

AMENDED IN ASSEMBLY APRIL 15, 2002

AMENDED IN ASSEMBLY MARCH 11, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 1883

Introduced by Assembly Member Kelley

February 4, 2002

An act to amend Sections 7502.3, 7503, 7504, 7505.5, 7506.3, 7507.12, and 7510.1 of the Business and Professions Code, ~~relating to collateral recovery~~ and to amend Sections 14602.6, 14602.7, and 22850.5 of the Vehicle Code, relating to recovery of property.

LEGISLATIVE COUNSEL'S DIGEST

AB 1883, as amended, Kelley. ~~Collateral recovery: repossession~~
Recovery of property.

(1) Existing law, the Collateral Recovery Act, establishes the Bureau of Security and Investigative Services that is under the supervision and control of the Director of the Department of Consumer Affairs. Existing law authorizes the licensure and regulation of persons engaged in the business of repossessing personal property. Existing law makes it is a felony for a person to knowingly falsify fingerprints or photographs required by the act. Existing law provides that a violation of the act, including certain specific provisions, is a crime.

This bill would prohibit an applicant from knowingly making any false statements to the bureau on his or her application for licensure. The bill would require an applicant to sign his or her application for licensure and qualification certificate stating, under penalty of perjury, that he or she meets the minimum requirements for licensure.

(2) Existing law requires that every office licensed as a repossession agency be under the direction of a qualified certificate holder and requires the certificate holder in charge of the office to spend over 51% of his or her time conducting business at that office during normal business hours.

This bill would instead require that a qualified certificate holder be in charge of only one office location.

(3) Existing law authorizes the director to suspend or revoke a repossession agency license, a qualification certificate, or registration if the director determines that a licensee or others specified, among other things, made any false statement or gave any false information concerning an application for license or a renewal or reinstatement of a license.

This bill would additionally authorize the director to suspend or revoke a repossession agency license, a qualification certificate, or registration if the director determines that a licensee or others specified, gave any false information concerning a qualification certificate or registration.

(4) Existing law provides that certain collateral is considered to be repossessed when a reposessor gains entry to the collateral or when the collateral becomes connected to a tow truck.

This bill would provide that a repossession of the collateral also occurs when the collateral becomes connected to the reposessor's tow vehicle, as defined.

Because this bill would place additional requirements on a person licensed under the Collateral Recovery Act, the violation of which is a crime, the bill would impose a state-mandated local program.

Existing law provides that a peace officer or magistrate may cause the removal and seizure of a vehicle, as specified. Existing law provides that a vehicle so seized may be impounded for 30 days. Existing law provides that the vehicle shall be released by the impounding agency to the legal owner or the legal owner's agent if certain conditions are met, including the presentation of certain documents which may be originals, photocopies, facsimiles, or electronic transmissions.

This bill would specify that the impounding agency shall not require that any of these documents be notarized.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.



This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. Section 7502.3 of the Business and Professions
2 Code is amended to read:

3 7502.3. (a) No applicant for a license, certificate, or
4 registration shall knowingly make any false statement of fact
5 required to be revealed in the application to the bureau.

6 (b) Any person who knowingly falsifies the fingerprints or
7 photographs required by any provision of this chapter is guilty of
8 a felony.

9 SEC. 2. Section 7503 of the Business and Professions Code
10 is amended to read:

11 7503. An application for a repossession agency license shall
12 be made in writing to, and filed with, the bureau in the form that
13 may be required by the director and shall be accompanied by the
14 original license fee prescribed by this chapter. The director may
15 require the submission of any other pertinent information,
16 evidence, statements, or documents.

17 Every application for a repossession agency license shall be
18 signed under penalty of perjury and state, among other things that
19 may be required, the name of the applicant and the name under
20 which the applicant will do business, the location by number and
21 street and city of the office of the business for which the license is
22 sought, and the usual business hours the business will maintain.
23 The residence address, residence telephone number, and driver's
24 license number of each licensee, principal owner of each licensee,
25 and any applicant for a license, if requested, shall be confidential
26 pursuant to the Information Practices Act of 1977 (Chapter 1
27 (commencing with Section 1798) of Title 1.8 of Part 4 of Division
28 3 of the Civil Code) and shall not be released to the public.

