

Assembly Bill No. 516

Passed the Assembly June 30, 2016

Chief Clerk of the Assembly

Passed the Senate June 30, 2016

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 1685 of, and to amend, repeal, and add Sections 4456, 4456.5, 4462, 4463, 4763, 4773, 5201, 5202, 5901, 6100, 11714, and 38080 of, and to add Section 4456.2 to, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 516, Mullin. Vehicles: temporary license plates.

Existing law requires the Department of Motor Vehicles (DMV), upon registering a vehicle, to issue to the owner 2 license plates, as specified. Existing law also requires vehicle dealers and lessor-retailers to attach a numbered report-of-sale form issued by the DMV to a vehicle at the time of sale, and to submit to the DMV an application for registration of the vehicle, and the applicable fees, within a specified period after the date of sale. Existing law authorizes a dealer, as specified, to assess a specified document processing charge on the purchaser or lessee of a vehicle for the preparation and processing of documents, disclosures, and titling, registration, and information security obligations imposed by state and federal law. Existing law generally makes a violation of the Vehicle Code an infraction, but makes counterfeiting a license plate a felony.

Existing law requires the driver of a motor vehicle to present evidence of registration of a vehicle under the driver's immediate control upon demand by a peace officer. Existing law prohibits displaying or presenting to a peace officer specified indicia of vehicle registration that are not issued for that vehicle. Existing law authorizes the DMV to assess administrative fees on a processing agency for providing notices of delinquent parking violations or toll evasion violations to the offenders in connection with the collection of penalties for those violations, and authorizes the use of those administrative fees to support those collection procedures. Existing law requires license plates to be securely fastened to the vehicle for which they were issued for the period of validity of the license plates, and authorizes the use of a special permit in lieu of license plates for that purpose.

This bill would require the DMV to develop an operational system, no later than January 1, 2019, that allows a dealer or lessor-retailer to electronically report the sale of a vehicle and provide a temporary license plate, as specified. The bill would, commencing January 1, 2018, authorize the DMV to assess specified administrative fees on parking and toll evasion processing agencies to support the administration of this system. The bill would also, commencing January 1, 2019, increase the document processing charge, as specified, that a dealer may impose on the purchaser or lessee of a vehicle and would authorize the imposition of a specified electronic filing charge for reporting vehicle sales and producing temporary license plates. The bill would authorize the DMV to establish contracts with qualified industry partners to provide these vehicle sale reporting and temporary license plate services.

The bill would, commencing January 1, 2019, prohibit a person from displaying on a vehicle or presenting to a peace officer a temporary license plate that was not issued for that vehicle, as specified, and would make counterfeiting a temporary license plate a felony. The bill would, commencing January 1, 2019, require temporary license plates to be securely fastened to the vehicle for which they are issued, as specified, and would require a person upon receipt of permanent license plates to replace and destroy the temporary license plates. The bill would make additional conforming changes. By creating new crimes and expanding the scope of existing crimes, the bill would impose a state-mandated local program.

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.

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

SECTION 1. Section 1685 of the Vehicle Code is amended to read:

1685. (a) In order to continue improving the quality of products and services it provides to its customers, the department, in

conformance with Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, may establish contracts for electronic programs that allow qualified private industry partners to join the department in providing services that include processing and payment programs for vehicle registration and titling transactions, and services related to reporting vehicle sales and producing temporary license plates pursuant to Sections 4456 and 4456.2.

(b) (1) The department may enter into contractual agreements with qualified private industry partners. There are the following three types of private industry partnerships authorized under this section:

(A) First-line business partner is an industry partner that receives data directly from the department and uses it to complete registration and titling activities for that partner's own business purposes.

(B) First-line service provider is an industry partner that receives information from the department and then transmits it to another authorized industry partner.

(C) Second-line business partner is a partner that receives information from a first-line service provider.

(2) The private industry partner contractual agreements shall include the following minimum requirements:

(A) Filing of an application and payment of an application fee, as established by the department.

(B) Submission of information, including, but not limited to, fingerprints and personal history statements, focusing on and concerning the applicant's character, honesty, integrity, and reputation as the department may consider necessary.

(C) Posting a bond in an amount consistent with Section 1815.

(3) The department shall, through regulations, establish any additional requirements for the purpose of safeguarding privacy and protecting the information authorized for release under this section.

(c) The director may establish, through the adoption of regulations, the maximum amount that a qualified private industry partner may charge its customers in providing the services authorized under subdivision (a).

(d) The department shall charge a three-dollar (\$3) transaction fee for the information and services provided under subdivision

(a). The private industry partner may pass the transaction fee to the customer, but the total charge to a customer may not exceed the amount established by the director under subdivision (c).

(e) All fees collected by the department pursuant to subdivision (d) shall be deposited in the Motor Vehicle Account. On January 1 of each year, the department shall adjust the fee in accordance with the California Consumer Price Index. The amount of the fee shall be rounded to the nearest whole dollar, with amounts equal to, or greater than, fifty cents (\$0.50) rounded to the next highest whole dollar.

(f) The department shall adopt regulations and procedures that ensure adequate oversight and monitoring of qualified private industry partners to protect vehicle owners from the improper use of vehicle records. These regulations and procedures shall include provisions for qualified private industry partners to periodically submit records to the department, and the department shall review those records as necessary. The regulations shall also include provisions for the dedication of department resources to program monitoring and oversight; the protection of confidential records in the department's files and databases; and the duration and nature of the contracts with qualified private industry partners.

(g) The department shall, annually, by October 1, provide a report to the Legislature that shall include all of the following information gathered during the fiscal year immediately preceding the report date:

(1) Listing of all qualified private industry partners, including names and business addresses.

(2) Volume of transactions, by type, completed by business partners.

(3) Total amount of funds, by transaction type, collected by business partners.

(4) Total amount of funds received by the department.

(5) Description of any fraudulent activities identified by the department.

