

AMENDED IN SENATE JUNE 14, 2011

CALIFORNIA LEGISLATURE—2011–12 FIRST EXTRAORDINARY SESSION

ASSEMBLY BILL

No. 22

Introduced by Assembly Member Blumenfield

May 19, 2011

~~An act relating to the Budget Act of 2011. An act to amend Section 11003 of the Revenue and Taxation Code, and to amend Section 9250 of the Vehicle Code, relating to vehicles, and making an appropriation therefor, to take effect immediately, bill related to the budget.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 22, as amended, Blumenfield. ~~Budget Act of 2011. Vehicles: vehicle license fees.~~

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2011.~~

~~Existing law requires the amount appropriated by the Legislature for the use of the Department of Motor Vehicles and the Franchise Tax Board for the enforcement of the Vehicle License Fee Law to be calculated as specified and transferred from the Motor Vehicle License Fee Account in the Transportation Tax Fund to the Motor Vehicle Account in the State Transportation Fund.~~

~~This bill would allocate to the Department of Motor Vehicles (DMV), from the amount calculated under this provision, \$25,000,000 for the 2011–12 fiscal year and would deem that amount as the cost to the DMV for the collection of the motor vehicle license fee. The bill would increase the amount allocated to the DMV for subsequent fiscal years by the growth rate in the California Consumer Price Index, as specified. The bill would require the Department of Finance to report to the Legislature if the amount allocated in a fiscal year is insufficient to~~

cover the costs incurred by the DMV and to propose budget changes to address the funding shortfall. The bill would instead require that the balance of the amount calculated under these provisions that is not allocated for the support of the DMV or to the Franchise Tax Board be deposited into Local Revenue Fund 2011.

Existing law requires the DMV to charge a registration fee of \$31 on every vehicle or trailer coach, as specified.

This bill would require the DMV, on July 1, 2011, and thereafter, to charge a registration fee of \$43 on every vehicle or trailer coach, as specified.

This bill would appropriate \$1,000 from the Motor Vehicle Account in the State Transportation Fund to the Department of Motor Vehicles for administrative cost, thereby making an appropriation.

The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. Governor Schwarzenegger issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 6, 2010. Governor Brown issued a proclamation on January 20, 2011, declaring and reaffirming that a fiscal emergency exists and stating that his proclamation supersedes the earlier proclamation for purposes of that constitutional provision.

This bill would state that it addresses the fiscal emergency declared and reaffirmed by the Governor by proclamation issued on January 20, 2011, pursuant to the California Constitution.

This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

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

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

- 1 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
- 2 ~~changes relating to the Budget Act of 2011.~~
- 3 *SECTION 1. Section 11003 of the Revenue and Taxation Code*
- 4 *is amended to read:*
- 5 11003. (a) The amount appropriated by the Legislature for the
- 6 use of the Department of Motor Vehicles and the Franchise Tax
- 7 Board for the enforcement of this part ~~shall be transferred from~~
- 8 ~~the Motor Vehicle License Fee Account in the Transportation Tax~~
- 9 ~~Fund to the Motor Vehicle Account in the State Transportation~~

1 ~~Fund. That amount~~ shall be determined so that the appropriate
2 costs for registration and motor vehicle license fee activities are
3 apportioned between the recipients of revenues in proportion to
4 the revenues that would have been received by those recipients if
5 the total fee imposed under this part was 2 percent of the market
6 value of a vehicle.

7 *(b) The amount calculated under subdivision (a) for the support*
8 *of the Department of Motor Vehicles shall be allocated as follows:*

9 *(1) (A) For the 2011–12 fiscal year, twenty-five million dollars*
10 *(\$25,000,000) to the Department of Motor Vehicles. This amount*
11 *shall be deemed to be the cost to the Department of Motor Vehicles*
12 *of collecting the motor vehicle license fees that are collected with*
13 *vehicle registration fees and other fees.*

