Assembly Bill No. 1546

Passed the Assembly August 18, 2004

Chief Clerk of the Assembly

Passed the Senate August 16, 2004

Secretary of the Senate

This bill was received by the Governor this _____ day of

_____, 2004, at _____ o'clock __M.

Private Secretary of the Governor

CHAPTER _____

An act to add Chapter 2.65 (commencing with Section 65089.11) to Division 1 of Title 7 of the Government Code, and to add Section 9250.5 to the Vehicle Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 1546, Similian. Local governments: vehicle fee for congestion and stormwater management programs.

Existing law provides for the imposition by air districts and other local agencies of fees on the registration of motor vehicles in certain areas of the state that are in addition to the basic vehicle registration fee collected by the Department of Motor Vehicles.

This bill would authorize the City/County Association of Governments of San Mateo County to impose an annual fee of up to \$4 on motor vehicles registered within San Mateo County for a program for the management of traffic congestion and stormwater pollution within that county. The bill would require the City/County Association of Governments of San Mateo County to have an independent audit performed on the program and to provide its findings to the Legislature. The bill would require a program with performance measures and a budget before the fee may be imposed. The bill would require the Department of Motor Vehicles, if requested, to collect the fee and distribute the proceeds, after deduction of specified administrative costs, to the association. The bill would require that the fees collected may only be used to pay for programs bearing a relationship or benefit to the motor vehicles paying the fee, and would require the board of the association to make a specified finding of fact by a $^{2}/_{3}$ vote. The fee would terminate on January 1, 2009.

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

SECTION 1. Chapter 2.65 (commencing with Section 65089.11) is added to Division 1 of Title 7 of the Government Code, to read:

CHAPTER 2.65. MANAGEMENT OF TRAFFIC CONGESTION AND STORMWATER POLLUTION IN SAN MATEO COUNTY

65089.11. (a) The City/County Association of Governments of San Mateo County, which has been formed by the resolutions of the board of supervisors within San Mateo County and a majority of the city councils within the county that represent a majority of the population in the incorporated area of San Mateo County, may impose a fee of up to four dollars (\$4) on motor vehicles registered within San Mateo County. The City/County Association of Governments of San Mateo County may impose the fee only if the board of the association adopts a resolution providing for both the fee and a corresponding program for the management of traffic congestion and stormwater pollution within San Mateo County as set forth in Sections 65089.12 to 65089.15, inclusive. Adoption by the board requires a vote of approval by board members representing two-thirds of the population of San Mateo County.

(b) A fee imposed pursuant to this section shall not become operative until July 1, 2005, pursuant to the resolution adopted by the board in subdivision (a).

(c) The fee shall terminate on January 1, 2009, unless reauthorized by the Legislature.

65089.12. (a) The fees distributed to the City/County Association of Governments of San Mateo County pursuant to Section 9250.5 of the Vehicle Code shall be used for purposes of congestion management and stormwater pollution prevention as specified in its adopted congestion management program, pursuant to Section 65089, and its approved National Pollutant Discharge Elimination System permit issued pursuant to the federal Clean Water Act (33 U.S.C. Sec. 1251 et seq.).

(b) (1) The fees collected may be used to pay for those programs with a relationship or benefit to the motor vehicles that are paying the fee.

(2) Prior to imposing the fee, the board of the association shall make a finding of fact by a 2/3 vote that those programs bear a relationship or benefit to the motor vehicles that will pay the fee.

(c) The purpose of the Congestion Management Program is to address motor vehicle congestion.

(d) Only the stormwater pollution prevention programs that directly address the negative impact on creeks, streams, bays, and the ocean caused by motor vehicles and the infrastructure supporting motor vehicle travel are eligible for funding.

(e) Not more than 5 percent of the fees distributed to the City/County Association of Governments of San Mateo County shall be used by the association for its administrative costs associated with the program.

65089.13. Prior to the imposition of the fee by the City/County Association of Governments of San Mateo County, a specific program with performance measures and a budget shall first be developed and adopted by the association at a noticed public hearing.

65089.14. The City/County Association of Governments of San Mateo County shall have an independent audit performed on the program with the review and report provided to the board at a noticed public hearing.

65089.15. The City/County Association of Governments of San Mateo County shall provide a report to the Legislature on the program by July 1, 2006.

SEC. 2. Section 9250.5 is added to the Vehicle Code, to read:

9250.5. (a) The department shall, if requested by the City/County Association of Governments of San Mateo County, collect the fee imposed pursuant to Section 65089.11 of the Government Code upon the registration or renewal of registration of any motor vehicle registered in the county, except those vehicles that are expressly exempted under this code from the payment of registration fees.

(b) The City/County Association of Governments of San Mateo County shall pay for the initial setup and programming costs identified by the Department of Motor Vehicles through a direct contract with the department. Any direct contract payment by the City/County Association of Governments of San Mateo County shall be repaid, with no restriction on the funds, to the City/County Association of Governments of San Mateo County as part of the initial revenues distributed. Regular Department of Motor Vehicles collection costs shall be in accordance with subdivision (c). These costs shall not be counted against the 5-percent administration cost limit specified in subdivision (e) of Section 65089.12.

(c) After deducting all costs incurred pursuant to this section, the department shall distribute the revenues to the City/County Association of Governments of San Mateo County.

Approved _____, 2004

Governor