

Assembly Bill No. 878

Passed the Assembly September 10, 2007

Chief Clerk of the Assembly

Passed the Senate September 6, 2007

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2007, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 9250.14 of the Vehicle Code, relating to vehicles, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 878, Davis. Service authority: registration and service fees.

Existing law, in addition to other fees imposed for the registration of a vehicle, imposes, upon the adoption of a resolution by a county, with certain exceptions, an additional fee of \$1, and an additional service fee of \$2 on all commercial motor vehicles, and continuously appropriates the moneys to fund local programs relating to vehicle theft crimes. A county that imposes the fee is required to issue a fiscal yearend report to the Controller summarizing certain required information. These provisions are to be repealed as of January 1, 2010.

The bill would revise the amount of the additional vehicle registration fee for these purposes from \$1 to \$1 or \$2 and would require the same adoption procedure set forth above for an increase of the fee from \$1 to \$2. The ordinance or resolution imposing the fee increase would be required to be submitted to the department at least 6 months prior to the operative date of the fee increase. The fiscal yearend report would be required to include a detailed accounting of assessment funds received and expended in the prior fiscal year, including certain additional required information. This bill would extend the repeal date to January 1, 2013. By increasing the fee imposed and extending the repeal date, the bill would affect a continuous appropriation, thereby making an appropriation.

Appropriation: yes.

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

SECTION 1. Section 9250.14 of the Vehicle Code is amended to read:

9250.14. (a) (1) In addition to any other fees specified in this code and the Revenue and Taxation Code, upon the adoption of a resolution by a county board of supervisors, a fee of one dollar (\$1) or two dollars (\$2) shall be paid at the time of registration or

renewal of registration of a vehicle, except vehicles described in subdivision (a) of Section 5014.1, registered to an address within that county except those expressly exempted from payment of registration fees. The fees, after deduction of the administrative costs incurred by the department in carrying out this section, shall be paid quarterly to the Controller.

(2) (A) If the one dollar (\$1) fee initially imposed under paragraph (1) is increased to two dollars (\$2), the county shall adopt that increased fee in the same manner as the imposition of the initial fee pursuant to paragraph (1), in order for the increased fee to be imposed.

(B) The ordinance or resolution to impose the fee increase under subparagraph (A) shall be submitted to the department at least six months prior to the operative date of the fee increase.

(3) In addition to the service fee imposed under paragraph (1), and upon the implementation of the permanent trailer identification plate program, and as part of the Commercial Vehicle Registration Act of 2001, all commercial motor vehicles subject to Section 9400.1 registered to an owner with an address in the county that established a service authority under this section, shall pay an additional service fee of two dollars (\$2).

(b) Notwithstanding Section 13340 of the Government Code, the moneys paid to the Controller are continuously appropriated, without regard to the fiscal year, for the administrative costs of the Controller, and for disbursement by the Controller to each county that has adopted a resolution pursuant to subdivision (a), based upon the number of vehicles registered, or whose registration is renewed, to an address within that county.

(c) Except as otherwise provided in this subdivision, moneys allocated to a county pursuant to subdivision (b) shall be expended exclusively to fund programs that enhance the capacity of local police and prosecutors to deter, investigate, and prosecute vehicle theft crimes. In a county with a population of 250,000 or less, the moneys shall be expended exclusively for those vehicle theft crime programs and for the prosecution of crimes involving driving while under the influence of alcohol or drugs, or both, in violation of Section 23152 or 23153, or vehicular manslaughter in violation of Section 191.5 or subdivision (c) of Section 192 of the Penal Code, or any combination of those crimes.

(d) No moneys collected pursuant to this section shall be expended to offset a reduction in any other source of funds, nor for any purpose not authorized under this section.

(e) Funds received by a county prior to January 1, 2000, pursuant to this section that are not expended to deter, investigate, or prosecute crimes pursuant to subdivision (c) shall be returned to the Controller, for deposit in the Motor Vehicle Account in the State Transportation Fund. Those funds received by a county shall be expended in accordance with this section.

(f) Each county that adopts a resolution under subdivision (a) shall submit, on or before the 13th day following the end of each quarter, a quarterly expenditure and activity report to the designated statewide Vehicle Theft Investigation and Apprehension Coordinator in the Department of the California Highway Patrol.

(g) A county that imposes a fee under subdivision (a) shall issue a fiscal yearend report to the Controller on or before August 31 of each year. The report shall include a detailed accounting of assessment funds received and expended in the prior fiscal year, including, at a minimum, all of the following:

(1) The amount of funds received and expended by the county under subdivision (b) for the immediately preceding fiscal year.

(2) The total expenditures by the county under subdivision (c) for the immediately preceding fiscal year, including payment of salaries and expenses, purchase of equipment and supplies, and other expenditures listed by type.

(3) A summary of vehicle theft abatement activities and other vehicle theft programs funded by the fees collected under this section.

(4) The total number of stolen vehicles recovered and the value of those vehicles during the immediately preceding fiscal year.

(5) The total number of vehicles stolen during the immediately preceding fiscal year as compared to the fiscal year prior to the immediately preceding fiscal year.

(6) Any additional, unexpended fee revenues received under subdivision (b) for the county for the immediately preceding fiscal year.

(7) Other relevant information the Controller may reasonably require in determining whether fee revenues are being utilized in a manner consistent with this section.

(h) Each county that fails to submit the report required pursuant to subdivision (g) by November 30 of each year shall have the fee suspended by the Controller for one year, commencing on July 1 following the Controller's determination that a county has failed to submit the report.

(i) (1) On or before January 1, 2006, and on or before January 1 annually thereafter, the Controller shall provide to the Department of the California Highway Patrol copies of the yearend reports submitted by the counties under subdivision (g), and, in consultation with the Department of the California Highway Patrol, shall review the fiscal yearend reports submitted by each county pursuant to subdivision (g) to determine if fee revenues are being utilized in a manner consistent with this section. If the Controller determines that the use of the fee revenues is not consistent with this section, the Controller shall consult with the participating counties' designated regional coordinators. If the Controller determines that the fee revenues are still not consistent with this section, the authority to collect the fee by that county shall be suspended for one year.

(2) If the Controller determines that a county has not submitted a fiscal yearend report as required in subdivision (g), the authorization to collect the service fee shall be suspended for one year pursuant to subdivision (h).

(3) When the Controller determines that a fee shall be suspended for a county, the Controller shall inform the Department of Motor Vehicles on or before January 1 annually, that the authority to collect a fee for that county is suspended.

(j) On or before January 1 annually, the Controller shall prepare and submit to the Legislature a revenue and expenditure summary for each participating county that includes all of the following:

- (1) The total revenues received by each county.
- (2) The total expenditures by each county.
- (3) The unexpended revenues for each county.

(k) The Department of the California Highway Patrol, in consultation with all participating county designated regional coordinators, shall review the effectiveness of reducing vehicle theft crimes that were funded by the fees imposed by this section. The Department of the California Highway Patrol shall provide a report based on that review and, on or before January 1, 2009, shall submit that report to the Legislature.

(l) For the purposes of this section, a county-designated regional coordinator is that agency designated by the participating county's board of supervisors as the agency in control of its countywide vehicle theft apprehension program.

(m) This section shall remain in effect only until January 1, 2013, and as of that date is repealed, unless a later enacted statute that is enacted on or before January 1, 2013, deletes or extends that date.

Approved _____, 2007

Governor