(6) Evaluation of the benefits of the program.

(7) Recommendations for any administrative or statutory changes that may be needed to improve the program.

(h) Nothing in this section impairs or limits the authority provided in Section 4610 or Section 12155 of the Insurance Code.

SEC. 2. Section 4456 of the Vehicle Code is amended to read:

4456. (a) When selling a vehicle, dealers and lessor-retailers shall use numbered report-of-sale forms issued by the department. The forms shall be used in accordance with the following terms and conditions:

(1) The dealer or lessor-retailer shall attach for display a copy of the report of sale on the vehicle before the vehicle is delivered to the purchaser.

(2) The dealer or lessor-retailer shall submit to the department an application accompanied by all fees and penalties due for registration or transfer of registration of the vehicle within 30 days from the date of sale, as provided in subdivision (c) of Section 9553, if the vehicle is a used vehicle, and 20 days if the vehicle is a new vehicle. Penalties due for noncompliance with this paragraph shall be paid by the dealer or lessor-retailer. The dealer or lessor-retailer shall not charge the purchaser for the penalties.

(3) As part of an application to transfer registration of a used vehicle, the dealer or lessor-retailer shall include all of the following information on the certificate of title, application for a duplicate certificate of title, or form prescribed by the department:

(A) Date of sale and report-of-sale number.

(B) Purchaser's name and address.

(C) Dealer's name, address, number, and signature or signature of authorized agent.

(D) Salesperson number.

(4) If the department returns an application and the application was first received by the department within 30 days of the date of sale of the vehicle if the vehicle is a used vehicle, and 20 days if the vehicle is a new vehicle, the dealer or lessor-retailer shall submit a corrected application to the department within 50 days from the date of sale of the vehicle if the vehicle is a used vehicle, and 40 days if the vehicle is a new vehicle, or within 30 days from the date that the application is first returned by the department if the vehicle is a used vehicle, and 20 days if the vehicle is a new vehicle, whichever is later.

(5) If the department returns an application and the application was first received by the department more than 30 days from the date of sale of the vehicle if the vehicle is a used vehicle, and 20 days if the vehicle is a new vehicle, the dealer or lessor-retailer shall submit a corrected application to the department within 50

days from the date of sale of the vehicle if the vehicle is a used vehicle, and 40 days if the vehicle is a new vehicle.

(6) An application first received by the department more than 50 days from the date of sale of the vehicle if the vehicle is a used vehicle, and 40 days if the vehicle is a new vehicle, is subject to the penalties specified in subdivisions (a) and (b) of Section 4456.1.

(7) The dealer or lessor-retailer shall report the sale pursuant to Section 5901.

(b) (1) A transfer that takes place through a dealer conducting a wholesale vehicle auction shall be reported to the department by that dealer on a single form approved by the department. The completed form shall contain, at a minimum, all of the following information:

(A) The name and address of the seller.

(B) The seller's dealer number, if applicable.

(C) The date of delivery to the dealer conducting the auction.

(D) The actual mileage of the vehicle as indicated by the vehicle's odometer at the time of delivery to the dealer conducting the auction.

(E) The name, address, and occupational license number of the dealer conducting the auction.

(F) The name, address, and occupational license number of the buyer.

(G) The signature of the dealer conducting the auction.

(2) Submission of the completed form specified in paragraph (1) to the department shall fully satisfy the requirements of subdivision (a) and subdivision (a) of Section 5901 with respect to the dealer selling at auction and the dealer conducting the auction.

(3) The single form required by this subdivision does not relieve a dealer of any obligation or responsibility that is required by any other law.

(c) A vehicle displaying a copy of the report of sale may be operated without license plates or registration card until either of the following, whichever occurs first:

(1) The license plates and registration card are received by the purchaser.

(2) A 90-day period, commencing with the date of sale of the vehicle, has expired.

(d) This section shall become operative on July 1, 2012.

(e) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 3. Section 4456 is added to the Vehicle Code, to read:

4456. (a) When selling a vehicle, dealers and lessor-retailers shall report the sale using the reporting system described in Section 4456.2. After providing information to the reporting system, the dealer or lessor-retailer shall do all of the following:

(1) The dealer or lessor-retailer shall attach for display a copy of the report-of-sale form provided by the reporting system on the vehicle before the vehicle is delivered to the purchaser.

(2) The dealer or lessor-retailer shall submit to the department an application accompanied by all fees and penalties due for registration or transfer of registration of the vehicle within 30 days from the date of sale, as provided in subdivision (c) of Section 9553, if the vehicle is a used vehicle, and within 20 days if the vehicle is a new vehicle. Penalties due for noncompliance with this paragraph shall be paid by the dealer or lessor-retailer. The dealer or lessor-retailer shall not charge the purchaser for the penalties.

(3) As part of an application to transfer registration of a used vehicle, the dealer or lessor-retailer shall include all of the following information on the certificate of title, application for a duplicate certificate of title, or form prescribed by the department:

(A) Date of sale and report-of-sale number.

(B) Purchaser's name and address.

(C) Dealer's name, address, number, and signature, or signature of authorized agent.

(D) Salesperson number.

(4) If the department returns an application and the application was first received by the department within 30 days of the date of sale of the vehicle if the vehicle is a used vehicle, and within 20 days if the vehicle is a new vehicle, the dealer or lessor-retailer shall submit a corrected application to the department within 50 days from the date of sale of the vehicle if the vehicle is a used vehicle, and within 40 days if the vehicle is a new vehicle, or within 30 days from the date that the application was first returned by the department if the vehicle is a used vehicle, and within 20 days if the vehicle is a new vehicle, whichever is later.

(5) If the department returns an application and the application was first received by the department more than 30 days from the date of sale of the vehicle if the vehicle is a used vehicle, and more than 20 days if the vehicle is a new vehicle, the dealer or lessor-retailer shall submit a corrected application to the department within 50 days from the date of sale of the vehicle if the vehicle is a used vehicle, and within 40 days if the vehicle is a new vehicle.