14 *(B) In the 2012–13 fiscal year and each fiscal year thereafter,*
15 *the amount specified in subparagraph (A) shall be increased by*
16 *the growth rate in the California Consumer Price Index for the*
17 *fiscal year that ends one year immediately preceding the applicable*
18 *fiscal year. If the Department of Finance determines in a fiscal*
19 *year that the funds provided under this subdivision for the cost to*
20 *the Department of Motor Vehicles of collecting motor vehicle*
21 *license fees are not sufficient to cover that cost, the Department*
22 *of Finance shall report that finding to the Legislature and propose*
23 *budget changes necessary to address the funding deficit.*

24 *(2) The balance of the amount calculated under subdivision (a)*
25 *that is not allocated for the support of the Department of Motor*
26 *Vehicles pursuant to paragraph (1) or allocated to the Franchise*
27 *Tax Board shall be deposited in Local Revenue Fund 2011 for*
28 *allocations to cities, counties, and cities and counties.*

29 *SEC. 2. Section 9250 of the Vehicle Code is amended to read:*

30 9250. (a) A registration fee of thirty-one dollars (\$31) shall
31 be paid to the department for the registration of every vehicle or
32 trailer coach of a type subject to registration under this code, except
33 those vehicles that are expressly exempted under this code from
34 the payment of registration fees. *This subdivision applies to all of*
35 *the following:*

36 *(1) The initial or original registration, on or after January 1,*
37 *2004, but before July 1, 2011, of any vehicle not previously*
38 *registered in this state.*

39 *(2) The renewal of registration of any vehicle for which the*
40 *registration period expires on or after January 1, 2004, but before*

1 July 1, 2011, regardless of whether a renewal application was
 2 mailed to the registered owner prior to January 1, 2004.

3 (3) Any renewal of a registration that expired on or before
 4 December 31, 2003, but for which the fees are not paid until on
 5 or after January 1, 2004, but before July 1, 2011.

6 (b) A registration fee of forty-three dollars (\$43) shall be paid
 7 to the department for the registration of every vehicle or trailer
 8 coach of a type subject to registration under this code, except those
 9 vehicles that are expressly exempted under this code from the
 10 payment of registration fees. This subdivision applies to all of the
 11 following:

12 (1) The initial or original registration, on or after July 1, 2011,
 13 of any vehicle not previously registered in this state.

14 (2) The renewal of registration of any vehicle for which the
 15 registration period expires on or after July 1, 2011, regardless of
 16 whether a renewal application was mailed to the registered owner
 17 prior to July 1, 2011.

18 (3) Any renewal of a registration that expired on or before June
 19 30, 2011, but for which the fees are not paid until on or after July
 20 1, 2011.

21 ~~(b)~~

22 (c) The registration fee imposed under this section applies to
 23 all vehicles described in Section 5004, whether or not special
 24 identification plates are issued to that vehicle.

25 ~~(e)~~

26 (d) Trailer coaches are subject to the fee provided in subdivision
 27 (a) for each unit of the trailer coach.

28 ~~(d) This section applies to all of the following:~~

29 ~~(1) The initial or original registration, on or after January 1,~~
 30 ~~2004, of any vehicle not previously registered in this state.~~

31 ~~(2) The renewal of registration of any vehicle for which the~~
 32 ~~registration period expires on or after January 1, 2004, regardless~~
 33 ~~of whether a renewal application was mailed to the registered~~
 34 ~~owner prior to January 1, 2004.~~

35 ~~(3) Any renewal of a registration that expired on or before~~
 36 ~~December 31, 2003, but for which the fees are not paid until on~~
 37 ~~or after January 1, 2004.~~

38 SEC. 3. There is hereby appropriated one thousand (\$1,000)
 39 from the Motor Vehicle Account in the State Transportation Fund
 40 to the Department of Motor Vehicles for administrative costs.

1 ~~SEC. 2.~~

2 *SEC. 4.* This act addresses the fiscal emergency declared and
3 reaffirmed by the Governor by proclamation on January 20, 2011,
4 pursuant to subdivision (f) of Section 10 of Article IV of the
5 California Constitution.

6 *SEC. 5.* *This act is a bill providing for appropriations related*
7 *to the Budget Bill within the meaning of subdivision (e) of Section*
8 *12 of Article IV of the California Constitution, has been identified*
9 *as related to the budget in the Budget Bill, and shall take effect*
10 *immediately.*

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