

**Introduced by Senator Speier**

February 24, 1999

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An act to amend Sections 1808.47, 4750, 16020, 16025, 16028, 16029, 16030, 16033, 16070, 16071, 16457, and 40611 of, to add Sections 1808.24, 4000.38, 16058, and 16058.5 to, to repeal and add Section 4000.37 of, and to repeal Sections 1680, 16020, 16070, 16071, 16457, and 40611 of, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 652, as introduced, Speier. Vehicles: financial responsibility.

(1) Existing law provides that records of the Department of Motor Vehicles are generally open to public inspection. However, with specified exceptions, any residence address in any record of the department is confidential.

This bill would provide that any information regarding motor vehicle liability insurance policy or surety bond provided to the department is confidential and shall not be disclosed to any person, with limited exceptions. Because a violation of this prohibition would be a crime under existing law, this bill would create a new crime, thereby imposing a state-mandated local program.

(2) Existing law requires persons who obtain confidential or restricted addresses pursuant to law to require their agents to take necessary steps to ensure confidentiality.

This bill would expand the confidentiality to any confidential or restricted information, thereby expanding the

scope of an existing crime and imposing a state-mandated local program.

(3) Existing law requires all drivers to maintain one of various forms of financial responsibility, including liability insurance, and to provide proof of financial responsibility to a peace officer in various circumstances. Existing law requires the Director of Motor Vehicles, if the operation of any of the current provisions governing financial responsibility is delayed or interrupted by the action of a state or federal court and the constitutionality of the provision is upheld by a final decision of the court, to calculate what amount of time the operation of the provision was delayed or interrupted by the court's action, add the amount calculated to January 1, 2000, to determine a new repeal date for the challenged provision, and notify the Secretary of State in writing of the new repeal date.

Existing law provides that the above-described provisions governing financial responsibility remain in effect only until January 1, 2000, or until the date determined by the director pursuant to the provision specified above, and as of that date is repealed, unless a later enacted statute, which is enacted on or before January 1, 2000, deletes or extends that date.

This bill would delete the repeal procedure specified above, thereby extending indefinitely certain provisions of existing law relating to financial responsibility, as proposed to be revised by the bill.

(4) Under existing law, the department is required to require an applicant for renewal of a motor vehicle registration to submit a specified form, as developed by the department, regarding the applicant's motor vehicle liability insurance or provide certain documentation regarding alternative evidence of financial responsibility.

This bill would instead require the department to require that each applicant for renewal submit either a form approved by the department containing specified information and issued by the insurer or any one of specified documents as evidence of coverage under an alternative form of financial responsibility that may be provided by the applicant.



(5) Existing law does not provide for the suspension, cancellation, or revocation of the registration of a vehicle based upon whether the registration was attained by providing false evidence of financial responsibility or upon notification by an insurance company that the required coverage has been canceled, as specified.

This bill would authorize the department to take that action and would provide a procedure for the reinstatement of a registration suspended, cancelled, or revoked.

(6) Under existing law, upon demand of a peace officer under specified circumstances, every person who drives upon a highway a motor vehicle that is required to be registered in this state is required to provide evidence of financial responsibility, as defined. A violation of this provision is a crime that is punishable by specified fines.

This bill would recast that provision to provide that upon demand by a peace officer, every person who drives a motor vehicle upon a highway is required to provide evidence of financial responsibility. Since the bill would expand the scope of this crime, the bill would impose a state-mandated local program. The bill would also revise the definition of the terms “financial responsibility” and “evidence of financial responsibility.”

The bill would decrease the fines for a violation this provision, but would require a court to impose a fine that is greater than the minimum fine provided unless the defendant has presented the court with evidence of financial responsibility, as defined, in addition to the written certificate of an insurance carrier that meets specified requirements.

The bill would provide that the imposition of the fine is mandatory upon conviction of a violation of the financial responsibility provision and may not be waived or suspended for any reason. The bill would authorize the court to direct that the fine be paid within a limited time or in installments on specified dates.

(7) Existing law makes it a crime for any person to knowingly provide false evidence of financial responsibility under specified circumstances by using certain listed false documents, imposes certain duties on the courts in connection with a conviction of that offense, and allows the court to



restrict the person's driving privilege rather than suspend the privilege, if the driving of a motor vehicle is required in the person's course of employment.

This bill would include a false self-insurer certificate as one of the documents that apply to the above, revise the duties of the court and the department in connection with a conviction of the offense, delete the power of the court to restrict the driving privilege rather than suspend the driving privilege, and require the department, rather than the court to suspend the driving privilege for a one-year period, effective upon the date of the conviction.

(8) Existing law does not require each insurer to electronically report to the department all motor vehicle liability insurance policies issued within 30 days of the effective date of the coverage.

This bill would, not later than July 1, 2001, impose that requirement on each insurer, except as specified, would require that, not later than July 1, 2000, each insurer advise the department of the method to be used for reporting, and would require all reportings be completed not later than July 1, 2001. The bill would impose duties on the department in connection with this requirement and would specify the contents of the report. The bill would also require specified reports to be made within 45 days of a change of information previously reported on a policy or amendment, as specified by the department. The bill would require the department to determine satisfactory evidence as to specified alternative forms of financial responsibility.

The bill would require the department to adopt regulations for reporting insurance information and to report to the Legislature, not later than April 30, 2000, regarding an evaluation of the implementation of a specified electronic reporting pilot program.

(9) 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.



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

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

1 SECTION 1. Section 1680 of the Vehicle Code is  
2 repealed.

3 ~~1680. (a) If the operation of Section 4000.37, 16020,~~  
4 ~~16028, 16029, 16030, 16033, 16070, 16071, 16457, 22651, or~~  
5 ~~40611 is delayed or interrupted by the action of a state or~~  
6 ~~federal court and the constitutionality of that section is~~  
7 ~~upheld by a final decision of the court, the director shall~~  
8 ~~do all of the following:~~

9 ~~(1) Calculate what amount of time the operation of the~~  
10 ~~section was delayed or interrupted by the court's action.~~

11 ~~(2) Add the amount calculated pursuant to paragraph~~  
12 ~~(1) to January 1, 2000, to determine a new repeal date for~~  
13 ~~the section.~~

14 ~~(3) Notify the Secretary of State in writing of the~~  
15 ~~repeal date calculated pursuant to paragraph (2) and~~  
16 ~~state that the notice is being made pursuant to this~~  
17 ~~section.~~

18 ~~(b) This section shall remain in effect only until~~  
19 ~~January 1, 2000, and as of that date is repealed, unless a~~  
20 ~~later enacted statute, which is enacted on or before~~  
21 ~~January 1, 2000, deletes or extends that date.~~

22 SEC. 2. Section 1808.24 is added to the Vehicle Code,  
23 to read:

24 1808.24. (a) Information regarding any motor  
25 vehicle liability insurance policy or surety bond provided  
26 to the department pursuant to Section 4000.37 or 16058 is  
27 confidential and shall not be disclosed to any person,  
28 except to the following:

29 (1) A court of competent jurisdiction.