(6) An application first received by the department more than 50 days from the date of sale of the vehicle if the vehicle is a used vehicle, and more than 40 days if the vehicle is a new vehicle, is subject to the penalties specified in subdivisions (a) and (b) of Section 4456.1.

(7) The dealer or lessor-retailer shall report the sale pursuant to Section 5901.

(8) If the vehicle does not display license plates previously issued by the department, the dealer or lessor-retailer shall attach the temporary license plates issued by the reporting system.

(b) (1) A transfer that takes place through a dealer conducting a wholesale vehicle auction shall be reported to the department electronically in a manner approved by the department. The report shall contain, at a minimum, all of the following information:

(A) The name and address of the seller.

(B) The seller's dealer number, if applicable.

(C) The date of delivery to the dealer conducting the auction.

(D) The actual mileage of the vehicle as indicated by the vehicle's odometer at the time of delivery to the dealer conducting the auction.

(E) The name, address, and occupational license number of the dealer conducting the auction.

(F) The name, address, and occupational license number of the buyer.

(G) The signature of the dealer conducting the auction.

(2) Submission of the electronic report specified in paragraph (1) to the department shall fully satisfy the requirements of subdivision (a) and subdivision (a) of Section 5901 with respect to the dealer selling at auction and the dealer conducting the auction.

(3) The electronic report required by this subdivision does not relieve a dealer of any obligation or responsibility that is required by any other law.

(c) A vehicle displaying a report-of-sale form or temporary license plate issued pursuant to paragraph (8) of subdivision (a) may be operated without license plates until either of the following, whichever occurs first:

(1) The license plates and registration card are received by the purchaser.

(2) A 90-day period, commencing with the date of sale of the vehicle, has expired.

(d) Notwithstanding subdivision (c), a vehicle may continue to display a report-of-sale form or temporary license plates after 90 days if the owner provides proof that he or she has submitted an application to the department pursuant to Section 4457 and it has been no more than 14 days since the permanent license plates were issued to the owner. A violation of this paragraph is a correctable offense pursuant to Section 40303.5.

(e) This section shall become operative January 1, 2019.

SEC. 4. Section 4456.2 is added to the Vehicle Code, to read:

4456.2. (a) The department shall develop a system for dealers and lessor-retailers to electronically report the sale of a vehicle before the vehicle is delivered to the purchaser. At minimum, the system shall conform to the following conditions:

(1) The system shall provide a licensed dealer with the forms for use as prescribed in subdivision (a) of Section 4456.

(2) For a vehicle that does not already display license plates, the system shall also produce a temporary license plate to be used and displayed in lieu of license plates, pursuant to subdivision (c) of Section 4456. The temporary license plate shall display the report-of-sale number, expiration date, and any other information deemed necessary by the department.

(3) The dealer reporting system shall assign each transaction a unique report-of-sale number that will be displayed on the report-of-sale forms and any temporary license plate.

(4) The system shall record the vehicle identification number, vehicle year, model and make, name of dealer or lessor-retailer, purchaser name and address, and any other information deemed necessary by the department.

(b) The department shall develop standards for temporary license plates produced pursuant to this section. The standards shall specify content, format, and physical attributes that are cost effective and reasonably necessary to create appropriately durable and legible

temporary license plates, including the type and quality of paper, ink, and printer required to create the temporary license plates.

(c) Access to the dealer reporting system shall be restricted to authorized users of the department's vehicle registration and occupational licensing databases.

(d) The department shall make the dealer reporting system operational for use no later than January 1, 2019.

SEC. 5. Section 4456.5 of the Vehicle Code is amended to read:

4456.5. (a) A dealer may charge the purchaser or lessee of a vehicle the following charges:

(1) A document processing charge for the preparation and processing of documents, disclosures, and titling, registration, and information security obligations imposed by state and federal law. The dealer document processing charge shall not be represented as a governmental fee.

(A) If a dealer has a contractual agreement with the department to be a private industry partner pursuant to Section 1685, the document processing charge shall not exceed eighty dollars (\$80).

(B) If a dealer does not have a contractual agreement with the department to be a private industry partner pursuant to Section 1685, the document processing charge shall not exceed sixty-five dollars (\$65).

(2) An electronic filing charge, not to exceed the actual amount the dealer is charged by a first-line service provider for providing license plate processing, postage, and the fees and services authorized pursuant to subdivisions (a) and (d) of Section 1685. The electronic filing charge shall not be used to pay for additional fees, goods, or services not directly related to the electronic registration of a motor vehicle, including, but not limited to, the receipt by the dealer of free or discounted goods, services, or financial incentives. The director may establish, through the adoption of regulations, the maximum amount that a first-line service provider may charge a dealer. The electronic filing charge shall not be represented as a governmental fee.

(b) As used in this section, the term "first-line service provider" shall have the same meaning as defined in subdivision (b) of Section 1685.

(c) This section does not prohibit a first-line service provider from entering into contracts with dealers for products and services unrelated to electronic vehicle registration services.

(d) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 6. Section 4456.5 is added to the Vehicle Code, to read:

4456.5. (a) A dealer may charge the purchaser or lessee of a vehicle the following charges:

(1) A document processing charge for the preparation and processing of documents, disclosures, and titling, registration, and information security obligations imposed by state and federal law. The dealer document processing charge shall not be represented as a governmental fee.

(A) If a dealer has a contractual agreement with the department to be a private industry partner pursuant to Section 1685, the document processing charge shall not exceed eighty-five dollars (\$85).

(B) If a dealer does not have a contractual agreement with the department to be a private industry partner pursuant to Section 1685, the document processing charge shall not exceed seventy dollars (\$70).