29 No license shall be issued in any fictitious name which may be
30 confused with or which is similar to any federal, state, county, or
31 municipal governmental function or agency, or in any name which
32 may tend to describe any business function or enterprise not
33 actually engaged in by the applicant, or in any name which is the

1 same as or so similar to that of any existing licensee as would tend
2 to deceive the public, or in any name which would otherwise tend
3 to be deceptive or misleading.

4 SEC. 3. Section 7504 of the Business and Professions Code
5 is amended to read:

6 7504. (a) Except as otherwise provided in this chapter, an
7 applicant for a qualification certificate shall comply with all of the
8 following:

9 (1) Be at least 18 years of age.

10 (2) Have been, for at least two years of lawful experience,
11 during the five years preceding the date on which his or her
12 application is filed, a registrant or have had two years of lawful
13 experience in recovering collateral within this state. Lawful
14 experience means experience in recovering collateral as a
15 registrant pursuant to this chapter or as a salaried employee of a
16 financial institution or vehicle dealer.

17 Two years' experience shall consist of not less than 4,000 hours
18 of actual compensated work performed by the applicant preceding
19 the filing of an application.

20 An applicant shall certify that he or she has completed the
21 claimed hours of qualifying experience and the exact details as to
22 the character and nature thereof by written certifications from the
23 employer, licensee, financial institution, or vehicle dealer, subject
24 to independent verification by the director as he or she may
25 determine. In the event of *the* inability of an applicant to supply the
26 written certifications from the employer, licensee, financial
27 institution or vehicle dealer, in whole or in part, applicants may
28 offer other written certifications from other persons substantiating
29 their experience for consideration by the director. All
30 certifications shall be made under penalty *of* perjury and shall
31 include a statement that representations made are true, correct, and
32 contain no material omissions of fact to the best knowledge and
33 belief of the applicant or the person submitting the certification.

34 (3) Complete and forward to the bureau a qualified certificate
35 holder application which shall be on a form prescribed by the
36 director and signed under penalty of perjury. The application shall
37 be accompanied by two recent photographs of the applicant, of a
38 type prescribed by the director, and two classifiable sets of his or
39 her fingerprints. The residence address, residence telephone
40 number, and driver's license number of each qualified certificate



holder or applicant for a qualification certificate, if requested, shall be confidential pursuant to the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code) and shall not be released to the public.

(4) Pass the required examination.

(5) Pay the required application and examination fees to the bureau.

(b) Upon the issuance of the initial qualification certificate or renewal qualification certificate, the bureau shall issue to the certificate holder a suitable pocket identification card which includes a photograph of the certificate holder. The photograph shall be of a size prescribed by the bureau. The card shall contain the name of the licensee with whom the certificate holder is employed.

SEC. 4. Section 7505.5 of the Business and Professions Code is amended to read:

7505.5. The person deemed to be actively in charge of an office shall be the holder of a qualification certificate and the certificate, together with the current renewal certificate, shall be prominently displayed below the repossession agency's license. The person shall be in charge of only one licensed location. The person shall share equally with the licensee the responsibility for the conduct of the business and the personnel of the licensed agency or agencies, if more than one agency is licensed at that location. This section shall not apply to any licensee who notifies the bureau in writing that the licensee is not conducting any business, but wishes to maintain a current license status with the bureau. When the licensee resumes conducting business, the licensee shall so inform the bureau in writing within 30 days.

SEC. 5. Section 7506.3 of the Business and Professions Code is amended to read:

7506.3. Except as otherwise provided in this article, every person entering the employ of, or contracting with, a licensee or multiple licensee after the effective date of this article shall immediately complete an application for an initial registration or a reregistration, sign it under penalty of perjury, and file the appropriate application with the chief within 15 working days after the commencement of employment or contracted services for the licensee or multiple licensee for whom the applicant is employed

1 or contracted. Applicants for registration must be at least 18 years
2 of age.

3 (a) An initial registration application shall be required of those
4 persons who have not previously submitted an application for
5 registration, or been registered as a registrant.

6 (b) A reregistration application shall be required of those
7 persons who have previously submitted or been registered as a
8 registrant.

9 (c) No registrant of a multiple licensee shall be required to file
10 more than one application for registration or reregistration for each
11 multiple licensee.

