

July 17, 2003

Hon. Bill Lockyer
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Attention: Ms. Tricia Knight
Initiative Coordinator

Dear Attorney General Lockyer:

Pursuant to Elections Code Section 9005, we have reviewed the proposed initiative measure entitled "The Motorist Protection Act" (File No. SA2003RF0025).

Major Provisions

This measure amends state laws and local ordinances related to the operation of vehicles on public highways and streets. Specifically, the measure:

- Prohibits local governments from assessing any fees for the parking of vehicles on public streets and roads.
- Requires community service in place of fines and all other monetary penalties for parking offenses and most moving violation infractions. Moving violation infractions covered under this measure include speeding, running a red light, making an illegal turn, et cetera; they do not include any infractions involving alcohol or drugs, nor do they include misdemeanors and felonies. Convicted offenders who do not complete their community service obligations by a court-determined deadline may be fined \$500 and/or sentenced to 48 hours in a county jail.
- Eliminates all court fees related to the appeal of convictions for parking and moving violations covered by the measure.
- Allows the government to charge fees for driver licenses and for the annual registration of motor vehicles. The measure caps fees for all original and renewal driver licenses at \$15. Vehicle registration fees must be uniform for all noncommercial vehicles, and may not exceed \$100. For commercial vehicles, registration fees, truck weight fees, and any other fees or taxes cannot exceed 2002 levels.

- Sets limitations on governments' ability to restrict parking and schedule street sweeping; changes procedures for towing and impounding vehicles; prohibits red-light cameras; and prohibits most moving violation convictions of motorists from appearing on state driving records.

Currently, cities and counties may restrict the parking of vehicles on public streets and roads, and charge motorists a fee for street parking. Motorists convicted of parking and moving violation infractions are required to pay monetary penalties, and may be required to pay court fees. These revenues are used to support a number of state and local programs.

California drivers must be licensed by the state and all motor vehicles must be registered. The state charges driver license fees, vehicle registration fees and vehicle license fees for all motor vehicles, and weight fees for commercial vehicles. Vehicle license fee revenues are dedicated to local governments for use in various local programs while revenues from driver licenses, vehicle registration, and truck weight fees are used for state transportation and traffic enforcement programs.

Fiscal Impact

The measure would have the following fiscal impacts on state and local governments.

Loss of State Revenues. By replacing monetary penalties for parking offenses and most moving violation infractions with community service and eliminating all court fees related to the appeal of convictions for these violations, the measure would reduce total revenues to the state General Fund and various special funds by a few hundred million dollars annually. There would be unknown costs to the courts to monitor the completion of community services by people convicted of parking violations and moving violation infractions.

Additionally, the measure could result in unknown, but potentially multimillion dollar loss of revenues in future years to the extent commercial vehicle registration fees and weight fees cannot be increased above the December 31, 2002 levels.

Loss of Local Revenues. By disallowing the collection of parking fees on streets and roads by local governments and replacing monetary penalties for parking offenses and moving violation infractions with community service, cities and counties would lose a couple hundred million dollars in revenues annually.

Moreover, by capping the fees and taxes assessed on commercial vehicles, the measure would result in an annual reduction in commercial vehicle license fee revenues of between \$700 million and \$800 million. Additionally, the measure could result in unknown, but potentially multimillion dollar loss of revenues in future years to the

extent the measure prohibits future increases in any vehicle license fees on commercial vehicles above the December 31, 2002 levels.

Summary

This measure would have the following major fiscal effect:

- Significant loss of revenues to state and local governments, totaling in excess of \$1 billion annually.

Sincerely,

Elizabeth G. Hill
Legislative Analyst

Steve Peace
Director of Finance