(2) An electronic filing charge, not to exceed the actual amount the dealer is charged by a first-line service provider for providing license plate processing, postage, and the fees and services authorized pursuant to subdivisions (a) and (d) of Section 1685, including services related to reporting vehicle sales and producing temporary license plates pursuant to Sections 4456 and 4456.2. The electronic filing charge shall not be used to pay for additional fees, goods, or services not directly related to the electronic registration of a motor vehicle, including, but not limited to, the receipt by the dealer of free or discounted goods, services, or financial incentives. The director may establish, through the adoption of regulations, the maximum amount that a first-line service provider may charge a dealer. The electronic filing charge shall not be represented as a governmental fee.

(b) As used in this section, the term “first-line service provider” shall have the same meaning as defined in subdivision (b) of Section 1685.

(c) This section does not prohibit a first-line service provider from entering into contracts with dealers for products and services unrelated to electronic vehicle registration services.

(d) This section shall become operative on January 1, 2019.

SEC. 7. Section 4462 of the Vehicle Code is amended to read:

4462. (a) The driver of a motor vehicle shall present the registration or identification card or other evidence of registration of any or all vehicles under his or her immediate control for examination upon demand of any peace officer.

(b) A person shall not display upon a vehicle, nor present to any peace officer, any registration card, identification card, temporary receipt, license plate, device issued pursuant to Section 4853, or permit not issued for that vehicle or not otherwise lawfully used thereon under this code.

(c) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 8. Section 4462 is added to the Vehicle Code, to read:

4462. (a) The driver of a motor vehicle shall present the registration or identification card or other evidence of registration of any or all vehicles under his or her immediate control for examination upon demand of any peace officer.

(b) A person shall not display upon a vehicle, nor present to any peace officer, any registration card, identification card, temporary receipt, license plate, temporary license plate, device issued pursuant to Section 4853, or permit not issued for that vehicle or not otherwise lawfully used thereon under this code.

(c) This section shall become operative January 1, 2019.

SEC. 9. Section 4463 of the Vehicle Code is amended to read:

4463. (a) A person who, with intent to prejudice, damage, or defraud, commits any of the following acts is guilty of a felony and upon conviction thereof shall be punished by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code for 16 months, or two or three years, or by imprisonment in a county jail for not more than one year:

(1) Alters, forges, counterfeits, or falsifies a certificate of ownership, registration card, certificate, license, license plate, device issued pursuant to Section 4853, special plate, or permit provided for by this code or a comparable certificate of ownership, registration card, certificate, license, license plate, device

comparable to that issued pursuant to Section 4853, special plate, or permit provided for by a foreign jurisdiction, or alters, forges, counterfeits, or falsifies the document, device, or plate with intent to represent it as issued by the department, or alters, forges, counterfeits, or falsifies with fraudulent intent an endorsement of transfer on a certificate of ownership or other document evidencing ownership, or with fraudulent intent displays or causes or permits to be displayed or have in his or her possession a blank, incomplete, canceled, suspended, revoked, altered, forged, counterfeit, or false certificate of ownership, registration card, certificate, license, license plate, device issued pursuant to Section 4853, special plate, or permit.

(2) Utters, publishes, passes, or attempts to pass, as true and genuine, a false, altered, forged, or counterfeited matter listed in paragraph (1) knowing it to be false, altered, forged, or counterfeited.

(b) A person who, with intent to prejudice, damage, or defraud, commits any of the following acts is guilty of a misdemeanor, and upon conviction thereof shall be punished by imprisonment in a county jail for six months, a fine of not less than five hundred dollars (\$500) and not more than one thousand dollars (\$1,000), or both that fine and imprisonment, which penalty shall not be suspended:

(1) Forges, counterfeits, or falsifies a disabled person placard or a comparable placard relating to parking privileges for disabled persons provided for by a foreign jurisdiction, or forges, counterfeits, or falsifies a disabled person placard with intent to represent it as issued by the department.

(2) Passes, or attempts to pass, as true and genuine, a false, forged, or counterfeit disabled person placard knowing it to be false, forged, or counterfeited.

(3) Acquires, possesses, sells, or offers for sale a genuine or counterfeit disabled person placard.

(c) A person who, with fraudulent intent, displays or causes or permits to be displayed a forged, counterfeit, or false disabled person placard, is subject to the issuance of a notice of parking violation imposing a civil penalty of not less than two hundred fifty dollars (\$250) and not more than one thousand dollars (\$1,000), for which enforcement shall be governed by the procedures set forth in Article 3 (commencing with Section 40200)

of Chapter 1 of Division 17 or is guilty of a misdemeanor punishable by imprisonment in a county jail for six months, a fine of not less than two hundred fifty dollars (\$250) and not more than one thousand dollars (\$1,000), or both that fine and imprisonment, which penalty shall not be suspended.

(d) For purposes of subdivision (b) or (c), “disabled person placard” means a placard issued pursuant to Section 22511.55 or 22511.59.

(e) A person who, with intent to prejudice, damage, or defraud, commits any of the following acts is guilty of an infraction, and upon conviction thereof shall be punished by a fine of not less than one hundred dollars (\$100) and not more than two hundred fifty dollars (\$250) for a first offense, not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500) for a second offense, and not less than five hundred dollars (\$500) and not more than one thousand dollars (\$1,000) for a third or subsequent offense, which penalty shall not be suspended:

(1) Forges, counterfeits, or falsifies a Clean Air Sticker or a comparable clean air sticker relating to high-occupancy vehicle lane privileges provided for by a foreign jurisdiction, or forges, counterfeits, or falsifies a Clean Air Sticker with intent to represent it as issued by the department.

(2) Passes, or attempts to pass, as true and genuine, a false, forged, or counterfeit Clean Air Sticker knowing it to be false, forged, or counterfeited.

(3) Acquires, possesses, sells, or offers for sale a counterfeit Clean Air Sticker.

(4) Acquires, possesses, sells, or offers for sale a genuine Clean Air Sticker separate from the vehicle for which the department issued that sticker.