12 SEC. 6. Section 7507.12 of the Business and Professions
13 Code is amended to read:

14 7507.12. With regard to collateral subject to registration
15 under the Vehicle Code, a repossession occurs when the
16 reposessor gains entry to the collateral or when the collateral
17 becomes connected to a tow truck or the reposessor's tow vehicle,
18 as those terms are defined in Section 615 of the Vehicle Code.

19 SEC. 7. Section 7510.1 of the Business and Professions Code
20 is amended to read:

21 7510.1. In addition to any other remedies authorized by this
22 chapter, the director may suspend or revoke a repossession agency
23 license, a qualification certificate, or registration issued under this
24 chapter if the director determines that the licensee or the licensee's
25 manager, if an individual, or if the licensee is a person other than
26 an individual, that any of its officers, partners, registrants,
27 employees, or its manager, has:

28 (a) Made any false statement or given any false information in
29 connection with an application for a license, qualification
30 certificate, or registration, or a renewal or reinstatement thereof.

31 (b) Violated any provisions of this chapter.

32 (c) Violated any rule of the director adopted pursuant to
33 authority contained in this chapter.

34 (d) Been convicted of a felony or any crime substantially
35 related to the repossession agency business including illegally
36 using, carrying, or possessing a deadly weapon.

37 (e) Committed or permitted any registrant or employee to
38 commit any act while the license was expired which would be
39 cause for the suspension or revocation of a license, or grounds for
40 the denial of an application for a license.

(f) Unlawfully committed assault, battery, or kidnapping, or used force or violence on any person.

(g) Knowingly violated, or advised, encouraged, or assisted the violation of any court order or injunction in the course of business as a licensee.

(h) Been convicted of a violation of Section 148 of the Penal Code, resisting or obstructing a public officer.

(i) Committed any act which is a ground for denial of an application for license under this chapter.

(j) Committed any act prohibited by Chapter 1.5 (commencing with Section 630) of Title 15 of Part 1 of the Penal Code.

(k) Committed any act in the course of the licensee's business constituting dishonesty or fraud, including, but not limited to:

(1) Knowingly making a false statement relating to evidence or information obtained in the course of employment or while under contract, or knowingly publishing a slander or a libel in the course of business.

(2) Using illegal means in the collection or attempted collection of a debt or obligation.

(l) Represented that the licensee has an office and conducts business at a specific address when that is not the case.

SEC. 8. *Section 14602.6 of the Vehicle Code is amended to read:*

14602.6. (a) Whenever a peace officer determines that a person was driving a vehicle while his or her driving privilege was suspended or revoked or without ever having been issued a driver's license, the peace officer may either immediately arrest that person and cause the removal and seizure of that vehicle or, if the vehicle is involved in a traffic collision, cause the removal and seizure of the vehicle, without the necessity of arresting the person in accordance with Chapter 10 (commencing with Section 22650) of Division 11. A vehicle so impounded shall be impounded for 30 days.

The impounding agency, within two working days of impoundment, shall send a notice by certified mail, return receipt requested, to the legal owner of the vehicle, at the address obtained from the department, informing the owner that the vehicle has been impounded. Failure to notify the legal owner within two working days shall prohibit the impounding agency from charging for more than 15 days' impoundment when the legal owner

1 redeems the impounded vehicle. The impounding agency shall
2 maintain a published telephone number that provides information
3 24 hours a day regarding the impoundment of vehicles and the
4 rights of a registered owner to request a hearing.

5 (b) The registered and legal owner of a vehicle that is removed
6 and seized under subdivision (a) or their agents shall be provided
7 the opportunity for a storage hearing to determine the validity of,
8 or consider any mitigating circumstances attendant to, the storage,
9 in accordance with Section 22852.

10 (c) Any period in which a vehicle is subjected to storage under
11 this section shall be included as part of the period of impoundment
12 ordered by the court under subdivision (a) of Section 14602.5.

13 (d) (1) An impounding agency shall release a vehicle to the
14 registered owner or his or her agent prior to the end of 30 days'
15 impoundment under any of the following circumstances:

16 (A) When the vehicle is a stolen vehicle.

17 (B) When the vehicle is subject to bailment and is driven by an
18 unlicensed employee of a business establishment, including a
19 parking service or repair garage.

