

Date of Hearing: April 4, 2022

ASSEMBLY COMMITTEE ON TRANSPORTATION

Laura Friedman, Chair

AB 1685 (Bryan) – As Amended March 9, 2022

**SUBJECT:** Vehicles: parking violations

**SUMMARY:** Requires processing agencies to forgive at least \$1,500 in parking tickets for individuals who are verified to be homeless. Specifically, **this bill**:

- 1) Requires processing agencies to forgive at least \$1,500 in parking tickets once per calendar year for individuals who have been verified to be homeless.
- 2) Allows an applicant to ask for forgiveness at least four times a year.
- 3) 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.
- 4) Provides that an area in which the availability of homeless services providers is sparse, as determined by the continuum of care, the California Interagency Council on Homelessness (CICH) shall develop an alternative low-barrier process to determine an applicant's status as homeless.
- 5) Prohibits a processing agency from establishing or imposing any additional qualifications for citation forgiveness under this program, including mandatory participation in any service or program, or mandatory community service.
- 6) Requires processing agencies to include the following information in the same manner that it generally provides public information and instructions on the payment of parking citations, including at any in-person payment counter, telephone recording, and in a clear and easily accessible location on its internet website:
  - a) The availability of a parking citation forgiveness program for persons who are homeless; and,
  - b) Clear instructions on eligibility, program limitations, and instructions on how to apply.
- 7) Requires processing agencies, to annually report to the CICH the number of applications received pursuant to this section, and the total number of citations and total amount of penalties and fines waived during the previous calendar year, in a form prescribed by the council, starting March 1, 2024.
- 8) Requires CICH to submit a report to the Legislature annually compiling the information received from all processing agencies starting June 1, 2024.
- 9) Uses federal definitions for the definitions of continuum of care, coordinated entry system, homeless, and homeless services provider.

**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 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 CICH with the purpose of coordinating the state’s response to homelessness by utilizing Housing First Practices.

**FISCAL EFFECT:** Unknown

**COMMENTS:**

The cost of fines and fees associated with traffic and parking citations has steadily increased over the last few decades. After adding on fees to base fines, tickets can total in the hundreds of dollars. Add-on fees for minor offenses double or quadruple the original fine, and until recently California suspended driver’s licenses for failure to pay traffic fines.

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

The cost from being late on payment of a parking ticket could easily spiral out of control for an indigent person. In Sacramento, the fine for a parking ticket amounts to \$52. If someone is unable to pay that ticket on time, the late fee adds an additional \$52. If Sacramento then were to ask DMV to collect the unpaid debt, DMV would add the entire cost of the outstanding parking ticket and fines to vehicle registration fees. If someone were 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 alone add up to \$489. 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.

The unpaid debt is not the only issue for someone who received parking tickets. 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 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 expired.

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 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 passed AB 503 (Lackey), Chapter 741, Statutes of 2017 to stop 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 prior to 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 to late penalties, because the City of Sacramento was refusing to offer payment plans to 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.

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.”

As of January of 2018, the United States Interagency Council on Homelessness estimates that there are 129,972 individuals experiencing homelessness on any given day. Of that total, 6,702 were family households, 10,836 were veterans, 12,396 were unaccompanied young adults (aged 18-24), and 34,332 were individuals experiencing chronic homelessness. According to *Towed into Debt*, one third of the estimated 39,000 homeless individuals in Los Angeles live in vehicles.

According to The Los Angeles Homeless Services Authority, the sponsors of this bill, “According to the 2020 Greater Los Angeles Count, there were at least 18,904 people living in 11,124 vehicles on any given night in Los Angeles County. For many of our unhoused neighbors, their vehicles provide protection from sleeping directly on the sidewalk. Vehicles provide a last vestige of stability, and a way to access jobs, appointments with doctors, case managers, and way to maintain the social networks that can provide a way out of crisis. Unfortunately, many unhoused people’s vehicles are at risk of being towed due to outstanding parking citations. Much of this debt goes unpaid and uncollected. But, in some cases, people experiencing homelessness pay what little money they have available to clear their tickets, or turn to service providers and outreach workers to use homeless service funds to clear these citations.