(f) As used in this section, “Clean Air Sticker” means a label or decal issued pursuant to Sections 5205.5 and 21655.9.

(g) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 10. Section 4463 is added to the Vehicle Code, to read:

4463. (a) A person who, with intent to prejudice, damage, or defraud, commits any of the following acts is guilty of a felony and upon conviction thereof shall be punished by imprisonment pursuant to subdivision (h) of Section 1170 of the Penal Code for

16 months, or two or three years, or by imprisonment in a county jail for not more than one year:

(1) Alters, forges, counterfeits, or falsifies a certificate of ownership, registration card, certificate, license, license plate, temporary license plate, device issued pursuant to Section 4853, special plate, or permit provided for by this code or a comparable certificate of ownership, registration card, certificate, license, license plate, temporary license plate, device comparable to that issued pursuant to Section 4853, special plate, or permit provided for by a foreign jurisdiction, or alters, forges, counterfeits, or falsifies the document, device, or plate with intent to represent it as issued by the department, or alters, forges, counterfeits, or falsifies with fraudulent intent an endorsement of transfer on a certificate of ownership or other document evidencing ownership, or with fraudulent intent displays or causes or permits to be displayed or have in his or her possession a blank, incomplete, canceled, suspended, revoked, altered, forged, counterfeit, or false certificate of ownership, registration card, certificate, license, license plate, temporary license plate, device issued pursuant to Section 4853, special plate, or permit.

(2) Utters, publishes, passes, or attempts to pass, as true and genuine, a false, altered, forged, or counterfeited matter listed in paragraph (1) knowing it to be false, altered, forged, or counterfeited.

(b) A person who, with intent to prejudice, damage, or defraud, commits any of the following acts is guilty of a misdemeanor, and upon conviction thereof shall be punished by imprisonment in a county jail for six months, a fine of not less than five hundred dollars (\$500) and not more than one thousand dollars (\$1,000), or both that fine and imprisonment, which penalty shall not be suspended:

(1) Forges, counterfeits, or falsifies a disabled person placard or a comparable placard relating to parking privileges for disabled persons provided for by a foreign jurisdiction, or forges, counterfeits, or falsifies a disabled person placard with intent to represent it as issued by the department.

(2) Passes, or attempts to pass, as true and genuine, a false, forged, or counterfeit disabled person placard knowing it to be false, forged, or counterfeited.

(3) Acquires, possesses, sells, or offers for sale a genuine or counterfeit disabled person placard.

(c) A person who, with fraudulent intent, displays or causes or permits to be displayed a forged, counterfeit, or false disabled person placard, is subject to the issuance of a notice of parking violation imposing a civil penalty of not less than two hundred fifty dollars (\$250) and not more than one thousand dollars (\$1,000), for which enforcement shall be governed by the procedures set forth in Article 3 (commencing with Section 40200) of Chapter 1 of Division 17, or is guilty of a misdemeanor punishable by imprisonment in a county jail for six months, a fine of not less than two hundred fifty dollars (\$250) and not more than one thousand dollars (\$1,000), or both that fine and imprisonment, which penalty shall not be suspended.

(d) For purposes of subdivision (b) or (c), “disabled person placard” means a placard issued pursuant to Section 22511.55 or 22511.59.

(e) A person who, with intent to prejudice, damage, or defraud, commits any of the following acts is guilty of an infraction, and upon conviction thereof shall be punished by a fine of not less than one hundred dollars (\$100) and not more than two hundred fifty dollars (\$250) for a first offense, not less than two hundred fifty dollars (\$250) and not more than five hundred dollars (\$500) for a second offense, and not less than five hundred dollars (\$500) and not more than one thousand dollars (\$1,000) for a third or subsequent offense, which penalty shall not be suspended:

(1) Forges, counterfeits, or falsifies a Clean Air Sticker or a comparable clean air sticker relating to high-occupancy vehicle lane privileges provided for by a foreign jurisdiction, or forges, counterfeits, or falsifies a Clean Air Sticker with intent to represent it as issued by the department.

(2) Passes, or attempts to pass, as true and genuine, a false, forged, or counterfeit Clean Air Sticker knowing it to be false, forged, or counterfeited.

(3) Acquires, possesses, sells, or offers for sale a counterfeit Clean Air Sticker.

(4) Acquires, possesses, sells, or offers for sale a genuine Clean Air Sticker separate from the vehicle for which the department issued that sticker.

(f) As used in this section, “Clean Air Sticker” means a label or decal issued pursuant to Sections 5205.5 and 21655.9.

(g) This section shall become operative January 1, 2019.

SEC. 11. Section 4763 of the Vehicle Code is amended to read:

4763. (a) The department shall assess a fee for the recording of the notice of delinquent parking violation, which is given to the department by a processing agency pursuant to Section 40220, in an amount, as determined by the department, that is sufficient to provide a total amount equal to its actual costs of administering Sections 4760, 4761, 4762, 4764, and 4765.

(b) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 12. Section 4763 is added to the Vehicle Code, to read:

4763. (a) The department shall assess a fee for the recording of the notice of delinquent parking violation, which is given to the department by a processing agency pursuant to Section 40220, in an amount, as determined by the department, that is sufficient to provide a total amount equal to its actual costs of administering Sections 4760, 4761, 4762, 4764, and 4765, and administering the system described in Section 4456.2.

(b) This section shall become operative January 1, 2018.

SEC. 13. Section 4773 of the Vehicle Code is amended to read:

4773. (a) The department shall assess a fee for the recording of the notice of delinquent toll evasion violation, which is given to the department by a processing agency pursuant to Section 40267, in an amount, as determined by the department, that is sufficient to provide a total amount equal to at least its actual costs of administering Sections 4770, 4771, 4774, and 4775.

(b) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.

