this longstanding benefit remains accessible and functions as originally intended."

Previous and Related Legislation. AB 1882 (Villapudua) of 2024 would have revised eligibility criteria for the disabled veteran's plate and exempts partially disabled veterans, as defined, from paying vehicle registration fees. That bill was held on suspense in Assembly Appropriations Committee.

AB 2837 (C. Garcia) of 2022 would have reduced the disability rating required to be considered a disabled veteran from 100% to 70% for veterans that meet the definition of "disabled veteran". That bill was held on suspense in Assembly Appropriations Committee.

AB 459 (Mathis) of 2021 would have provided for partially disabled veterans to receive a prorated vehicle registration fee based on the disability rating they have. That bill was held on suspense in Assembly Appropriations Committee.

This bill is double referred to the Committee on Military and Veterans Affairs and will be heard in that committee as it relates to their jurisdiction.

REGISTERED SUPPORT / OPPOSITION:

Support

California Association of Highway Patrolmen
Peace Officers Research Association of California

Opposition

None on file

Analysis Prepared by: Aaron Kurz / TRANS. / (916) 319-2093