

OFFICE OF THE DIRECTOR
DEPARTMENT OF MOTOR VEHICLES
P.O. BOX 932328
SACRAMENTO, CA 94232-3280



TITLE 13: DEPARTMENT OF MOTOR VEHICLES

NOTICE IS HEREBY GIVEN

The Department of Motor Vehicles (department) proposes to amend Sections 430.00 and 431.00 in Article 6.0, Chapter 1, Division 1, Title 13 of the California Code of Regulations, related to the fee for recording notices of delinquent parking and toll evasion violations.

PUBLIC HEARING

A public hearing regarding this proposed regulatory action is not scheduled. However, a public hearing will be held if any interested person or his or her duly authorized representative requests a public hearing to be held relevant to the proposed action by submitting a written request to the contact person identified in this notice no later than fifteen (15) days prior to the close of the written comment period.

DEADLINE FOR WRITTEN COMMENTS

Any interested party or his or her duly authorized representative may submit written comments relevant to the proposed regulations to the contact person identified in this notice. All written comments must be received at the department no later than **December 19, 2022**, the final day of the written comment period, in order for them to be considered by the department before it adopts the proposed regulation.

AUTHORITY AND REFERENCE

The department proposes to adopt these regulations under the authority granted by Vehicle Code section 1651, in order to implement, interpret, or make specific Vehicle Code sections 4763 and 4773.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

In September 1993, the Department of Motor Vehicles (department) adopted Section 430.00, implementing Vehicle Code section 4763, to establish a \$3.00 fee assessed on processing agencies for each notice of delinquent parking violation filed with the department. In May 1999, the department adopted Section 431.00, implementing Vehicle Code section 4773, to establish a \$3.00 fee assessed on processing agencies for each notice of delinquent toll evasion violation filed with the department.

Assembly Bill (AB) 516 (Chapter 90; Statutes of 2016) added Vehicle Code section 4456.2 to require the department to develop an operational system, no later than January 1, 2019, that allows a vehicle dealer or vehicle lessor/retailer to electronically report the sale of a vehicle and provide a temporary license plate if the vehicle does not already display license plates. AB 516 also amended Vehicle Code sections 4763 and 4773 to authorize the department to assess a fee that is sufficient to provide for the administration of the electronic report of sale system established in Vehicle Code section 4456.2.

In September 2017, and effective on January 1, 2018, the department amended both Sections 430.00 and 431.00 to adjust each fee from \$3.00 to \$4.00. In that rulemaking, the department noted that, after the electronic report of sale system is fully funded, the department would reassess both fees to an amount sufficient to cover the cost of administrating the system. The department received sufficient revenue to cover the implementation and one-time costs of the electronic report of sale system and reduced the fees back to \$3.00 in April of 2019. Since then, the department conducted a costing review and ultimately determined that the fee should be reduced to \$2.00. Therefore, the department is amending Sections 430.00 and 431.00 to reflect the adjusted fee of \$2.00. This amendment is necessary to ensure the department is only collecting a fee that is sufficient to fund the actual costs of recording notices of delinquent parking and toll evasion violations.

CONSISTENCY AND COMPATIBILITY WITH STATE REGULATIONS

The department conducted a review of other regulations and has determined that there are no other regulations related to the fee for recording notices of delinquent parking violations and delinquent toll evasion violations. Therefore, the proposed regulations are neither inconsistent nor incompatible with existing state regulations.

COMPARABLE FEDERAL STATUTES OR STATE REGULATIONS

There are no existing federal statutes or regulations that govern the administrative fee charged by the department to record notices of delinquent violations.

DOCUMENTS INCORPORATED BY REFERENCE

There are no documents incorporated by reference.

ECONOMIC AND FISCAL IMPACT DETERMINATIONS

The department has made the following initial determinations concerning the proposed regulatory action:

- Cost or Savings to Any State Agency: None.
- Other Non-Discretionary Cost or Savings to Local Agencies: The fee for recording delinquent parking and toll evasion violations is a non-reimbursable cost by the state and is assumed absorbed by local agencies that update records to the DMV database. The cost for each fee is being reduced by two dollars.
- Costs or Savings in Federal Funding to the State: None.
- Effects on Housing Costs: None.
- Cost to any local agency or school district requiring reimbursement pursuant to Gov. Code section 17500 et seq.: None.
- Cost Impact on Representative Private Persons or Businesses: The department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. This action will amend the recording fee paid to the department by violation processing agencies.
- Small Business Impact: This proposed action is unlikely to impact small business. Local violation processing agencies are the entities responsible for paying fees to the department.
- Local Agency/School District Mandate: The proposed regulatory action will not impose a mandate on local agencies or school districts, or a mandate that requires reimbursement pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.
- Significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states: The proposed regulatory action is not anticipated to have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This proposed action decreases a fee paid to the department by an agency responsible for processing parking and toll evasion violations.

RESULTS OF THE ECONOMIC IMPACT STATEMENT

The department has made the following determinations when assessing the economic impact associated with this proposed regulation:

The department has determined that this action will not impact 1) the creation or elimination of jobs within the State of California, 2) the creation or elimination of existing businesses within the State of California, or 3) the expansion of businesses currently doing business within the State of California, or 4) the welfare of California residents, worker safety or the state's environment.

PUBLIC DISCUSSIONS OF PROPOSED REGULATIONS

A pre-notice workshop, pursuant to Government Code section 11346.45, is not required because the issues addressed in the proposal are not so complex or large in number that they cannot easily be reviewed during the comment period.

ALTERNATIVES CONSIDERED

The department must determine that no reasonable alternative considered by the department or that has otherwise been identified and brought to the attention of the department would be more effective in carrying out the purpose for which the action is proposed, or would be effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law.

CONTACT PERSON

Any inquiries or comments concerning the proposed rulemaking action may be addressed to:

Randi Calkins, Regulations Specialist
Department of Motor Vehicles
Legal Affairs Division
PO Box 932382, MS C-244
Sacramento, CA 94232-3820

Any inquiries or comments concerning the proposed rulemaking action requiring more immediate response may use:

Telephone: (916) 282-7294
Facsimile: (916) 657-6243
E-Mail: LADRegulations@dmv.ca.gov

In the event the contact person is unavailable, inquiries should be directed to the following back-up person:

Shelly Johnson Marker, Chief of Staff
Department of Motor Vehicles
Telephone: (916) 657-6469

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The department has prepared an Initial Statement of Reasons for the proposed regulatory action, and has available all the information upon which the proposal is based. The contact person identified in this notice shall make available to the public upon request the Express Terms of the proposed regulatory action using underline or italics to indicate additions to, and strikeout to indicate deletions from the California Code of Regulations.

The contact person identified in this notice shall also make available to the public, upon request, the Final Statement of Reasons and the location of public records, including reports, documentation and other materials related to the proposed action. In addition, the above-cited materials (the Notice of Proposed Regulatory Action, the Initial Statement of Reasons, and Express Terms) may be accessed at:

<https://www.dmv.ca.gov/portal/about-the-california-department-of-motor-vehicles/california-dmv-rulemaking-actions/>.

AVAILABILITY OF MODIFIED TEXT

Following the written comment period, and the hearing if one is held, the department may adopt the proposed regulations substantially as described in this notice. If modifications are made which are sufficiently related to the originally proposed text, the fully modified text, with changes clearly indicated, shall be made available to the public for at least 15 days prior to the date on which the department adopts the resulting regulations. Request for copies of any modified regulations should be addressed to the department contact person identified in this notice. The department will accept written comments on the modified regulations for 15 days after the date on which they are first made available to the public