

ASSEMBLY BILL

No. 2544

Introduced by Assembly Member Lackey
(Coauthors: Assembly Members Baker and Eduardo Garcia)
(Coauthors: Senators Wieckowski and Wiener)

February 15, 2018

An act to amend Section 40220 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 2544, as introduced, Lackey. Parking violations.

Existing law authorizes an agency that processes unpaid parking violations to proceed under 3 specified options to collect the unpaid penalty. Under one option, a processing agency is authorized to file an itemization of the unpaid penalties with the Department of Motor Vehicles for collection with the registration of the vehicle. Existing law requires this option, starting on July 1, 2018, to include a process to provide a payment plan for indigent persons.

This bill would permit the processing agency the option to collect the unpaid penalties along with the vehicle registration through the department, but only after providing a payment plan to indigent persons, and would make that option applicable to all unpaid parking penalties, regardless of the date on which the ticket was issued.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 40220 of the Vehicle Code is amended to read:

40220. (a) Except as otherwise provided in Sections 40221 and 40222, the processing agency may proceed under one of the following options in order to collect an unpaid parking penalty:

(1) (A) File an itemization of unpaid parking penalties and service fees with the department for collection with the registration of the vehicle pursuant to Section 4760. Beginning July 1, 2018, the processing agency shall not file an itemization ~~pursuant to this subdivision~~ *to collect any unpaid parking penalties, regardless of the date on which the ticket was issued*, unless all of the following conditions have been satisfied:

(i) The issuing agency provides a payment plan option for indigent persons that, at a minimum, does all of the following:

(I) Allows payment of unpaid parking fines and fees to be paid off in monthly installments of no more than twenty-five dollars (\$25) for total amounts due that are three hundred dollars (\$300) or less. However, unpaid parking fines and fees shall be paid off within 18 months. There shall be no prepayment penalty for paying off the balance prior to the payment period expiring.

(II) Waives all late fees and penalty assessments, exclusive of any state surcharges described in Sections 70372, 76000, and 76000.3 of the Government Code, 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.

(III) Limits the processing fee to participate in a payment plan to five dollars (\$5) or less for indigent ~~individuals~~ *persons* and twenty-five dollars (\$25) or less for all other ~~individuals~~ *persons*. The processing fee for an indigent ~~individual person~~ may be added to the payment plan amount, at the discretion of the indigent ~~owner~~ *person*.

(IV) Allows for 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.

(ii) The processing agency includes the information described in subclauses (I) and (II) in the notice of parking violation, and

1 includes both in the notice of parking violation and on its public
2 Internet Web site, a Web page link and telephone number to more
3 information on the program. The linked Web page shall include
4 all of the following information:

5 (I) The availability of an installment payment plan, and the
6 timeframe in which to apply.

7 (II) The person's right to request an indigency determination
8 and the timeframe in which he or she must apply.

9 (III) Clear language about how the person can request an
10 indigency determination and what that determination will entail.

11 (IV) Documents needed by the processing agency to make an
12 indigency determination.

13 (iii) The registered owner or lessee fails to enroll in the payment
14 plan within the time specified in the notice or is not eligible for
15 the payment plan because he or she is not indigent.

16 (B) The processing agency shall allow a registered owner or
17 lessee who falls out of compliance with the payment plan a
18 one-time extension of 45 calendar days from the date the plan
19 becomes delinquent to resume payments before the processing
20 agency files an itemization of unpaid parking penalties and service
21 fees with the department pursuant to subparagraph (A).

22 (C) The processing agency shall rescind the filing of an
23 itemization of unpaid parking penalties and service fees with the
24 department for an indigent ~~individual~~, *person*, for one time only,
25 if the registered owner or lessee enrolls in a payment plan and pays
26 a late fee of no more than five dollars (\$5).