30 (2) A law enforcement or other governmental agency.

31 (3) An insurance company or its assigns to verify a  
32 record the company or its assigns previously submitted to  
33 the department.

34 (4) A person whose vehicle or property has been  
35 involved in an accident reported to the department



1 pursuant to Chapter 1 (commencing with Section 16000)  
2 of Division 7 or the person's authorized representative,  
3 employer, parent, or legal guardian.

4 SEC. 3. Section 1808.47 of the Vehicle Code is  
5 amended to read:

6 1808.47. Any person who has access to confidential or  
7 restricted information from the department shall  
8 establish procedures to protect the confidentiality of  
9 those records. If *any* confidential or restricted addresses  
10 ~~are information is~~ released to any agent of a person  
11 authorized to obtain ~~restricted addresses as provided in~~  
12 ~~Section 1808.21, 1808.22, 1808.23, 1810.2, or 1810.7~~  
13 *information*, the person shall require the agent to take all  
14 steps necessary to ensure confidentiality of these  
15 addresses and prevent any release of the information to  
16 a third party. No agent shall obtain or use any confidential  
17 or restricted records ~~from requestor codeholders~~ for any  
18 purpose other than the reason the information was  
19 requested ~~by the requestor codeholder who originally~~  
20 ~~obtained the information.~~

21 SEC. 4. Section 4000.37 of the Vehicle Code is  
22 repealed.

23 4000.37. (a) ~~Upon application for renewal of~~  
24 ~~registration of a vehicle, the department shall require~~  
25 ~~that the applicant submit either the form specified in~~  
26 ~~paragraph (1) or any one of the items specified in~~  
27 ~~paragraph (2) as evidence that the applicant is in~~  
28 ~~compliance with the financial responsibility laws of this~~  
29 ~~state:~~

30 (1) ~~A form developed by the department that includes~~  
31 ~~all of the following:~~

32 (A) ~~The name and address of the applicant.~~

33 (B) ~~The year, make, model, and vehicle identification~~  
34 ~~number of the vehicle.~~

35 (C) ~~The name, insurer's identification number, and~~  
36 ~~address of the insurance company or surety company~~  
37 ~~providing a policy or bond for the vehicle.~~

38 (D) ~~The effective date and expiration date of the~~  
39 ~~policy or bond.~~



1 ~~(E) A statement from the insurance company or~~  
2 ~~surety company that the policy or bond meets the~~  
3 ~~requirements of Section 16056 or 16500.5.~~

4 ~~(2) Any of the following:~~

5 ~~(A) A statement that the department has issued a~~  
6 ~~certificate of self insurance to the applicant pursuant to~~  
7 ~~Section 16053, and the number of the certificate.~~

8 ~~(B) A copy of a certificate or deposit number of a cash~~  
9 ~~deposit that meets the requirements of Section 16054.2.~~

10 ~~(C) An insurance covering note issued pursuant to~~  
11 ~~Section 382 of the Insurance Code.~~

12 ~~(D) A statement that the vehicle is owned or leased by,~~  
13 ~~or under the direction of, the United States or any public~~  
14 ~~entity that is included in Section 811.2 of the Government~~  
15 ~~Code.~~

16 ~~(b) This section does not apply to a vehicle for which~~  
17 ~~a certification has been filed pursuant to Section 4604,~~  
18 ~~until the vehicle is registered for operation on the~~  
19 ~~highway.~~

20 ~~(c) This section shall become operative on January 1,~~  
21 ~~1997.~~

22 ~~(d) This section shall remain in effect only until~~  
23 ~~January 1, 2000, or until the date determined by the~~  
24 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
25 ~~Section 1680, whichever is later, and as of that date is~~  
26 ~~repealed, unless a later enacted statute, which is enacted~~  
27 ~~on or before January 1, 2000, deletes or extends that date.~~

28 SEC. 5. Section 4000.37 is added to the Vehicle Code,  
29 to read:

30 4000.37. (a) Upon application for renewal of  
31 registration of a motor vehicle, the department shall  
32 require that the applicant submit either a form approved  
33 by the department, as specified in paragraph (1) or (2),  
34 or any of the items specified in paragraph (3), as evidence  
35 that the applicant is in compliance with the financial  
36 responsibility laws of this state:

37 (1) For vehicles covered by private passenger  
38 automobile liability policies and having coverage as  
39 described in subdivisions (a) and (b) of Section 660 of the  
40 Insurance Code, or policies and coverages for private



1 passenger automobile policies as described in  
2 subdivisions (a) and (b) of that section and issued by an  
3 automobile assigned risk plan, the form shall include all  
4 of the following:

5 (A) The primary name of the insured covered by the  
6 policy or the vehicle owner, or both.

7 (B) The year, make, and vehicle identification  
8 number of the vehicle.

9 (C) The name, the National Association of Insurance  
10 Commissioners (NAIC) number, and the address of the  
11 insurance company or surety company providing a policy  
12 or bond for the vehicle.

13 (D) The policy or bond number, and the effective date  
14 and expiration date of that policy or bond.

15 (E) A statement from the insurance company or  
16 surety company that the policy or bond meets the  
17 requirements of Section 16056 or 16500.5.

18 (2) For vehicles covered by commercial or fleet  
19 policies, and not private passenger automobile liability  
20 policies, as described in paragraph (1), the form shall  
21 include all of the following:

22 (A) The name and address of the vehicle owner or  
23 fleet operator.

24 (B) The name, the NAIC number, and the address of  
25 the insurance company or surety company providing a  
26 policy or bond for the vehicle.

27 (C) The policy or bond number, and the effective date  
28 and expiration date of the policy or bond.

29 (D) A statement from the insurance company or  
30 surety company that the policy or bond meets the  
31 requirements of Section 16056 or 16500.5 and is a  
32 commercial or fleet policy. For vehicles registered  
33 pursuant to Article 9.5 (commencing with Section 5300)  
34 or Article 4 (commencing with Section 8050) of Chapter  
35 4, one form may be submitted per fleet as specified by the  
36 department.

