

AMENDED IN ASSEMBLY APRIL 8, 2013
AMENDED IN ASSEMBLY MARCH 19, 2013
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 220

Introduced by Assembly Member Ting
(Coauthor: Assembly Member Ammiano)

February 4, 2013

An act to add *and repeal* Section 14678.1 to the Government Code, ~~to add Sections 6377 and 10790 to~~ *of* the Revenue and Taxation Code, and to amend Section 5205.5 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 220, as amended, Ting. Vehicles: low emissions: financial incentives.

~~(1) Existing law authorizes the Department of General Services to acquire, as specified, by lease or other means, real property and to construct, operate, and maintain motor vehicle parking facilities on that real property for state officers and employees, or other persons, as specified.~~

~~This bill would require the department to provide free parking to specified low-emission vehicles on any motor vehicle parking facility it operates.~~

~~(2)~~

~~(1) Existing sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for the~~

storage, use, or other consumption in this state, and provides various exemptions from those taxes.

The bill would, *until January 1, 2018*, exempt from those taxes the gross receipts from the sale of, and the storage, use, or other consumption of, specified low-emission vehicles purchased by a person.

The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose local sales and use taxes in conformity with the Sales and Use Tax Law, and existing law also authorizes districts, as specified, to impose transactions and use taxes in conformity with the Transactions and Use Tax Law, which conforms to the Sales and Use Tax Law. Exemptions from state sales and use taxes are incorporated into these laws.

This bill would, *until January 1, 2018*, specify that this exemption does not apply to local sales and use taxes.

~~(3) Existing law imposes a vehicle license fee each year for the registration or renewal of registration of a vehicle, and exempts specified vehicles from those fees, including, among others, any new mobilehome, as specified, that is sold and installed for occupancy, as specified.~~

~~This bill would exempt from the vehicle license fee specified low-emission vehicles.~~

~~(4)~~

(2) Existing law, whenever the Department of Transportation or a local authority authorizes or permits exclusive or preferential use of highway lanes or highway access ramps for high-occupancy vehicles as specified, requires the use of those lanes or ramps to be extended to vehicles that are issued distinctive decals, labels, or other identifiers, as specified, regardless of vehicle occupancy or ownership. Existing law, for purposes of implementing that provision, requires the Department of Motor Vehicles to make available for issuance, for a fee determined by the department to be sufficient to reimburse the department for the actual costs incurred as specified, distinctive decals, labels, and other identifiers that clearly distinguish the specified vehicles from other vehicles, including, but not limited to a hybrid vehicle or an alternative fuel vehicle that meets California's advanced technology partial zero-emission vehicle standard for criteria pollutant emissions and has a 45 miles per gallon or greater fuel economy highway rating, or a hybrid vehicle that was produced during the 2004 model-year or earlier and has a 45 miles per gallon or greater fuel economy highway rating, and meets California's ULEV, SULEV, or partial zero-emission vehicle standards.

This bill would additionally require the department to make available for issuance, for a fee determined by the department as specified, distinctive decals, labels, and other identifiers that clearly distinguish the 2 types of vehicles specified in the latter provision that have been modified to become a plug-in hybrid, thus permitting these vehicles to use the highway lanes or highway access ramps otherwise reserved for high-occupancy vehicles.

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

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

1 ~~SECTION 1. Section 14678.1 is added to the Government~~
2 ~~Code, to read:~~

3 ~~14678.1. The Department of General Services shall provide~~
4 ~~free parking to any vehicle specified in paragraphs (1) and (5) of~~
5 ~~subdivision (a) of Section 5205.5 of the Vehicle Code on any motor~~
6 ~~vehicle parking facility the department operates.~~

7 ~~SEC. 2.~~

8 SECTION 1. Section 6377 is added to the Revenue and
9 Taxation Code, to read:

10 6377. (a) There are exempted from the taxes imposed by this
11 part the gross receipts from the sale of, and the storage and use of,
12 or other consumption in this state of, any vehicle, as specified in
13 paragraphs (1) and (5) of subdivision (a) of Section 5205.5 of the
14 Vehicle Code, or any successor to those provisions.

