

**California Department of Motor Vehicles
Public Workshop**

**Assembly Bill 964 Alternative Registration Products
Friday, May 5, 2023, at 9:00 AM**

California Department of Motor Vehicles Headquarters, Assembly Room
2415 1st St., Sacramento, CA, 95818

Webcast via:

- Facebook live: [DMV Public Workshop: Alternative Registration Products Regulations | Facebook](#)
- YouTube: <https://youtube.com/live/baD59QD95eY>

Email box for:

- RSVP: LADRegulations@dmv.ca.gov
- Comments or Questions: DMVRODRegistrationPolicy@dmv.ca.gov

Facilitators:

- Department of Motor Vehicles
- California Highway Patrol

Agenda:

- I. Opening
 - A. Introductions
 - B. Housekeeping
 - C. Alternative Products Background
- II. Discussion of Regulatory Considerations (attached)
- III. Next steps
- IV. Closing remarks

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Regulatory Considerations

[Assembly Bill \(AB\) 984](#) (Chapter 746, Statutes of 2022) provided guidance on the regulations the department is to adopt and gave discretion to add additional requirements as needed. The items with an asterisk (*) are specifically required by the statute.

1. Initiation and Pilot Approval Process

- A. What should the potential vendor do before approaching the state? How can the state best prepare a potential vendor for this process?
- What documents should the state ask to see in addition to the business plan?
 - Pursuant to the statute, the business plan* must include:
 - An administrative oversight plan.
 - A product support plan, including, but not limited to, methods of providing proof of registration that are not subject to technological failures to be used in the event of the alternative device malfunctioning or failing.
 - Information technology security, privacy, and cybersecurity evaluations and measures to protect against unauthorized access to information and the device.
 - Procedures to comply with applicable privacy and security requirements
 - Ensuring that the information transmitted between the alternative device or electronic vehicle registration card, the department, and the provider...is encrypted and protected to the highest reasonable security standards broadly available. Are there SAE standards that should be followed?
 - Aside from CHP and DMV*, who else needs to be consulted in the approval process? What about an industry representative?
- B. Should vendors be in the business partner automation program*. If not, what other structure would work for oversight?
- C. What types of plates should be eligible to participate*?
 - What types of other products should the state prepare for?
- D. Requirements for product size, design, display and functionality*.
 - What type of flexibilities, if any, should be allowed?
 - What about special interest/recognition license plates? What role should the sponsoring state agency have in approving their plate for alternative product use?
 - What about plate design modifications (i.e., black and white only versus color) or messaging on the plates in lieu of dmv.ca.gov

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Regulatory Considerations

- E. Enhancements to approved alternative products*.
 - o What types of enhancements should the state monitor and how?
 - o Is there a threshold or does any enhancement need to be approved before it's launched?
 - Has it been previously tested, and not met the threshold? If so, what should be required before a new test is conducted?
 - o Is there a different threshold in pilot versus permanently-adopted products?
- F. What should the requirements be for producing, sending and maintaining traditional products in the vehicle?
 - o For example: does the state still produce metal license plates and require them in the vehicle in case the alternative product fails?
- G. Does the state need to limit the number of pilot participants as it does currently?
- H. How long should a pilot last*?
- I. Determining standards for safe use of alternative registration projects*. What does this look like?
- J. How does the state introduce* and ensure awareness of the pilot product – its availability and permissive use. An indicator on the record? A letter for the customer?
 - o How does the state monitor the vehicles involved in the pilot?
- K. What does the state do with the current pilot products as previously authorized?

2. Permanent Adoption/Revocation of Alternative Products

- A. What criteria must the pilot product meet to be authorized for permanent use? How does the state approve a product for statewide use*?
 - o What does the transition process look like?
 - i. What does the state have to do? The vendor? The consumer?
 - ii. How does the state ensure awareness and adoption of the product for statewide use?
- B. In addition to the items for a pilot authorization, what else is needed for a permanent adoption?
- C. How does the state determine if an alternative product's authority must be revoked*?
 - o What would constitute a revocation?
 - o How would the products get recalled?
 - o How would the state ensure awareness of the revocation/recall?

3. Consumers/Businesses

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- A. How does the state ensure participation is voluntary*?
 - o Dealerships – How to ensure consumer participation is voluntary in a third-party transaction?
- B. Used vehicles? What would the process look like to transfer a product when the ownership changes? What are other states doing?
- C. Does the state monitor how participants are obtained?
- D. What role should the state have in overseeing outreach/marketing and other efforts?
- E. How does the state ensure registered users of a device are aware of GPS capability and uses and can deactivate the function*.
- F. What should the requirements for product oversight and consumer support be*?
- G. Fleets
 - o Statute is clear, but is there anything missing related to employer and/or employee permissions?

4. Cost

- A. Establishing reasonable fees to reimburse the department for cost to implement the program*. What does this look like? What factors should the state consider in developing fees?
- B. Consumer pricing – does the state have a role in vendor to consumer pricing or is should that be wholly market driven? What role does the state have in ensuring consumer protection related to pricing?

5. Privacy/Security

- A. The department shall not receive or retain information generated because of the program regarding the movement, location, use of any vehicle participating in the program*.
 - o What about Law Enforcement?
 - Amber Alerts?
 - Stolen vehicles?
 - Involvement in other crimes?
- B. Determining data sharing, privacy, and security protocols*. GPS and other technologies?
- C. How can the state ensure the vehicle location technology can be disabled*? How does the state monitor this?
 - o By the owner?
 - o By a driver (non-owner)?

6. Fraud Prevention / Product Misuse or Malfunction

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- A. What steps should the state take to prevent fraud or product misuse*?
- B. What should the state do when it's made aware of such?
- C. What should the state do when it becomes aware of a product malfunction*?
 - o Within what timeframe must the vendor inform the state of a malfunction?
 - o What should the vendor tell the state about the malfunction and the correction plans?

7. Reporting requirements*.

- A. Frequency?
- B. Content?
 - o Participants?
 - o Fraud/Misuse?
 - o Malfunctions?
- C. Process?

8. Other items for regulatory consideration?

- A. Automated License Plate Readers (ALPR) – readability?
- B. Copyright issues?
- C. Software as a Service – how to ensure law enforcement is aware of what is authorized?
- D. Other considerations?