37 (3) In lieu of evidence of insurance as described in  
38 paragraphs (1) and (2), one of the following documents  
39 as evidence of coverage under an alternative form of  
40 financial responsibility may be provided by the applicant:



1 (A) An evidence form, as specified by the department,  
2 that indicates either a certificate of self-insurance or an  
3 assignment of deposit letter has been issued by the  
4 department pursuant to Sections 16053 or 16054.2.

5 (B) An insurance covering note or binder pursuant to  
6 Section 382 or 382.5 of the Insurance Code.

7 (b) This section does not apply to any of the following:

8 (1) A vehicle for which a certification has been filed  
9 pursuant to Section 4604, until the vehicle is registered for  
10 operation upon the highway.

11 (2) A vehicle that is owned or leased by, or under the  
12 direction of, the United States or any public entity that is  
13 included in Section 811.2 of the Government Code.

14 (3) A vehicle registration renewal application where  
15 there is a change of registered owner.

16 (4) A vehicle for which evidence of liability insurance  
17 information has been filed with the department pursuant  
18 to Section 16058 or 16058.5.

19 (c) This section shall remain in effect only until the  
20 reporting system specified in Sections 16058 and 16058.5  
21 has become operational.

22 SEC. 6. Section 4000.38 is added to the Vehicle Code,  
23 to read:

24 4000.38. (a) The department may suspend, cancel, or  
25 revoke the registration of a vehicle when it determines  
26 that either of the following circumstances has occurred:

27 (1) The registration was obtained by providing false  
28 evidence of financial responsibility to the department.

29 (2) Upon notification by an insurance company that  
30 the required coverage has been canceled and a sufficient  
31 period of time has elapsed since the cancellation  
32 notification, as determined by the department, for  
33 replacement coverage to be processed and received by  
34 the department.

35 (b) Notwithstanding any other provision of this code,  
36 before a registration is reinstated after revocation, there  
37 shall, in addition to any other fees required by this code,  
38 be paid to the department a fee sufficient to pay the cost  
39 of the reissuance as determined by the department.



1 SEC. 7. Section 4750 of the Vehicle Code is amended  
2 to read:

3 4750. The department shall refuse registration, or  
4 renewal or transfer of registration, upon any of the  
5 following grounds:

6 (a) The application contains any false or fraudulent  
7 statement.

8 (b) The required fee has not been paid.

9 (c) The registration, or renewal or transfer of  
10 registration, is prohibited by the requirements of Part 5  
11 (commencing with Section 43000) of Division 26 of the  
12 Health and Safety Code.

13 (d) The owner of a heavy vehicle, which is subject to  
14 the heavy vehicle use tax imposed pursuant to Section  
15 4481 of Title 26 of the United States Code, has not  
16 presented sufficient evidence, as determined by the  
17 department, that the tax for the vehicle has been paid  
18 pursuant to that section.

19 *(e) Evidence of financial responsibility, that is*  
20 *required for a vehicle registration renewal where there*  
21 *is no change in registered owner, pursuant to Section*  
22 *4000.37 or 16058, has not been provided to the*  
23 *department. This subdivision does not apply to any of the*  
24 *following:*

25 *(1) A vehicle for which a certification has been filed*  
26 *pursuant to Section 4604, until the vehicle is registered for*  
27 *operation upon the highway.*

28 *(2) A vehicle owned or leased by, or under the*  
29 *direction of, the United States or any public entity that is*  
30 *included in Section 811.2 of the Government Code.*

31 *(3) A vehicle registration renewal application where*  
32 *there is a change of registered owner.*

33 SEC. 8. Section 16020 of the Vehicle Code, as  
34 amended by Section 10 of Chapter 652 of the Statutes of  
35 1997, is amended to read:

36 16020. (a) Every driver and every owner of a motor  
37 vehicle shall at all times be able to establish financial  
38 responsibility pursuant to Section 16021, and shall at all  
39 times carry in the vehicle evidence of the form of  
40 financial responsibility in effect for the vehicle.



1 (b) “Evidence of financial responsibility” means any  
2 of the following:

3 (1) The name of the insurance or surety company that  
4 issued a policy or bond for the vehicle that meets the  
5 requirements of Section 16056 and is currently in effect,  
6 and the number of the insurance policy or surety bond.

7 (2) If the owner is a self-insurer, as provided in Section  
8 16052 or a depositor, as provided in Section 16054.2, the  
9 certificate ~~or deposit number~~ *of self-insurance or the*  
10 *assignment of deposit letter* issued by the department.

11 (3) An insurance covering note, ~~as specified in or~~  
12 *binder pursuant to* Section 382 *or* 382.5 of the Insurance  
13 Code.

14 (4) A showing that the vehicle is owned or leased by,  
15 or under the direction of, the United States or any public  
16 entity, as defined in Section 811.2 of the Government  
17 Code.

18 (c) For purposes of this section, “evidence of financial  
19 responsibility” shall be in writing, and established by  
20 writing the name of the insurance company or surety  
21 company and the policy number on the vehicle  
22 registration card issued by the department, *except that*  
23 *the necessary information may be obtained by a law*  
24 *enforcement officer from the electronic reporting system*  
25 *established under Section 16058.*

26 (d) For purposes of this section, “evidence of financial  
27 responsibility” also includes any of the following:

28 (1) The number of an insurance policy or surety bond  
29 that was in effect at the time of the accident *or at the time*  
30 *that evidence of financial responsibility is required to be*  
31 *provided pursuant to Section 16028*, if that information is  
32 contained in the vehicle registration records of the  
33 department.

34 (2) The identifying motor carrier of property permit  
35 number issued by the ~~department~~ *Department of the*  
36 *California Highway Patrol* to the motor carrier of  
37 property as defined in Section 34601, and displayed on the  
38 motor vehicle in the manner specified by the ~~department~~  
39 *Department of the California Highway Patrol.*



1 (3) The identifying number issued to the household  
2 goods carrier, passenger stage carrier, or transportation  
3 charter party carrier by the Public Utilities Commission  
4 and displayed on the motor vehicle in the manner  
5 specified by the commission.

6 (4) The identifying number issued by the Interstate  
7 Commerce Commission or its successor federal agency,  
8 if proof of financial responsibility must be presented to  
9 the issuing agency as part of the identification number  
10 issuance process, and displayed on the motor vehicle in  
11 the manner specified by the issuing agency.