20 (C) When the license of the driver was suspended or revoked
21 for an offense other than those included in Article 2 (commencing
22 with Section 13200) of Chapter 2 of Division 6 or Article 3
23 (commencing with Section 13350) of Chapter 2 of Division 6.

24 (D) When the vehicle was seized under this section for an
25 offense that does not authorize the seizure of the vehicle.

26 (E) When the driver reinstates his or her driver's license or
27 acquires a driver's license and proper insurance.

28 (2) No vehicle shall be released pursuant to this subdivision
29 without presentation of the registered owner's or agent's currently
30 valid driver's license to operate the vehicle and proof of current
31 vehicle registration, or upon order of a court.

32 (e) The registered owner or his or her agent is responsible for
33 all towing and storage charges related to the impoundment, and
34 any administrative charges authorized under Section 22850.5.

35 (f) A vehicle removed and seized under subdivision (a) shall be
36 released to the legal owner of the vehicle or the legal owner's agent
37 prior to the end of 30 days' impoundment if all of the following
38 conditions are met:

39 (1) The legal owner is a motor vehicle dealer, bank, credit
40 union, acceptance corporation, or other licensed financial

1 institution legally operating in this state or is another person, not
2 the registered owner, holding a security interest in the vehicle.

3 (2) The legal owner or the legal owner's agent pays all towing
4 and storage fees related to the seizure of the vehicle. No lien sale
5 processing fees shall be charged to the legal owner who redeems
6 the vehicle prior to the 15th day of impoundment. Neither the
7 impounding authority nor any person having possession of the
8 vehicle shall collect from the legal owner of the type specified in
9 paragraph (1), or the legal owner's agent any administrative
10 charges imposed pursuant to Section 22850.5 unless the legal
11 owner voluntarily requested a poststorage hearing.

12 (3) The legal owner or the legal owner's agent presents either
13 lawful foreclosure documents or an affidavit of repossession for
14 the vehicle, and a security agreement or title showing proof of
15 legal ownership for the vehicle. Any documents presented may be
16 originals, photocopies, or facsimile copies, or may be transmitted
17 electronically. *The impounding agency shall not require any*
18 *documents to be notarized.* The impounding agency may require
19 the agent of the legal owner to produce a photocopy or facsimile
20 copy of its repossession agency license or registration issued
21 pursuant to Chapter 11 (commencing with Section 7500) of
22 Division 3 of the Business and Professions Code, or to
23 demonstrate, to the satisfaction of the impounding agency, that the
24 agent is exempt from licensure pursuant to Section 7500.2 or
25 7500.3 of the Business and Professions Code.

26 No administrative costs authorized under subdivision (a) of
27 Section 22850.5 shall be charged to the legal owner of the type
28 specified in paragraph (1), who redeems the vehicle unless the
29 legal owner voluntarily requests a poststorage hearing. No city,
30 county, city or county, or state agency shall require a legal owner
31 or a legal owner's agent to request a poststorage hearing as a
32 requirement for release of the vehicle to the legal owner or the
33 legal owner's agent. The impounding agency shall not require any
34 documents other than those specified in this paragraph. *The*
35 *impounding agency shall not require any documents to be*
36 *notarized.*

37 As used in this paragraph, "foreclosure documents" means an
38 "assignment" as that term is defined in subdivision (o) of Section
39 7500.1 of the Business and Professions Code.

(g) (1) A legal owner or the legal owner's agent that obtains release of the vehicle pursuant to subdivision (f) may not release the vehicle to the registered owner of the vehicle or any agents of the registered owner, unless the registered owner is a rental car agency, until after the termination of the 30-day impoundment period.

(2) The legal owner or the legal owner's agent may not relinquish the vehicle to the registered owner until the registered owner or that owner's agent presents his or her valid driver's license or valid temporary driver's license to the legal owner or the legal owner's agent. The legal owner or the legal owner's agent shall make every reasonable effort to ensure that the license presented is valid.

(3) Prior to relinquishing the vehicle, the legal owner may require the registered owner to pay all towing and storage charges related to the impoundment and any administrative charges authorized under Section 22850.5 that were incurred by the legal owner in connection with obtaining custody of the vehicle.