AB 1685 builds on existing programs by creating a state-wide solution, directing cities to create programs similar to those developed by the City Los Angeles and City of San Francisco that create opportunities for people experiencing homelessness to waive their ticket balances. Parking fines significantly burden this population while also threatening the loss of their vehicle, while providing very little revenue for the government. AB 1685 would create the mechanism in California for those experiencing homelessness to receive much needed debt relief, both avoiding damaging vehicle tows that send people deeper into crisis, while also preserving flexible homeless service dollars to focus on moving these individuals into housing.”

Double referral: Should this bill pass this committee it will be referred to the Committee on Housing and Community Development.

*Committee Concerns:* Parking tickets are necessary to curb car use, reduce congestion, enhance public safety, and ensure parking spots are open for those who need them with disabilities or cars that need specific spots to charge. Pricing parking properly can help reduce sprawl, increase public transit use, and reduce vehicle miles traveled, while building cities without parking can help promote healthier communities where its citizens walk, bike and use transit to get around.

This committee has supported legislation to reduce financial burdens on low income individuals, requiring the waiver of late fees and the establishment of payment plans of \$25 a month for low income individuals, establishing a balance between enforcing parking, while recognizing that some sort of penalty must entail for parking in places cities have a legitimate reason to discourage parking cars or parking cars for too long.

While this bill is narrowly tailored to individuals that are homeless, it could be abused by individuals claiming to be homeless to avoid paying parking tickets. Clearing these parking

tickets could help reduce a cycle of poverty that is keeping a person homeless, but ultimately it would be beneficial if the verification process ultimately allowed homeless service providers to require the person be a client when they go through the verification process to reduce potential abuse of the program, while also helping the individual get out of the situation that resulted in them living in a car to begin with.

The committee, therefore, recommends making amendments to authorize legal and health care homeless service providers the ability to establish requirements for the homeless individual to be a client in order to verify that the individual is homeless for the purposes of being eligible for the parking ticket waiver as follows:

*Vehicle Code 40220.2(e)* A processing agency may verify an applicant's ~~status~~ **eligibility** 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 serves 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 described in paragraph one may require applicant to be a client in order to make the verification for the purposes of this section.**

*Related Legislation:*

*AB 2775 (Quirk Silva)* Would exempt the payment of vehicle registration fees for recreational vehicles owned by a person who verifies to the department that they are homeless and using the recreational vehicle as their residence. That bill is pending a hearing in this committee.

*AB 2510 (Bennett)* waives the driver's license renewal fee for a homeless person. That bill is pending a hearing in this committee.

*Previous legislation:*

*AB 2544 (Lackey), Chapter 494, Statutes of 2018), AB 503 (Lackey), Chapter 741, Statutes of 2017, and AB 3277 (Jones Sawyer) Chapter 44, Statutes of 2020* requires processing agencies to take several steps prior to asking DMV to collect their unpaid debt from indigent individuals, including establishing a payment program and waiving late fees and penalty assessments.

*AB 1325 (Jones-Sawyer), of 2019* would have required processing agencies to offer unhoused individuals community service in lieu of paying parking tickets. That bill died in Assembly Appropriations Committee.

*AB 302 (Berman, 2019),* requires a community college campus that has parking facilities on campus to grant overnight access to those facilities, on or before July 1, 2020, to any homeless student who is enrolled in coursework, has paid any enrollment fees that have not been waived, and is in good standing with the community college for the purpose of sleeping in the student's vehicle overnight. AB 302 died on the Senate Floor.

*AB 516 (Chiu, 2019),* Repeals existing law that authorizes peace officers to tow vehicles for having five or more delinquent parking or traffic violations, for leaving a vehicle on a road for 72 or more consecutive hours, and for a having a lapsed vehicle registration in excess of six months. That bill died in Senate Appropriations Committee.

AB 891 (Burke, 2019), requires cities with more than 330,000 people to have a safe parking program, as defined. That bill was vetoed by the Governor.

**REGISTERED SUPPORT / OPPOSITION:****Support**

Abundant Housing LA  
Brilliant Corners  
Corporation for Supportive Housing (CSH)  
Downtown Women's Center  
Housing California  
Inner City Law Center  
John Burton Advocates for Youth  
LA Family Housing  
Los Angeles Homeless Services Authority  
National Alliance to End Homelessness  
North Westwood Neighborhood Council, Community Health & Homelessness Committee  
Orange County United Way  
Streets for All  
Sycamores  
The People Concern  
Western Center on Law & Poverty, INC.

**Opposition**

None on file

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