12 (e) Evidence of financial responsibility does not  
13 include any of the identification numbers in paragraph  
14 (1), (2), ~~or~~ (3), *or* (4) of subdivision~~(e)~~ (d) if the carrier  
15 is currently suspended by the issuing agency for lack or  
16 lapse of insurance or other form of financial  
17 responsibility.

18 ~~(f) This section shall become operative on January 1,~~  
19 ~~1997.~~

20 ~~(g) This section shall remain in effect only until~~  
21 ~~January 1, 2000, or until the date determined by the~~  
22 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
23 ~~Section 1680, whichever is later, and as of that date is~~  
24 ~~repealed, unless a later enacted statute, which is enacted~~  
25 ~~on or before January 1, 2000, deletes or extends that date.~~  
26

27 SEC. 9. Section 16020 of the Vehicle Code, as added  
28 by Section 5 of Chapter 1126 of the Statutes of 1996, is  
29 repealed.

30 ~~16020. (a) Every driver and every owner of a motor~~  
31 ~~vehicle shall at all times be able to establish financial~~  
32 ~~responsibility pursuant to Section 16021, and shall at all~~  
33 ~~times carry in the vehicle evidence of the form of~~  
34 ~~financial responsibility in effect for the vehicle.~~

35 ~~(b) "Evidence of financial responsibility" means any~~  
36 ~~of the following:~~

37 ~~(1) The name of the insurance or surety company that~~  
38 ~~issued a policy or bond for the vehicle that meets the~~  
39 ~~requirements of Section 16056 and is currently in effect,~~  
40 ~~and the number of the insurance policy or surety bond.~~



1 ~~(2) If the owner is a self-insurer, as provided in Section~~  
2 ~~16052 or a depositor, as provided in Section 16054.2, the~~  
3 ~~certificate or deposit number issued by the department.~~

4 ~~(3) An insurance covering note, as specified in Section~~  
5 ~~382 of the Insurance Code.~~

6 ~~(4) A showing that the vehicle is owned or leased by,~~  
7 ~~or under the direction of, the United States or any public~~  
8 ~~entity, as defined in Section 811.2 of the Government~~  
9 ~~Code.~~

10 ~~(e) For purposes of this section, “evidence of financial~~  
11 ~~responsibility” also includes either of the following:~~

12 ~~(1) The number of an insurance policy or surety bond~~  
13 ~~that was in effect at the time of the accident, if that~~  
14 ~~information is contained in the vehicle registration~~  
15 ~~records of the department.~~

16 ~~(2) The identifying symbol issued to a highway carrier~~  
17 ~~by the Public Utilities Commission pursuant to Section~~  
18 ~~3543 of the Public Utilities Code and displayed on the~~  
19 ~~motor vehicle.~~

20 ~~(d) For purposes of this section, “evidence of financial~~  
21 ~~responsibility” shall be in writing, and established by~~  
22 ~~writing the name of the insurance company or surety~~  
23 ~~company and the policy number on the vehicle~~  
24 ~~registration card issued by the department.~~

25 ~~(e) This section shall become operative on January 1,~~  
26 ~~1997.~~

27 ~~(f) This section shall remain in effect only until~~  
28 ~~January 1, 2000, or until the date determined by the~~  
29 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
30 ~~Section 1680, whichever is later, and as of that date is~~  
31 ~~repealed, unless a later enacted statute, which is enacted~~  
32 ~~on or before January 1, 2000, deletes or extends that date.~~

33 SEC. 10. Section 16025 of the Vehicle Code is  
34 amended to read:

35 16025. (a) Every driver involved in the accident  
36 shall, unless rendered incapable, exchange with any other  
37 driver or property owner involved in the accident and  
38 present at the scene, all of the following information:



1 (1) Driver's name and current residence address,  
2 driver's license number, vehicle identification number,  
3 and current residence address of registered owner.

4 (2) Evidence of financial responsibility, as specified in  
5 Section 16020. If the financial responsibility of a person is  
6 a form of insurance, then that person shall supply the  
7 name ~~and address~~ of the insurance company *and the*  
8 *number of the insurance policy.*

9 (b) Any person failing to comply with all of the  
10 requirements of this section is guilty of an infraction  
11 punishable by a fine not to exceed two hundred fifty  
12 dollars (\$250).

13 SEC. 11. Section 16028 of the Vehicle Code is  
14 amended to read:

15 16028. (a) Upon demand of a peace officer pursuant  
16 to subdivision (b) or (c), every person who drives ~~upon~~  
17 ~~a highway~~ a motor vehicle ~~required to be registered in~~  
18 ~~this state~~ *upon a highway* shall provide evidence of  
19 financial responsibility for the vehicle *that is in effect at*  
20 *the time the demand is made.* However, a peace officer  
21 shall not stop a vehicle for the sole purpose of  
22 determining whether the vehicle is being driven in  
23 violation of this subdivision.

24 (b) Whenever a notice to appear is issued for any  
25 alleged violation of this code, except a violation specified  
26 in Chapter 9 (commencing with Section 22500) of  
27 Division 11 or any local ordinance adopted pursuant  
28 thereto, the cited driver shall furnish written evidence of  
29 financial responsibility upon request of the peace officer  
30 issuing the citation. The peace officer shall request and  
31 write the driver's evidence of financial responsibility on  
32 the notice to appear, except where the peace officer is  
33 unable to write the driver's evidence of financial  
34 responsibility on the notice to appear due to an  
35 emergency that requires his or her presence elsewhere.  
36 If the cited driver fails to provide evidence of financial  
37 responsibility at the time the notice to appear is issued,  
38 the peace officer may issue the driver a notice to appear  
39 for violation of subdivision (a). The notice to appear for



1 violation of subdivision (a) shall be written on the same  
2 citation form as the original violation.

3 (c) Whenever a peace officer, or a regularly employed  
4 and salaried employee of a city or county who has been  
5 trained as a traffic collision investigator, is summoned to  
6 the scene of an accident described in Section 16000, the  
7 driver of any motor vehicle that is in any manner  
8 involved in the accident shall furnish written evidence of  
9 financial responsibility upon the request of the peace  
10 officer or traffic collision investigator. If the driver fails to  
11 provide evidence of financial responsibility when  
12 requested, the peace officer may issue the driver a notice  
13 to appear for violation of this subdivision. A traffic  
14 collision investigator may cause a notice to appear to be  
15 issued for a violation of this subdivision, upon review of  
16 that citation by a peace officer.

