

Senate Bill No. 773

Passed the Senate August 26, 2016

Secretary of the Senate

Passed the Assembly August 24, 2016

Chief Clerk of the Assembly

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

Private Secretary of the Governor

CHAPTER _____

An act to add Section 5204.5 to, and to add and repeal Section 4024 of, the Vehicle Code, relating to vehicle registration.

LEGISLATIVE COUNSEL'S DIGEST

SB 773, Allen. Vehicles: registration fraud.

Existing law prohibits a person from driving, moving, or leaving standing upon a highway, or in an offstreet public parking facility, any motor vehicle, trailer, semitrailer, pole or pipe dolly, or logging dolly, unless it is registered and the appropriate fees have been paid, except as specified. Existing law makes it a felony for a person who, with the intent to prejudice, damage, or defraud, alters, forges, counterfeits, or falsifies a registration card or who utters, publishes, passes, or attempts to pass, as true and genuine, a false, altered, forged, or counterfeited registration card knowing it to be false, altered, forged, or counterfeited.

This bill would, until January 1, 2021, request the University of California to conduct a study on motor vehicle registration fraud and failure to register a motor vehicle, and would require the study to include specified information, including quantification of the magnitude of the problem, the costs to the state and local governments in lost revenues, and recommended strategies for increasing compliance with registration requirements. The bill would require the Department of Motor Vehicles to enter into an agreement with the University of California to share its vehicle registration information for purposes of conducting the study and would require the Department of the California Highway Patrol to provide specified information to the University of California researchers who are conducting the study. The bill would request the University of California to post a report of the study on its Internet Web site no later than January 1, 2018.

Existing law specifies requirements for the form and display of month and year vehicle registration tabs.

This bill would require the Department of Motor Vehicles to post on its Internet Web site, and any other appropriate online venue used by the department for public outreach, detailed

instructions for motorists that describe how to prevent theft of those tabs.

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

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) Motor vehicle registration fraud and failure to register a motor vehicle are both illegal and fundamentally unfair to the vast majority of Californians who comply with registration requirements. These crimes rob the state and local governments of millions of dollars of revenues needed for vital purposes, such as transportation projects, supporting the Department of the California Highway Patrol, deterring auto theft, enforcing laws prohibiting driving under the influence of alcohol or drugs, removing abandoned vehicles, and many other socially desirable programs.

(2) Motor vehicle registration fraud and failure to register a motor vehicle also have significant public health consequences and contribute disproportionately to motor vehicle emissions because many individuals committing registration fraud have gross emitting vehicles and are deliberately circumventing the inspection and maintenance program.

(3) Motor vehicle registration fraud and failure to register a motor vehicle also significantly increase insurance costs for law-abiding citizens.

(4) It is in the public interest to have motor vehicle owners comply with existing registration laws.

(b) Therefore, it is the intent of the Legislature to encourage motorists to register their vehicles in accordance with existing law.

SEC. 2. Section 4024 is added to the Vehicle Code, to read:

4024. (a) The University of California is requested to conduct a study on motor vehicle registration fraud and failure to register a motor vehicle. The study shall include all of the following:

(1) Quantification of the magnitude of the problem.

(2) The strategies being used by motorists to commit motor vehicle registration fraud.

(3) The reasons for the behaviors of motorists who commit fraud in registration of, or who fail to register, their motor vehicles.

(4) The costs to the state and local governments in lost revenues.

- (5) Increases in air pollution.
- (6) Other costs and consequences of these behaviors.
- (7) Recommended strategies for increasing compliance with registration requirements.

(b) The Department of Motor Vehicles shall enter into an agreement with the University of California to share its vehicle registration information with the University of California researchers for the purposes of conducting the study. The Department of the California Highway Patrol shall share information on its efforts to combat registration fraud, including the CHEATERS program, with the University of California researchers who are conducting the study.

(c) The University of California is requested to post a report of the study on its Internet Web site no later than January 1, 2018.

(d) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

SEC. 3. Section 5204.5 is added to the Vehicle Code, to read:

5204.5. The department shall post on its Internet Web site, and any other appropriate online venue used by the department for public outreach, detailed instructions for motorists that describe how to prevent theft of the tabs described in Section 5204.

Approved _____, 2016

Governor