(h) (1) A vehicle removed and seized under subdivision (a) shall be released to a rental car agency prior to the end of 30 days' impoundment if the agency is either the legal owner or registered owner of the vehicle and the agency pays all towing and storage fees related to the seizure of the vehicle.

(2) The owner of a rental vehicle that was seized under this section may continue to rent the vehicle upon recovery of the vehicle. However, the rental car agency may not rent another vehicle to the driver of the vehicle that was seized until 30 days after the date that the vehicle was seized.

(3) The rental car agency may require the person to whom the vehicle was rented to pay all towing and storage charges related to the impoundment and any administrative charges authorized under Section 22850.5 that were incurred by the rental car agency in connection with obtaining custody of the vehicle.

(i) Notwithstanding any other provision of this section, the registered owner and not the legal owner shall remain responsible for any towing and storage charges related to the impoundment, any administrative charges authorized under Section 22850.5, and any parking fines, penalties, and administrative fees incurred by the registered owner.

1 (j) The impounding agency shall not be liable to the registered
2 owner for the improper release of the vehicle to the legal owner or
3 the legal owner's agent provided the release complies with the
4 provisions of this section.

5 *SEC. 9. Section 14602.7 of the Vehicle Code is amended to*
6 *read:*

7 14602.7. (a) A magistrate presented with the affidavit of a
8 peace officer establishing reasonable cause to believe that a
9 vehicle, described by vehicle type and license number, was an
10 instrumentality used in the peace officer's presence in violation of
11 Sections 2800.1, 2800.2, 2800.3, or 23103, shall issue a warrant
12 or order authorizing any peace officer to immediately seize and
13 cause the removal of the vehicle. The warrant or court order may
14 be entered into a computerized data base. A vehicle so impounded
15 may be impounded for a period not to exceed 30 days.

16 The impounding agency, within two working days of
17 impoundment, shall send a notice by certified mail, return receipt
18 requested, to the legal owner of the vehicle, at the address obtained
19 from the department, informing the owner that the vehicle has
20 been impounded and providing the owner with a copy of the
21 warrant or court order. Failure to notify the legal owner within two
22 working days shall prohibit the impounding agency from charging
23 for more than 15 days impoundment when a legal owner redeems
24 the impounded vehicle.

25 (b) (1) An impounding agency shall release a vehicle to the
26 registered owner or his or her agent prior to the end of the
27 impoundment period and without the permission of the magistrate
28 authorizing the vehicle's seizure under any of the following
29 circumstances:

30 (A) When the vehicle is a stolen vehicle.

31 (B) When the vehicle is subject to bailment and is driven by an
32 unlicensed employee of the business establishment, including a
33 parking service or repair garage.

34 (C) When the registered owner of the vehicle causes a peace
35 officer to reasonably believe, based on the totality of the
36 circumstances, that the registered owner was not the driver who
37 violated Section 2800.1, 2800.2, or 2800.3, the agency shall
38 immediately release the vehicle to the registered owner or his or
39 her agent.

1 (2) No vehicle shall be released pursuant to this subdivision,
2 except upon presentation of the registered owner's or agent's
3 currently valid driver's license to operate the vehicle and proof of
4 current vehicle registration, or upon order of the court.

5 (c) (1) Whenever a vehicle is impounded under this section,
6 the magistrate ordering the storage shall provide the vehicle's
7 registered and legal owners of record, or their agents, with the
8 opportunity for a poststorage hearing to determine the validity of
9 the storage.

10 (2) A notice of the storage shall be mailed or personally
11 delivered to the registered and legal owners within 48 hours after
12 issuance of the warrant or court order, excluding weekends and
13 holidays, by the person or agency executing the warrant or court
14 order, and shall include all of the following information:

15 (A) The name, address, and telephone number of the agency
16 providing the notice.

17 (B) The location of the place of storage and a description of the
18 vehicle, which shall include, if available, the name or make, the
19 manufacturer, the license plate number, and the mileage of the
20 vehicle.

21 (C) A copy of the warrant or court order and the peace officer's
22 affidavit, as described in subdivision (a).

23 (D) A statement that, in order to receive their poststorage
24 hearing, the owners, or their agents, are required to request the
25 hearing from the magistrate issuing the warrant or court order in
26 person, in writing, or by telephone, within 10 days of the date of
27 the notice.