17 (d) (1) If, at the time a notice to appear for a violation  
18 of subdivision (a) is issued, the person is driving a motor  
19 vehicle owned,—operated, or leased by the driver's  
20 employer, and the vehicle is being driven with the  
21 permission of the employer, this section shall apply to the  
22 employer rather than the driver. In that case, a notice to  
23 appear shall be issued to the employer rather than the  
24 driver, and the driver may sign the notice on behalf of the  
25 employer.

26 (2) The driver shall notify the employer of the receipt  
27 of the notice issued pursuant to paragraph (1) not later  
28 than five days after receipt.

29 (e) A person issued a notice to appear for a violation  
30 of subdivision (a) may personally appear before the clerk  
31 of the court, as designated in the notice to appear, and  
32 provide written evidence of financial responsibility in a  
33 form consistent with Section 16020, showing that the  
34 driver was in compliance with that section at the time the  
35 notice to appear for violating subdivision (a) was issued.  
36 In lieu of ~~a~~ *the* personal appearance, the person may  
37 submit *by mail to the court* written evidence of *having*  
38 *had* financial responsibility ~~by mail to the court at the~~  
39 *time the notice to appear was issued*. Upon receipt by the  
40 clerk of *that* written evidence of financial responsibility



1 in a form consistent with Section 16020, further  
2 proceedings on the notice to appear for the violation of  
3 subdivision (a) shall be dismissed.

4 ~~(f) This section shall become operative on January 1,~~  
5 ~~1997.~~

6 ~~(g) This section shall remain in effect only until~~  
7 ~~January 1, 2000, or until the date determined by the~~  
8 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
9 ~~Section 1680, whichever is later, and as of that date is~~  
10 ~~repealed, unless a later enacted statute, which is enacted~~  
11 ~~on or before January 1, 2000, deletes or extends that date.~~

12 SEC. 12. Section 16029 of the Vehicle Code is  
13 amended to read:

14 16029. Notwithstanding any other provision of law, a  
15 violation of subdivision (a) of Section 16028 is an  
16 infraction and shall be punished as follows:

17 (a) Upon a first conviction, by a fine of not less than  
18 ~~five one hundred dollars~~ ~~(\$500)~~ *(\$100)* and not more than  
19 ~~one thousand two hundred dollars~~ ~~(\$1,000)~~ *(\$200)*.

20 (b) Upon a subsequent conviction, occurring within  
21 three years of a prior conviction, by a fine of not less than  
22 ~~one thousand two hundred dollars~~ ~~(\$1,000)~~ *(\$200)* and  
23 not more than ~~two thousand five hundred dollars~~ ~~(\$2,000)~~  
24 *(\$500)*.

25 (c) (1) At the discretion of the court, for good cause,  
26 and in addition to the penalties specified in subdivisions  
27 (a) and (b), the court may order the impoundment of the  
28 vehicle for which the owner could not produce evidence  
29 of financial responsibility in violation of subdivision (a) of  
30 Section 16028.

31 (2) A vehicle impounded pursuant to paragraph (1)  
32 shall be released to the legal owner of the vehicle or the  
33 legal owner's agent if all of the following conditions are  
34 met:

35 (A) The legal owner is a motor vehicle dealer, bank,  
36 credit union, acceptance corporation, or other licensed  
37 financial institution legally operating in this state.

38 (B) The legal owner or the legal owner's agent pays all  
39 towing and storage fees related to the seizure of the  
40 vehicle.



1 (C) The legal owner or the legal owner's agent  
2 presents foreclosure documents or an affidavit of  
3 repossession for the vehicle.

4 (3) (A) A legal owner or the legal owner's agent that  
5 obtains release of the vehicle pursuant to paragraph (2)  
6 shall not release the vehicle to the registered owner of the  
7 vehicle or any agents of the registered owner, unless the  
8 registered owner is a rental car agency, except upon  
9 presentation of evidence of financial responsibility, as  
10 defined in Section 16020, for the vehicle. The legal owner  
11 or the legal owner's agent shall make every reasonable  
12 effort to ensure that the evidence of financial  
13 responsibility that is presented is valid.

14 (B) Prior to relinquishing the vehicle, the legal owner  
15 may require the registered owner to pay all towing and  
16 storage charges related to impoundment and any  
17 administrative charges authorized under Section 22850.5  
18 that were incurred by the legal owner in connection with  
19 obtaining custody of the vehicle.

20 (4) A vehicle impounded under paragraph (1) shall be  
21 released to a rental car agency if the agency is either the  
22 legal owner or the registered owner of the vehicle and the  
23 agency pays all towing and storage fees related to the  
24 seizure of the vehicle.

25 (5) A vehicle impounded under paragraph (1) shall be  
26 released to the registered owner of the vehicle only upon  
27 presentation of evidence of financial responsibility, as  
28 defined in Section 16020, for that vehicle, and evidence  
29 that all towing and storage fees related to the seizure of  
30 the vehicle are paid.

31 This paragraph does not apply to a person, entity, or  
32 agency who is entitled to release of a vehicle under  
33 paragraph (2) or (4) and is either:

34 (A) The registered and the legal owner and is  
35 described in subparagraph (A) of paragraph (2).

36 (B) The registered owner or legal owner and is  
37 described in paragraph (4).

38 (d) It is the intent of the Legislature that fines  
39 collected pursuant to this section be used to reduce the



1 number of uninsured drivers and not be used to generate  
2 revenue for general purposes.

3 ~~(e) This section shall become operative on January 1,~~  
4 ~~1997.~~

5 ~~(f) This section shall remain in effect only until~~  
6 ~~January 1, 2000, or until the date determined by the~~  
7 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
8 ~~Section 1680, whichever is later, and as of that date is~~  
9 ~~repealed, unless a later enacted statute, which is enacted~~  
10 ~~on or before January 1, 2000, deletes or extends that date.~~

11 *(1) The court shall impose a fine that is greater than the*  
12 *minimum fine specified in subdivision (a) or (b), but not*  
13 *more than the maximum fine authorized under those*  
14 *provisions, unless the defendant has presented the court*  
15 *with evidence of financial responsibility, as defined in*  
16 *Section 16020, for the vehicle, in addition to the written*  
17 *certificate of an insurance carrier that meets the*  
18 *requirements of Sections 16431 and 16433.*

19 *(2) Notwithstanding any other provision of law, the*  
20 *imposition of the fine required under subdivision (a) or*  
21 *(b) is mandatory upon conviction of a violation of*  
22 *subdivision (a) of Section 16028 and may not be waived*  
23 *or suspended for any reason. The court may direct that*  
24 *the fine be paid within a limited time or in installments*  
25 *on specified dates.*