SEC. 14. Section 4773 is added to the Vehicle Code, to read:

4773. (a) The department shall assess a fee for the recording of the notice of delinquent toll evasion violation, which is given to the department by a processing agency pursuant to Section 40267, in an amount, as determined by the department, that is sufficient to provide a total amount equal to at least its actual costs of administering Sections 4770, 4771, 4774, and 4775, and administering the system described in Section 4456.2.

(b) This section shall become operative January 1, 2018.

SEC. 15. Section 5201 of the Vehicle Code is amended to read:

5201. (a) License plates shall at all times be securely fastened to the vehicle for which they are issued so as to prevent the plates from swinging, shall be mounted in a position so as to be clearly visible, and so that the characters are upright and display from left to right, and shall be maintained in a condition so as to be clearly legible. The rear license plate shall be mounted not less than 12 inches nor more than 60 inches from the ground, and the front license plate shall be mounted not more than 60 inches from the ground, except as follows:

(1) The rear license plate on a tow truck or reposessor's tow vehicle may be mounted on the left-hand side of the mast assembly at the rear of the cab of the vehicle, not less than 12 inches nor more than 90 inches from the ground.

(2) The rear license plate on a tank vehicle hauling hazardous waste, as defined in Section 25117 of the Health and Safety Code, or asphalt material may be mounted not less than 12 inches nor more than 90 inches from the ground.

(3) The rear license plate on a truck tractor may be mounted at the rear of the cab of the vehicle, but not less than 12 inches nor more than 90 inches from the ground.

(4) The rear license plate of a vehicle designed by the manufacturer for the collection and transportation of garbage, rubbish, or refuse that is used regularly for the collection and transportation of that material by a person or governmental entity employed to collect, transport, and dispose of garbage, rubbish, or refuse may be mounted not less than 12 inches nor more than 90 inches from the ground.

(5) The rear license plate on a two-axle livestock trailer may be mounted 12 inches or more, but not more than 90 inches, from the ground.

(6) (A) The rear license plate on a dump bed motortruck equipped with a trailing, load bearing swing axle shall be mounted more than 12 inches, but not more than 107 inches, from the ground.

(B) As used in this section, a trailing, load bearing swing axle is an axle which can be moved from a raised position to a position behind the vehicle that allows for the transfer of a portion of the weight of the vehicle and load to the trailing axle.

(b) A covering shall not be used on license plates except as follows:

(1) The installation of a cover over a lawfully parked vehicle to protect it from the weather and the elements does not constitute a violation of this subdivision. A peace officer or other regularly salaried employee of a public agency designated to enforce laws, including local ordinances, relating to the parking of vehicles may temporarily remove so much of the cover as is necessary to inspect any license plate, tab, or indicia of registration on a vehicle.

(2) The installation of a license plate security cover is not a violation of this subdivision if the device does not obstruct or impair the recognition of the license plate information, including, but not limited to, the issuing state, license plate number, and registration tabs, and the cover is limited to the area directly over the top of the registration tabs. No portion of a license plate security cover shall rest over the license plate number.

(c) A casing, shield, frame, border, product, or other device that obstructs or impairs the reading or recognition of a license plate by an electronic device operated by state or local law enforcement, an electronic device operated in connection with a toll road, high-occupancy toll lane, toll bridge, or other toll facility, or a remote emission sensing device, as specified in Sections 44081 and 44081.6 of the Health and Safety Code, shall not be installed on, or affixed to, a vehicle.

(d) (1) It is the intent of the Legislature that an accommodation be made to persons with disabilities and to those persons who regularly transport persons with disabilities, to allow the removal and relocation of wheelchair lifts and wheelchair carriers without the necessity of removing and reattaching the vehicle's rear license plate. Therefore, it is not a violation of this section if the reading or recognition of a rear license plate is obstructed or impaired by a wheelchair lift or wheelchair carrier and all of the following requirements are met:

(A) The owner of the vehicle has been issued a special identification license plate pursuant to Section 5007, or the person using the wheelchair that is carried on the vehicle has been issued a distinguishing placard under Section 22511.55.

(B) (i) The operator of the vehicle displays a decal, designed and issued by the department, that contains the license plate number assigned to the vehicle transporting the wheelchair.

(ii) The decal is displayed on the rear window of the vehicle, in a location determined by the department, in consultation with the Department of the California Highway Patrol, so as to be clearly visible to law enforcement.

(2) Notwithstanding any other law, if a decal is displayed pursuant to this subdivision, the requirements of this code that require the illumination of the license plate and the license plate number do not apply.

(3) The department shall adopt regulations governing the procedures for accepting and approving applications for decals, and issuing decals, authorized by this subdivision.

(4) This subdivision does not apply to a front license plate.

(e) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 16. Section 5201 is added to the Vehicle Code, to read:

5201. (a) License plates, including temporary license plates, shall at all times be securely fastened to the vehicle for which they are issued so as to prevent the plates from swinging, shall be mounted in a position so as to be clearly visible, and so that the characters are upright and display from left to right, and shall be maintained in a condition so as to be clearly legible. The rear license plate shall be mounted not less than 12 inches nor more than 60 inches from the ground, and the front license plate shall be mounted not more than 60 inches from the ground, except as follows:

(1) The rear license plate on a tow truck or reposessor's tow vehicle may be mounted on the left-hand side of the mast assembly at the rear of the cab of the vehicle, not less than 12 inches nor more than 90 inches from the ground.

(2) The rear license plate on a tank vehicle hauling hazardous waste, as defined in Section 25117 of the Health and Safety Code, or asphalt material may be mounted not less than 12 inches nor more than 90 inches from the ground.

(3) The rear license plate on a truck tractor may be mounted at the rear of the cab of the vehicle, but not less than 12 inches nor more than 90 inches from the ground.

(4) The rear license plate of a vehicle designed by the manufacturer for the collection and transportation of garbage, rubbish, or refuse that is used regularly for the collection and

transportation of that material by a person or governmental entity employed to collect, transport, and dispose of garbage, rubbish, or refuse may be mounted not less than 12 inches nor more than 90 inches from the ground.