27 (D) (i) By August 1, 2018, each California State University
28 and community college district governing board shall adopt a
29 parking citation payment plan for ~~individuals~~ *persons* with multiple
30 unpaid parking citations. A parking citation payment policy
31 adopted under this subparagraph shall include, but not be limited
32 to, all of the following requirements:

33 (I) Late fees shall be placed in abeyance while the payment plan
34 is in place and the ~~individual~~ *person* adheres to its terms, and shall
35 be waived once the payment plan is completed.

36 (II) Once the payment plan is in place and the ~~individual~~ *person*
37 adheres to its terms, an itemization of unpaid parking penalties
38 and service fees as described in subparagraph (A) shall not be filed
39 with the department.

1 (III) Each California State University and community college
2 district campus shall post the parking citation payment policy on
3 its Internet Web site for students' awareness and access.

4 (ii) A California State University or community college district
5 governing board that fails to implement a parking citation payment
6 plan pursuant to clause (i) by August 1, 2018, shall implement the
7 payment plan as provided in subparagraphs (A) to (C), inclusive,
8 and subdivision (c).

9 (2) (A) If more than four hundred dollars (\$400) in unpaid
10 penalties and fees have been accrued by any person or registered
11 owner, proof thereof may be filed with the court ~~with~~ *and shall*
12 *have* the same effect as a civil judgment. Execution may be levied
13 and other measures may be taken for the collection of the judgment
14 as are authorized for the collection of an unpaid civil judgment
15 entered against a defendant in an action on a debtor. The court
16 may assess costs against a judgment debtor to be paid upon
17 satisfaction of the judgment. The processing agency shall send a
18 notice by first-class mail to the person or registered owner
19 indicating that a judgment shall be entered for the unpaid penalties,
20 fees, and costs and that, after 21 calendar days from the date of
21 the mailing of the notice, the judgment shall have the same effect
22 as an entry of judgment against a judgment debtor. The person or
23 registered owner shall also be notified at that time that execution
24 may be levied against his or her assets, liens may be placed against
25 his or her property, his or her wages may be garnished, and other
26 steps may be taken to satisfy the judgment. If a judgment is
27 rendered for the processing agency, that agency may contract with
28 a collection agency to collect the amount of that judgment.

29 (B) Notwithstanding any other law, the processing agency shall
30 pay the established first paper civil filing fee at the time an entry
31 of civil judgment is requested.

32 (3) If the registration of the vehicle has not been renewed for
33 60 days beyond the renewal date, and the citation has not been
34 collected by the department pursuant to Section 4760, file proof
35 of unpaid penalties and fees with the court with the same effect as
36 a civil judgment as provided in paragraph (2).

37 (b) This section does not apply to a registered owner of a vehicle
38 if the citation was issued prior to the registered owner taking
39 possession of the vehicle, and the department has notified the
40 processing agency pursuant to Section 4764.

1 (c) (1) For purposes of paragraph (1) of subdivision (a), a person
2 is “indigent” if any of the following conditions is met:

3 (A) The person meets the income criteria set forth in subdivision
4 (b) of Section 68632 of the Government Code.

5 (B) The person receives public benefits from any of the
6 programs listed in subdivision (a) of Section 68632 of the
7 Government Code.

8 (2) The person may demonstrate that he or she is indigent by
9 providing either of the following information, as applicable:

10 (A) Proof of income from a pay stub or another form of proof
11 of earnings, such as a bank statement, that shows that the ~~individual~~
12 *person* meets the income criteria set forth in subdivision (b) of
13 Section 68632 of the Government Code, subject to review and
14 approval by the processing agency or its designee. The processing
15 agency or its designee shall not unreasonably withhold its approval.

16 (B) Proof of receipt of benefits under the programs described
17 in subparagraph (B) of paragraph (1), including, but not limited
18 to, an electronic benefits transfer card or another card, subject to
19 review and approval by the processing agency. The processing
20 agency or its designee shall not unreasonably withhold its approval.

21 (3) If a defendant’s indigent status is found to have been
22 willfully fraudulent, his or her fines and fees reduction shall be
23 overturned and the full amount of fines and fees shall be restored.