28 (3) The poststorage hearing shall be conducted within two
29 court days after receipt of the request for the hearing.

30 (4) At the hearing, the magistrate may order the vehicle
31 released if he or she finds any of the circumstances described in
32 subdivision (b) or (e) that allow release of a vehicle by the
33 impounding agency. The magistrate may also consider releasing
34 the vehicle when the continued impoundment will cause undue
35 hardship to persons dependent upon the vehicle for employment
36 or to a person with a community property interest in the vehicle.

37 (5) Failure of either the registered or legal owner, or his or her
38 agent, to request, or to attend, a scheduled hearing satisfies the
39 poststorage hearing requirement.

1 (6) The agency employing the peace officer who caused the
2 magistrate to issue the warrant or court order shall be responsible
3 for the costs incurred for towing and storage if it is determined in
4 the poststorage hearing that reasonable grounds for the storage are
5 not established.

6 (d) The registered owner or his or her agent is responsible for
7 all towing and storage charges related to the impoundment, and
8 any administrative charges authorized under Section 22850.5.

9 (e) A vehicle removed and seized under subdivision (a) shall be
10 released to the legal owner of the vehicle or the legal owner's agent
11 prior to the end of the impoundment period and without the
12 permission of the magistrate authorizing the seizure of the vehicle
13 if all of the following conditions are met:

14 (1) The legal owner is a motor vehicle dealer, bank, credit
15 union, acceptance corporation, or other licensed financial
16 institution legally operating in this state or is another person, not
17 the registered owner, holding a financial interest in the vehicle.

18 (2) The legal owner or the legal owner's agent pays all towing
19 and storage fees related to the seizure of the vehicle. No lien sale
20 processing fees shall be charged to the legal owner who redeems
21 the vehicle prior to the 15th day of impoundment. Neither the
22 impounding authority nor any person having possession of the
23 vehicle shall collect from the legal owner of the type specified in
24 paragraph (1), or the legal owner's agent any administrative
25 charges imposed pursuant to Section 22850.5 unless the legal
26 owner voluntarily requested a poststorage hearing.

27 (3) The legal owner or the legal owner's agent presents either
28 lawful foreclosure documents or a certificate of repossession and
29 a security agreement or title showing proof of legal ownership for
30 the vehicle. Any documents presented may be originals,
31 photocopies, or facsimile copies, or may be transmitted
32 electronically. *The impounding agency shall not require any*
33 *documents to be notarized.* The impounding agency may require
34 the agent of the legal owner to produce a photocopy or facsimile
35 copy of its repossession agency license or registration issued
36 pursuant to Chapter 11 (commencing with Section 7500) of
37 Division 3 of the Business and Professions Code, or to
38 demonstrate, to the satisfaction of the impounding agency, that the
39 agent is exempt from licensure pursuant to Section 7500.2 or
40 7500.3 of the Business and Professions Code.

1 No administrative costs authorized under subdivision (a) of
2 Section 22850.5 shall be charged to the legal owner of the type
3 specified in paragraph (1), who redeems the vehicle unless the
4 legal owner voluntarily requests a poststorage hearing. No city,
5 county, city and county, or state agency shall require a legal owner
6 or a legal owner's agent to request a poststorage hearing as a
7 requirement for release of the vehicle to the legal owner or the
8 legal owner's agent. The impounding agency shall not require any
9 documents other than those specified in this paragraph. *The*
10 *impounding agency shall not require any documents to be*
11 *notarized.*

12 As used in this paragraph, "foreclosure documents" means an
13 "assignment" as that term is defined in subdivision (o) of Section
14 7500.1 of the Business and Professions Code.

15 (f) (1) A legal owner or the legal owner's agent that obtains
16 release of the vehicle pursuant to subdivision (e) shall not release
17 the vehicle to the registered owner of the vehicle or any agents of
18 the registered owner, unless a registered owner is a rental car
19 agency, until the termination of the impoundment period.

20 (2) The legal owner or the legal owner's agent shall not
21 relinquish the vehicle to the registered owner until the registered
22 owner or that owner's agent presents his or her valid driver's
23 license or valid temporary driver's license to the legal owner or the
24 legal owner's agent. The legal owner or the legal owner's agent
25 shall make every reasonable effort to ensure that the license
26 presented is valid.