(5) The rear license plate on a two-axle livestock trailer may be mounted 12 inches or more, but not more than 90 inches, from the ground.

(6) (A) The rear license plate on a dump bed motortruck equipped with a trailing, load bearing swing axle shall be mounted more than 12 inches, but not more than 107 inches, from the ground.

(B) As used in this section, a trailing, load bearing swing axle is an axle which can be moved from a raised position to a position behind the vehicle that allows for the transfer of a portion of the weight of the vehicle and load to the trailing axle.

(b) Temporary license plates shall be replaced with permanent license plates upon receipt of the permanent license plates, and the temporary license plates shall be destroyed at that time.

(c) A covering shall not be used on license plates except as follows:

(1) The installation of a cover over a lawfully parked vehicle to protect it from the weather and the elements does not constitute a violation of this subdivision. A peace officer or other regularly salaried employee of a public agency designated to enforce laws, including local ordinances, relating to the parking of vehicles may temporarily remove so much of the cover as is necessary to inspect any license plate, tab, or indicia of registration on a vehicle.

(2) The installation of a license plate security cover is not a violation of this subdivision if the device does not obstruct or impair the recognition of the license plate information, including, but not limited to, the issuing state, license plate number, and registration tabs, and the cover is limited to the area directly over the top of the registration tabs. No portion of a license plate security cover shall rest over the license plate number.

(d) A casing, shield, frame, border, product, or other device that obstructs or impairs the reading or recognition of a license plate by an electronic device operated by state or local law enforcement, an electronic device operated in connection with a toll road, high-occupancy toll lane, toll bridge, or other toll facility, or a remote emission sensing device, as specified in Sections 44081

and 44081.6 of the Health and Safety Code, shall not be installed on, or affixed to, a vehicle.

(e) (1) It is the intent of the Legislature that an accommodation be made to persons with disabilities and to those persons who regularly transport persons with disabilities, to allow the removal and relocation of wheelchair lifts and wheelchair carriers without the necessity of removing and reattaching the vehicle's rear license plate. Therefore, it is not a violation of this section if the reading or recognition of a rear license plate is obstructed or impaired by a wheelchair lift or wheelchair carrier and all of the following requirements are met:

(A) The owner of the vehicle has been issued a special identification license plate pursuant to Section 5007, or the person using the wheelchair that is carried on the vehicle has been issued a distinguishing placard under Section 22511.55.

(B) (i) The operator of the vehicle displays a decal, designed and issued by the department, that contains the license plate number assigned to the vehicle transporting the wheelchair.

(ii) The decal is displayed on the rear window of the vehicle, in a location determined by the department, in consultation with the Department of the California Highway Patrol, so as to be clearly visible to law enforcement.

(2) Notwithstanding any other law, if a decal is displayed pursuant to this subdivision, the requirements of this code that require the illumination of the license plate and the license plate number do not apply.

(3) The department shall adopt regulations governing the procedures for accepting and approving applications for decals, and issuing decals, authorized by this subdivision.

(4) This subdivision does not apply to a front license plate.

(f) This section shall become operative January 1, 2019.

SEC. 17. Section 5202 of the Vehicle Code is amended to read:

5202. (a) A license plate issued by this state or any other jurisdiction within or without the United States shall be attached upon receipt and remain attached during the period of its validity to the vehicle for which it is issued while being operated within this state or during the time the vehicle is being held for sale in this state, or until the time that a vehicle with special or identification plates is no longer entitled to those plates; and a person shall not operate, and an owner shall not knowingly permit

to be operated, upon any highway, a vehicle unless the license plate is so attached. A special permit issued in lieu of plates shall be attached and displayed on the vehicle for which the permit was issued during the period of the permit's validity.

(b) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 18. Section 5202 is added to the Vehicle Code, to read:

5202. (a) A license plate issued by this state or any other jurisdiction within or without the United States shall be attached upon receipt and remain attached during the period of its validity to the vehicle for which it is issued while being operated within this state or during the time the vehicle is being held for sale in this state, or until the time that a vehicle with special or identification plates is no longer entitled to those plates; and a person shall not operate, and an owner shall not knowingly permit to be operated, upon any highway, a vehicle unless the license plate is so attached. A special permit or temporary license plate issued in lieu of permanent license plates shall be attached and displayed on the vehicle for which the permit or temporary license plate was issued until the temporary license plate or the special permit expires, or the permanent license plates are received, whichever occurs first.

(b) This section shall become operative January 1, 2019.

SEC. 19. Section 5901 of the Vehicle Code is amended to read:

5901. (a) Every dealer or lessor-retailer, upon transferring by sale, lease, or otherwise any vehicle, whether new or used, of a type subject to registration under this code, shall, not later than the end of the fifth calendar day thereafter not counting the day of sale, give written notice of the transfer to the department at its headquarters upon an appropriate form provided by it.

(b) Except as otherwise provided in this subdivision or in subdivision (c), the dealer or lessor-retailer shall enter on the form and pursuant to Section 32705(a) of Title 49 of the United States Code, on the ownership certificate, the actual mileage of the vehicle as indicated by the vehicle's odometer at the time of the transfer. However, if the vehicle dealer or lessor-retailer has knowledge that the mileage displayed on the odometer is incorrect, the licensee shall indicate on the form on which the mileage is entered that the mileage registered by the odometer is incorrect. A vehicle dealer

or lessor-retailer need not give the notice when selling or transferring a new unregistered vehicle to a dealer or lessor-retailer.

(c) When the dealer or lessor-retailer is not in possession of the vehicle that is sold or transferred, the person in physical possession of the vehicle shall give the information required by subdivision (b).

(d) A sale is deemed completed and consummated when the purchaser of the vehicle has paid the purchase price, or, in lieu thereof, has signed a purchase contract or security agreement, and has taken physical possession or delivery of the vehicle.