26 SEC. 13. Section 16030 of the Vehicle Code is  
27 amended to read:

28 16030. (a) Except as provided in subdivision (c), any  
29 person who knowingly provides false evidence of  
30 financial responsibility (1) when requested by a peace  
31 officer pursuant to Section 16028 or (2) to the clerk of the  
32 court as permitted by subdivision (e) of Section 16028,  
33 including an expired or canceled insurance policy, bond,  
34 *certificate of self-insurance, or certificate of assignment*  
35 *of deposit number letter,* is guilty of a misdemeanor  
36 punishable by a fine not exceeding seven hundred fifty  
37 dollars (\$750) or imprisonment in the county jail not  
38 exceeding 30 days, or by both that fine and imprisonment.  
39 ~~The court shall additionally suspend the driver's license~~  
40 ~~of any person convicted of a violation of this subdivision~~



1 ~~for a period of one year commencing upon the date of the~~  
2 ~~conviction, in accordance with Sections 13206 and 13207.~~  
3 ~~Driver's licenses~~ Upon receipt of the court's abstract of  
4 conviction, the department shall suspend the driving  
5 privilege, effective upon the date of conviction, for a  
6 period of one year. The court shall notify the driver of the  
7 suspension pursuant to Section 13106, and all driver's  
8 licenses in the possession of the driver shall be  
9 surrendered to the court pursuant to Section 13550. Any  
10 driver's license surrendered to the court pursuant to this  
11 section shall be transmitted by the court, together with  
12 the required report of the conviction, to the department  
13 within 10 days of the conviction. ~~Upon conclusion of the~~  
14 ~~period of suspension, the department shall not return the~~  
15 ~~driver's license until the licensee provides evidence of~~  
16 ~~financial responsibility, as defined in Section 16020. The~~  
17 ~~suspension may not be terminated until one year has~~  
18 ~~elapsed from the date of the suspension and until the~~  
19 ~~person files proof of financial responsibility, as provided~~  
20 ~~in Chapter 3 (commencing with Section 16430) except~~  
21 ~~that the suspension shall be reinstated if the person fails~~  
22 ~~to maintain proof of financial responsibility for three~~  
23 years.

24 (b) However, in lieu of suspending a person's driving  
25 privileges pursuant to subdivision (a), the court shall  
26 restrict the person's driving privileges to driving that is  
27 required in the person's course of employment, if driving  
28 of a motor vehicle is necessary in order to perform the  
29 duties of the person's primary employment. The  
30 restriction shall remain in effect for the period of  
31 suspension otherwise required by subdivision (a). The  
32 court shall provide for endorsement of the restriction on  
33 the person's driver's license, and violation of the  
34 restriction constitutes a violation of Section 14603 and  
35 grounds for suspension or revocation of the license under  
36 Section 13360.

37 (c) This section does not apply to a driver who is  
38 driving a motor vehicle owned, ~~operated,~~ or leased by the  
39 employer of the driver and driven *in the course of the*



1 *driver's employment* with the permission of the  
2 employer.

3 ~~(d) This section shall become operative on January 1,~~  
4 ~~1997.~~

5 ~~(e) This section shall remain in effect only until~~  
6 ~~January 1, 2000, or until the date determined by the~~  
7 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
8 ~~Section 1680, whichever is later, and as of that date is~~  
9 ~~repealed, unless a later enacted statute, which is enacted~~  
10 ~~on or before January 1, 2000, deletes or extends that date.~~

11 SEC. 14. Section 16033 of the Vehicle Code is  
12 amended to read:

13 16033. ~~(a)~~ No public entity or employee, or any  
14 person or organization authorized under Section 4610 to  
15 endorse receipts or validate registration cards or  
16 potential registration cards, is liable for any loss,  
17 detriment, or injury resulting directly or indirectly from  
18 failure to request evidence of financial responsibility or  
19 inaccurately recording that evidence under Section  
20 16028 or as a result of the driver producing false or  
21 inaccurate financial responsibility information.

22 ~~(b) This section shall become operative on January 1,~~  
23 ~~1997.~~

24 ~~(e) This section shall remain in effect only until~~  
25 ~~January 1, 2000, or until the date determined by the~~  
26 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
27 ~~Section 1680, whichever is later, and as of that date is~~  
28 ~~repealed, unless a later enacted statute, which is enacted~~  
29 ~~on or before January 1, 2000, deletes or extends that date.~~

30 SEC. 15. Section 16058 is added to the Vehicle Code,  
31 to read:

32 16058. (a) (1) Not later than July 1, 2000, each  
33 insurer that issues private passenger automobile liability  
34 insurance policies and coverages, as described in  
35 subdivisions (a) and (b) of Section 660 of the Insurance  
36 Code, or private passenger automobile policies and  
37 coverages, described in subdivisions (a) and (b) of that  
38 section and issued by an automobile assigned risk plan,  
39 shall advise the department of the method to be used for  
40 reporting liability insurance information pursuant to



1 subdivisions (c), (d), and (e). The department shall  
2 establish an electronic conversion schedule.

3 (2) Those insurers with fewer than 1,000 motor vehicle  
4 liability policies in effect may choose to provide  
5 documentary evidence, on a form approved by the  
6 department, in lieu of the electronic reporting required  
7 under subdivisions (c), (d), and (e).

8 (b) In consultation with the insurance industry, the  
9 department shall ensure that enrollment is completed  
10 not later than July 1, 2001.

11 (c) Not later than July 1, 2001, each insurer shall report  
12 all existing motor vehicle liability insurance policies or  
13 coverages described in subdivision (a) issued for vehicles  
14 registered in this state or to policyholders with a  
15 California address, to the department in an electronic  
16 format specified by the department. Core reporting  
17 requirements include the vehicle identification number  
18 (VIN), year, make, name of insurance company,  
19 insurance company National Association of Insurance  
20 Commissioners (NAIC) number, the policy number, the  
21 name of the primary insured or insureds, the driver  
22 license number or numbers, the date or dates of birth, and  
23 the policy effective date.

24 (d) On and after July 1, 2001, each insurer shall report  
25 electronically to the department all issued motor vehicle  
26 liability policies or coverages, as described in subdivision  
27 (a), within 30 days of the effective date of coverage. The  
28 report to the department shall include the core reporting  
29 requirements set forth in subdivision (c).