27 (3) Prior to relinquishing the vehicle, the legal owner may
28 require the registered owner to pay all towing and storage charges
29 related to the impoundment and the administrative charges
30 authorized under Section 22850.5 that were incurred by the legal
31 owner in connection with obtaining the custody of the vehicle.

32 (g) (1) A vehicle impounded and seized under subdivision (a)
33 shall be released to a rental car agency prior to the end of the
34 impoundment period if the agency is either the legal owner or
35 registered owner of the vehicle and the agency pays all towing and
36 storage fees related to the seizure of the vehicle.

37 (2) The owner of a rental vehicle that was seized under this
38 section may continue to rent the vehicle upon recovery of the
39 vehicle. However, the rental car agency shall not rent another
40 vehicle to the driver who used the vehicle that was seized to evade

1 a police officer until 30 days after the date that the vehicle was
2 seized.

3 (3) The rental car agency may require the person to whom the
4 vehicle was rented and who evaded the peace officer to pay all
5 towing and storage charges related to the impoundment and any
6 administrative charges authorized under Section 22850.5 that
7 were incurred by the rental car agency in connection with
8 obtaining custody of the vehicle.

9 (h) Notwithstanding any other provision of this section, the
10 registered owner and not the legal owner shall remain responsible
11 for any towing and storage charges related to the impoundment
12 and the administrative charges authorized under Section 22850.5
13 and any parking fines, penalties, and administrative fees incurred
14 by the registered owner.

15 (i) (1) This section does not apply to vehicles abated under the
16 Abandoned Vehicle Abatement Program pursuant to Sections
17 22660 to 22668, inclusive, and Section 22710, or to vehicles
18 impounded for investigation pursuant to Section 22655, or to
19 vehicles removed from private property pursuant to Section
20 22658.

21 (2) This section does not apply to abandoned vehicles removed
22 pursuant to Section 22669 that are determined by the public
23 agency to have an estimated value of three hundred dollars (\$300)
24 or less.

25 (j) The impounding agency shall not be liable to the registered
26 owner for the improper release of the vehicle to the legal owner or
27 the legal owner's agent provided the release complies with the
28 provisions of this section.

29 *SEC. 10. Section 22850.5 of the Vehicle Code is amended to*
30 *read:*

31 22850.5. (a) A city, county, or city and county, or a state
32 agency may adopt a regulation, ordinance, or resolution
33 establishing procedures for the release of properly impounded
34 vehicles and for the imposition of a charge equal to its
35 administrative costs relating to the removal, impound, storage, or
36 release of the vehicles. Those administrative costs may be waived
37 by the local or state authority upon verifiable proof that the vehicle
38 was reported stolen at the time the vehicle was removed.

39 (b) The following apply to any charges imposed for
40 administrative costs pursuant to subdivision (a):

(1) The charges shall only be imposed on the registered owner or the agents of that owner and shall not include any vehicle towed under an abatement program or sold at a lien sale pursuant to Sections 3068.1 to 3074, inclusive, of, and Section 22851 of, the Civil Code unless the sale is sufficient in amount to pay the lienholder's total charges and proper administrative costs.

(2) Any charges shall be collected by the local or state authority only from the registered owner or an agent of the registered owner.

(3) The charges shall be in addition to any other charges authorized or imposed pursuant to this code.

(4) No charge may be imposed for any hearing or appeal relating to the removal, impound, storage, or release of a vehicle unless that hearing or appeal was requested in writing by the registered or legal owner of the vehicle or an agent of that registered or legal owner. In addition, the charge may be imposed only upon the person requesting that hearing or appeal.

No administrative costs authorized under subdivision (a) shall be charged to the legal owner who redeems the vehicle unless the legal owner voluntarily requests a poststorage hearing. No city, county, city and county, or state agency shall require a legal owner or a legal owner's agent to request a poststorage hearing as a requirement for release of the vehicle to the legal owner or the legal owner's agent. The impounding agency shall not require the legal owner or the legal owner's agent to produce any documents other than those specified in paragraph (3) of subdivision (f) of Section 14602.6 or paragraph (3) of subdivision (e) of Section 14602.7. *The impounding agency shall not require any documents to be notarized.*

SEC. 11. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.