

Date of Hearing: April 22, 2019

ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

AB 1325 (Jones-Sawyer) – As Amended April 11, 2019

SUBJECT: Parking penalties: community service

SUMMARY: Requires processing agencies to offer community service to individuals who are both homeless and indigent before they can file an itemization of unpaid parking penalties and service fees with the Department of Motor Vehicles (DMV) for collection purposes. Specifically, **this bill:**

- 1) Prohibits processing agencies from filing an itemization of unpaid parking penalties and related services fees with DMV for collection with vehicle registration unless the processing agency provides a community service option for homeless individuals.
- 2) Allows a homeless individual to use the community service option to pay off at least 10 parking tickets, capped at a total of \$1,500 worth of tickets in a calendar year.
- 3) Limits the amount of community service that can be performed to 50 hours per calendar year, except the processing agency may require additional hours for safety violations.
- 4) Requires the processing agency to give the homeless individual at least 90 days to complete the community service, which may be extended at the discretion of the processing agency.
- 5) Allows the processing agency to partner with a city, county, city and county, or continuum of care to administer the community service option.
- 6) Allows the processing agency to limit participation in the community service option to only the registered owner of the vehicle that received the parking citation.
- 7) Requires a processing agency to include information regarding its payment plan option on its public website, and a web page link and telephone number to more information on the program.
- 8) Defines a person as “homeless” if the person meets all of the following criteria:
 - a) The person is indigent.
 - b) The person meets the federal definition of homelessness as defined in January of 2019.
 - c) The person has been entered into the Homeless Management Information System (HMIS) or a comparable database used by a victim service or legal service provider.

EXISTING LAW:

- 1) Provides several options to processing agencies collecting unpaid parking penalties for tickets given after July 1, 2018, 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 \$300 or less, in a period within 18 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.
 - d) Allows the application for indigency determination for a period of 60 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 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.

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.

According to a recent report from a variety of public interest groups entitled *Towed into Debt: How Towing Practices in California Punish Poor People*, a parking ticket in Los Angeles (LA) costs \$68 with an additional \$68 in late fees. A car left unattended for five business days in Los Angeles could wind up with \$680 in parking tickets. The City of LA could opt to have DMV add the entire cost of the ticket to vehicle registration fees. If someone were unable to pay the \$680 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 \$1065. The City of LA currently may have the authority to also tow someone's vehicle for having five or more unpaid parking tickets, or for having vehicle registration that has lapsed by six months. Recovering a vehicle after a tow is expensive. *Towed into Debt* 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 sum to \$499.

In a short amount of time, a person could go from owing nothing to owing \$1,560 for five unpaid parking tickets, or 150% more than the monthly income of someone making the maximum to qualify for Medi-Cal.

AB 503 (Lackey), Chapter 741, Statutes of 2017, and AB 2544 (Lackey), Chapter 494, Statutes of 2018, require 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. Instead of the scenario discussed above, an indigent person would be given the opportunity to pay off the parking ticket in a maximum of \$25 monthly payments, have the additional late fee waived, and avoid being placed in a position where they may be unable to pay back their vehicle registration fees on time. This approach provides a balance between recognizing that the fines still need to exist to enforce parking laws, while still providing a more reasonable payment plan for those who cannot afford to pay the tickets all at once.

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.

This bill builds on AB 503 and AB 2544 by recognizing that, for homeless individuals, even a \$25 payment plan may be too stringent. This bill requires processing agencies to offer indigent homeless individuals community service in lieu of parking tickets. Community services must be offered for at least 10 unpaid parking tickets in a year, or a total of \$1,500. A 50 hour cap is also placed on the amount of community service can be required, coming out to \$30 per hour of community service if someone has the maximum \$1,500 worth of parking tickets.

In order for someone to qualify as homeless for this provision, they must have been entered into HMIS. HMIS is a local information technology system used to collect client led data and data on the provision of housing and services to homeless individuals and families. Someone can get into HMIS through a Continuum of Care Program- Housing and Urban Development- Veterans Affairs Supportive Housing, and Veterans Homelessness Prevention Demonstration program grantees.

Committee comments: While this bill provides that a parking agency can require up to 50 hours of community service, there is nothing stopping a processing agency from requiring those hours for 5 unpaid parking tickets, 10 unpaid parking tickets, or even 1 unpaid parking ticket. The bill also allows a parking agency to go above 50 hours if the parking ticket was for a safety violation. However the bill does not define what a safety violation is, which could potentially lead to abuse. The Legislature may wish to place a cap on the number of hours of community service that need to be completed per ticket and consider either defining what a safety violation is, or remove that provision altogether.

Further, while existing law for payment plans offered to those who are indigent gives an indigent person 60 calendar days from the issuance of notice of parking violation to file a request to participate in a

payment plan, this bill does not specify how long a homeless person has to opt into the community service program. The Legislature may wish to extend a similar timeline for homeless individuals to participate in a community service program.

Related Legislation:

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 is pending a hearing in Assembly Appropriations Committee.

AB 461 (Lackey, 2019) requires DMV to provide an indigent person, as defined, with a payment plan option for vehicle registration fees. That bill is pending a hearing in this committee.

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 is set for a hearing in this committee on April 22, 2019.

AB 867 (Wood, 2019) and AB 1103 (Patterson, 2019) requires DMV to provide everyone an option to pay their vehicle registration fees in installment payments. Those bills are pending a hearing in this committee.

AB 891 (Burke, 2019) requires cities with more than 330,000 people to have a safe parking program, as defined. That bill is currently pending a hearing in Accountability and Administrative Review.

SB 369 (Hertzberg, 2019) establishes a safe parking program and requires DMV to create installment payment plans for participants in the safe parking program, to waive late fees for driver's license renewals and vehicle registration, and waive smog check requirements. That bill is pending a hearing in the Senate Transportation Committee.

Previous Legislation:

AB 2544 (Lackey) Chapter 494, Statutes of 2018) and AB 503 (Lackey), Chapter 741, Statutes of 2017, 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.

REGISTERED SUPPORT / OPPOSITION:

Support

Eric Garcetti, Mayor of Los Angeles (Sponsor)
Western Center On Law & Poverty, Inc.

Opposition

None on file

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