30 (e) An insurer shall report electronically to the  
31 department the termination of a reported policy or any  
32 change of information previously reported, as specified  
33 by the department, within 45 days of the date of  
34 termination or change. This report shall include the  
35 effective date of the termination, amendment, or  
36 cancellation and any other information that does not  
37 exceed that required under subdivision (d).

38 (f) (1) Those persons with alternative forms of  
39 financial responsibility pursuant to subdivision (a), (c),  
40 (d), or (e) of Section 16021 shall provide satisfactory



1 evidence of that responsibility as determined by the  
2 department.

3 (2) In addition, the department shall establish an  
4 alternative procedure for establishment of satisfactory  
5 evidence of financial responsibility to permit the timely  
6 renewal of vehicle registration when the electronic data  
7 has not been updated due to circumstances beyond the  
8 vehicle owner's immediate control. Those circumstances  
9 may include, but are not limited to, a vehicle  
10 identification error in either the department's or the  
11 insurer's records or insurance purchased too recently to  
12 have been electronically transmitted to the department.  
13 Whenever this alternative procedure is used, the  
14 department shall, subsequent to the issuance of the  
15 registration certificate and indicia, contact the insurer to  
16 obtain electronic data pursuant to subdivision (c).

17 (g) The department shall adopt regulations for  
18 reporting insurance information, including, but not  
19 limited to, establishing acceptable time frames and  
20 approved methods for reporting information.

21 (h) Not later than April 30, 2000, the department shall  
22 provide a written evaluation to the Legislature regarding  
23 the implementation of any electronic reporting pilot  
24 program that the department is administering on the  
25 effective date of the act that added this subdivision.

26 SEC. 16. Section 16058.5 is added to the Vehicle Code,  
27 to read:

28 16058.5. Notwithstanding Sections 4000.37 and 16058,  
29 and after the implementation of Section 16058, the  
30 department, in consultation with the insurance industry,  
31 the motor carrier industry, and the Department of the  
32 California Highway Patrol, shall determine the feasibility  
33 of insurers reporting motor vehicle liability insurance  
34 information for vehicles registered or base-plated in this  
35 state or to policyholders with a California address that are  
36 covered by policies, other than those motor vehicle  
37 liability policies described in subdivision (a) of Section  
38 16058.



1 SEC. 17. Section 16070 of the Vehicle Code, as  
2 amended by Section 10 of Chapter 1126 of the Statutes of  
3 1996, is amended to read:

4 16070. (a) Whenever a driver involved in an  
5 accident described in Section 16000 fails to provide  
6 evidence of financial responsibility as required by Section  
7 16020 at the time of the accident, the department shall  
8 pursuant to subdivision (b) suspend the privilege of the  
9 driver or owner to drive a motor vehicle, including the  
10 driving privilege of a nonresident in this state.

11 (b) Whenever the department receives an accident  
12 report pursuant to this article which alleges that any of  
13 the drivers involved in the accident was not in  
14 compliance with Section 16020 at the time of the accident,  
15 the department shall immediately mail to that driver a  
16 notice of intent to suspend the driving privilege of that  
17 driver. The department shall suspend the driving  
18 privilege 30 days after mailing the notice, unless the  
19 driver has, prior to that date, established financial  
20 responsibility at the time of the accident, as specified in  
21 Section 16021, with the department. The suspension  
22 notice shall notify the driver of the action taken and the  
23 right to a hearing under Section 16075.

24 ~~(c) This section shall become operative on January 1,~~  
25 ~~1997.~~

26 ~~(d) This section shall remain in effect only until~~  
27 ~~January 1, 2000, or until the date determined by the~~  
28 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
29 ~~Section 1680, whichever is later, and as of that date is~~  
30 ~~repealed, unless a later enacted statute, which is enacted~~  
31 ~~on or before January 1, 2000, deletes or extends that date.~~

32 SEC. 18. Section 16070 of the Vehicle Code, as added  
33 by Section 11 of the Statutes of 1996, is repealed.

34 ~~16070. (a) Whenever a driver involved in an~~  
35 ~~accident described in Section 16000 fails to prove the~~  
36 ~~existence of financial responsibility as required by Section~~  
37 ~~16020 at the time of the accident, the department shall,~~  
38 ~~pursuant to subdivision (b), suspend the privilege of the~~  
39 ~~driver or owner to drive a motor vehicle, including the~~  
40 ~~driving privilege of a nonresident in this state.~~

1 ~~(b) Whenever the department receives an accident~~  
2 ~~report pursuant to this article which alleges that any of~~  
3 ~~the drivers involved in the accident was not in~~  
4 ~~compliance with Section 16020 at the time of the accident,~~  
5 ~~the department shall immediately mail to that driver a~~  
6 ~~notice of intent to suspend the driving privilege of that~~  
7 ~~driver. The department shall suspend the driving~~  
8 ~~privilege 30 days after mailing the notice, unless the~~  
9 ~~driver has, prior to that date, established proof of financial~~  
10 ~~responsibility at the time of the accident, as specified in~~  
11 ~~Section 16021, with the department. The suspension~~  
12 ~~notice shall notify the driver of the action taken and the~~  
13 ~~right to a hearing under Section 16075.~~

14 ~~(c) This section shall become operative on January 1,~~  
15 ~~2000, or on the date determined by the director pursuant~~  
16 ~~to paragraph (2) of subdivision (a) of Section 1680,~~  
17 ~~whichever is later.~~

18 SEC. 19. Section 16071 of the Vehicle Code, as  
19 amended by Section 12 of Chapter 1126 of the Statutes of  
20 1996, is amended to read:

21 16071. ~~(a) The department shall suspend the driving~~  
22 ~~privilege of any person upon receiving notice from~~  
23 ~~another state that the person's driving privilege in that~~  
24 ~~state has been suspended for failure to meet the financial~~  
25 ~~responsibility provisions of the law in that state, if the~~  
26 ~~suspension in that state was taken on grounds that would~~  
27 ~~have resulted in a suspension in this state.~~

28 ~~(b) This section shall become operative on January 1,~~  
29 ~~1997.~~

30 ~~(c) This section shall remain in effect only until~~  
31 ~~January 1, 2000, or until the date determined by the~~  
32 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
33 ~~Section 1680, whichever is later, and as of that date is~~  
34 ~~repealed, unless a later enacted statute, which is enacted~~  
35 ~~on or before January 1, 2000, deletes or extends that date.~~

36 SEC. 20. Section 16071 of the Vehicle Code, as added  
37 by Section 13 of Chapter 1126 of the Statutes of 1996, is  
38 repealed.