(e) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 20. Section 5901 is added to the Vehicle Code, to read:

5901. (a) Every dealer or lessor-retailer, upon transferring by sale, lease, or otherwise any vehicle, whether new or used, of a type subject to registration under this code, shall, not later than the end of the fifth calendar day thereafter not counting the day of sale, give notice of the transfer to the department electronically in a manner approved by the department.

(b) Except as otherwise provided in this subdivision or in subdivision (c), the dealer or lessor-retailer shall enter on the form and pursuant to Section 32705(a) of Title 49 of the United States Code, on the ownership certificate, the actual mileage of the vehicle as indicated by the vehicle's odometer at the time of the transfer. However, if the vehicle dealer or lessor-retailer has knowledge that the mileage displayed on the odometer is incorrect, the licensee shall indicate on the form on which the mileage is entered that the mileage registered by the odometer is incorrect. A vehicle dealer or lessor-retailer need not give the notice when selling or transferring a new unregistered vehicle to a dealer or lessor-retailer.

(c) When the dealer or lessor-retailer is not in possession of the vehicle that is sold or transferred, the person in physical possession of the vehicle shall give the information required by subdivision (b).

(d) A sale is deemed completed and consummated when the purchaser of the vehicle has paid the purchase price, or, in lieu thereof, has signed a purchase contract or security agreement, and has taken physical possession or delivery of the vehicle.

(e) This section shall become operative January 1, 2019.

SEC. 21. Section 6100 of the Vehicle Code is amended to read:

6100. (a) A dealer who conducts a wholesale motor vehicle auction and who uses the form prescribed in subdivision (b) of Section 4456 shall include the phrase “SOLD THROUGH [name of dealer conducting the auction]” and the date of the auction on the certificate of title of every vehicle sold, in a manner prescribed by the department.

(b) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 22. Section 6100 is added to the Vehicle Code, to read:

6100. (a) A dealer who conducts a wholesale motor vehicle auction and reports the sale of the vehicle in the manner prescribed in subdivision (b) of Section 4456 shall include the phrase “SOLD THROUGH [name of dealer conducting the auction]” and the date of the auction on the certificate of title of every vehicle sold, in a manner prescribed by the department.

(b) This section shall become operative January 1, 2019.

SEC. 23. Section 11714 of the Vehicle Code is amended to read:

11714. (a) The department, upon granting a license, shall issue to the applicant a license containing the applicant’s name and address and the general distinguishing number assigned to the applicant.

(b) A dealer shall not sell any vehicle at retail at a location that is not posted pursuant to Section 11709.

(c) A dealer who is authorized by the department to sell motor vehicles only at wholesale shall not sell any vehicle at retail and shall report every sale to the department on the wholesale report of sale form prescribed by the department.

(d) When the department has issued a license pursuant to subdivision (a), the licensee may apply for and the department shall issue special plates which shall have displayed thereon the general distinguishing number assigned to the applicant. Each plate so issued shall also contain a number or symbol identifying the plate from every other plate bearing a like general distinguishing number.

(e) The department shall also furnish books and forms as it may determine necessary. Those books and forms are and shall remain

the property of the department and may be taken up at any time for inspection.

(f) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 24. Section 11714 is added to the Vehicle Code, to read:

11714. (a) The department, upon granting a license, shall issue to the applicant a license containing the applicant's name and address and the general distinguishing number assigned to the applicant.

(b) A dealer shall not sell any vehicle at retail at a location that is not posted pursuant to Section 11709.

(c) A dealer who is authorized by the department to sell motor vehicles only at wholesale shall not sell any vehicle at retail and shall report every sale to the department as prescribed in subdivision (b) of Section 4456.

(d) When the department has issued a license pursuant to subdivision (a), the licensee may apply for and the department shall issue special plates which shall have displayed thereon the general distinguishing number assigned to the applicant. Each plate so issued shall also contain a number or symbol identifying the plate from every other plate bearing a like general distinguishing number.

(e) The department shall also furnish books and forms as it may determine necessary. Those books and forms are and shall remain the property of the department and may be taken up at any time for inspection.

(f) This section shall become operative January 1, 2019.

SEC. 25. Section 38080 of the Vehicle Code is amended to read:

38080. (a) The department may authorize, under Section 4456, dealers licensed under Article 1 (commencing with Section 11700) of Chapter 4 of Division 5 to use numbered copies of the report-of-sale form and corresponding temporary identification devices upon off-highway motor vehicles subject to identification that they sell.

(b) Off-highway motor vehicles subject to identification that are purchased from dealers not required to be licensed under Article 1 (commencing with Section 11700) of Chapter 4 of Division 5, or that are specially constructed by the owner or owners, may be

operated off-highway, as provided by this division, without an identification plate or device or identification certificate, provided a receipt or other suitable device issued by the department is displayed upon the vehicle evidencing an application has been made and appropriate fees paid pursuant to this division, until the identification plate or device and identification certificate are received from the department.

(c) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.

SEC. 26. Section 38080 is added to the Vehicle Code, to read:

38080. (a) The department may authorize, under Section 4456, dealers licensed under Article 1 (commencing with Section 11700) of Chapter 4 of Division 5 to use the process described in Section 4456 and corresponding temporary identification devices upon off-highway motor vehicles subject to identification that they sell.

(b) Off-highway motor vehicles subject to identification that are purchased from dealers not required to be licensed under Article 1 (commencing with Section 11700) of Chapter 4 of Division 5, or that are specially constructed by the owner or owners, may be operated off-highway, as provided by this division, without an identification plate or device or identification certificate, provided a receipt or other suitable device issued by the department is displayed upon the vehicle evidencing an application has been made and appropriate fees paid pursuant to this division, until the identification plate or device and identification certificate are received from the department.

(c) This section shall become operative January 1, 2019.

SEC. 27. 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.

Approved _____, 2016

Governor