39 ~~16071. (a) The department shall suspend the driving~~  
40 ~~privilege of any person upon receiving notice from~~



1 ~~another state that the person's driving privilege in that~~  
2 ~~state has been suspended for failure to meet the proof of~~  
3 ~~financial responsibility provisions of the law in that state,~~  
4 ~~if the suspension in that state was taken on grounds that~~  
5 ~~would have resulted in a suspension in this state.~~

6 ~~(b) This section shall become operative on January 1,~~  
7 ~~2000, or on the date determined by the director pursuant~~  
8 ~~to paragraph (2) of subdivision (a) of Section 1680,~~  
9 ~~whichever is later.~~

10 SEC. 21. Section 16457 of the Vehicle Code, as  
11 amended by Section 14 Chapter 1126 of the Statutes of  
12 1996, is amended to read:

13 16457. ~~(a)~~ Whenever proof of financial responsibility  
14 is required to be filed pursuant to this chapter, no person  
15 of whom that proof is required shall drive any motor  
16 vehicle not covered by the certificate of proof of financial  
17 responsibility filed by him or her with the department,  
18 nor shall any applicant for that proof knowingly fail to  
19 disclose ownership of a motor vehicle in the application  
20 for proof of financial responsibility or to disclose any  
21 subsequently acquired motor vehicle.

22 ~~(b) This section shall become operative on January 1,~~  
23 ~~1997.~~

24 ~~(c) This section shall remain in effect only until~~  
25 ~~January 1, 2000, or until the date determined by the~~  
26 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
27 ~~Section 1680, whichever is later, and as of that date is~~  
28 ~~repealed, unless a later enacted statute, which is enacted~~  
29 ~~on or before January 1, 2000, deletes or extends that date.~~

30 SEC. 22. Section 16457 of the Vehicle Code, as added  
31 by Section 15 of Chapter 1126 of the Statutes of 1996, is  
32 repealed.

33 ~~16457. (a) Whenever proof of financial responsibility~~  
34 ~~is required to be filed pursuant to Section 16432, no~~  
35 ~~person of whom that proof is required shall drive any~~  
36 ~~motor vehicle not covered by the certificate of proof of~~  
37 ~~financial responsibility filed by him or her with the~~  
38 ~~department, nor shall any applicant for that proof~~  
39 ~~knowingly fail to disclose ownership of a motor vehicle in~~



1 ~~the application for proof of financial responsibility or to~~  
2 ~~disclose any subsequently acquired motor vehicle.~~

3 ~~(b) This section shall become operative on January 1,~~  
4 ~~2000, or on the date determined by the director pursuant~~  
5 ~~to paragraph (2) of subdivision (a) of Section 1680,~~  
6 ~~whichever is later.~~

7 SEC. 23. Section 40611 of the Vehicle Code, as  
8 amended by Section 16 of Chapter 1126 of the Statutes of  
9 1996, is amended to read:

10 40611. (a) Upon proof of correction of an alleged  
11 violation of Section 12500 or 12951, or any violation cited  
12 pursuant to Section 40610, or upon submission of evidence  
13 of financial responsibility pursuant to subdivision (e) of  
14 Section 16028, the clerk shall collect a ten dollar (\$10)  
15 transaction fee for each case. The fee shall be deposited  
16 by the clerk in accordance with Section 68084 of the  
17 Government Code, and allocated monthly as follows:

18 ~~(a)~~

19 (1) Thirty-three percent shall be transferred to the  
20 local governmental entity in whose jurisdiction the  
21 citation was issued for deposit in the general fund of the  
22 entity.

23 ~~(b)~~

24 (2) Thirty-four percent shall be transferred to the  
25 State Treasury for deposit in the State Penalty Fund  
26 established by Section 1464 of the Penal Code.

27 ~~(c)~~

28 (3) Thirty-three percent shall be deposited in the  
29 county general fund.

30 ~~(d)~~

31 (b) No fee shall be imposed pursuant to this section if  
32 the violation notice is processed only by the issuing  
33 agency and no record of the action is transmitted to the  
34 court.

35 ~~(e) This section shall become operative on January 1,~~  
36 ~~1997.~~

37 ~~(f) This section shall remain in effect only until~~  
38 ~~January 1, 2000, or until the date determined by the~~  
39 ~~director pursuant to paragraph (2) of subdivision (a) of~~  
40 ~~Section 1680, whichever is later, and as of that date is~~



1 ~~repealed, unless a later enacted statute, which is enacted~~  
2 ~~on or before January 1, 2000, deletes or extends that date.~~

3 SEC. 24. Section 40611 of the Vehicle Code, as added  
4 by Section 17 of the Statutes of 1996, is repealed.

5 ~~40611. Upon proof of correction of an alleged~~  
6 ~~violation of Section 12500 or 12951, or any violation cited~~  
7 ~~pursuant to Section 40610, the clerk shall collect a ten~~  
8 ~~dollar (\$10) transaction fee for each case. The fee shall be~~  
9 ~~deposited by the clerk in accordance with Section 68084~~  
10 ~~of the Government Code, and allocated monthly as~~  
11 ~~follows:~~

12 ~~(a) Thirty-three percent shall be transferred to the~~  
13 ~~local governmental entity in whose jurisdiction the~~  
14 ~~citation was issued for deposit in the general fund of the~~  
15 ~~entity.~~

16 ~~(b) Thirty-four percent shall be transferred to the~~  
17 ~~State Treasury for deposit in the State Penalty Fund~~  
18 ~~established by Section 1464 of the Penal Code.~~

19 ~~(c) Thirty-three percent shall be deposited in the~~  
20 ~~county general fund.~~

21 ~~(d) No fee shall be imposed pursuant to this section if~~  
22 ~~the violation notice is processed only by the issuing~~  
23 ~~agency and no record of the action is transmitted to the~~  
24 ~~court.~~

25 ~~(e) This section shall become operative on January 1,~~  
26 ~~2000, or on the date determined by the director pursuant~~  
27 ~~to paragraph (2) of subdivision (a) of Section 1680,~~  
28 ~~whichever is later.~~

29 SEC. 25. No reimbursement is required by this act  
30 pursuant to Section 6 of Article XIII B of the California  
31 Constitution because the only costs that may be incurred  
32 by a local agency or school district will be incurred  
33 because this act creates a new crime or infraction,  
34 eliminates a crime or infraction, or changes the penalty  
35 for a crime or infraction, within the meaning of Section  
36 17556 of the Government Code, or changes the definition  
37 of a crime within the meaning of Section 6 of Article  
38 XIII B of the California Constitution.