15 (b) Notwithstanding any provision of the Bradley-Burns
16 Uniform Local Sales and Use Tax Law (Part 1.5 (commencing
17 with Section 7200)) or the Transactions and Use Tax Law (Part
18 1.6 (commencing with Section 7251)), the exemption established
19 by this section shall not apply with respect to any tax levied by a
20 county, city, or district pursuant to, or in accordance with, either
21 of those laws.

22 (c) *This section shall remain in effect only until January 1, 2018,*
23 *and as of that date is repealed, unless a later enacted statute, that*
24 *is enacted before January 1, 2018, deletes or extends that date.*

25 ~~SEC. 3. Section 10790 is added to the Revenue and Taxation~~
26 ~~Code, to read:~~

1 10790. ~~The license fee imposed by this part shall not apply to~~
2 ~~any vehicle as specified in paragraphs (1) and (5) of subdivision~~
3 ~~(a) of Section 5205.5 of the Vehicle Code.~~

4 ~~SEC. 4.~~

5 *SEC. 2.* Section 5205.5 of the Vehicle Code, as amended by
6 Section 2 of Chapter 674 of the Statutes of 2012, is amended to
7 read:

8 5205.5. (a) For purposes of implementing Section 21655.9,
9 the department shall make available for issuance, for a fee
10 determined by the department to be sufficient to reimburse the
11 department for the actual costs incurred pursuant to this section,
12 distinctive decals, labels, and other identifiers that clearly
13 distinguish the following vehicles from other vehicles:

14 (1) A vehicle that meets California's super ultra-low emission
15 vehicle (SULEV) standard for exhaust emissions and the federal
16 inherently low-emission vehicle (ILEV) evaporative emission
17 standard, as defined in Part 88 (commencing with Section
18 88.101-94) of Title 40 of the Code of Federal Regulations.

19 (2) A vehicle that was produced during the 2004 model-year or
20 earlier and meets California ultra-low emission vehicle (ULEV)
21 standard for exhaust emissions and the federal ILEV standard.

22 (3) A hybrid vehicle or an alternative fuel vehicle that meets
23 California's advanced technology partial zero-emission vehicle
24 (AT PZEV) standard for criteria pollutant emissions and has a 45
25 miles per gallon or greater fuel economy highway rating.

26 (4) A hybrid vehicle that was produced during the 2004
27 model-year or earlier and has a 45 miles per gallon or greater fuel
28 economy highway rating, and meets California's ULEV, SULEV,
29 or partial zero-emission vehicle (PZEV) standards.

30 (5) A vehicle that meets California's enhanced advanced
31 technology partial zero-emission vehicle (enhanced AT PZEV)
32 standard.

33 (6) A hybrid vehicle referenced in paragraph (3) or (4) that has
34 been modified to become a plug-in hybrid vehicle.

35 (b) Neither an owner of a hybrid vehicle that meets the AT
36 PZEV standard, with the exception of a vehicle that meets the
37 federal ILEV standard, nor an owner of a hybrid vehicle described
38 in paragraph (4) of subdivision (a), is entitled to a decal, label, or
39 other identifier pursuant to this section unless the federal
40 government acts to approve the use of high-occupancy vehicle

1 (HOV) lanes by vehicles of the types identified in paragraph (3)
2 or (4) of subdivision (a), regardless of the number of occupants.

3 (c) The department shall include a summary of the provisions
4 of this section on each motor vehicle registration renewal notice,
5 or on a separate insert, if space is available and the summary can
6 be included without incurring additional printing or postage costs.

7 (d) The Department of Transportation shall remove individual
8 HOV lanes, or portions of those lanes, during periods of peak
9 congestion from the access provisions provided in subdivision (a),
10 following a finding by the Department of Transportation as follows:

11 (1) The lane, or portion thereof, exceeds a level of service C,
12 as discussed in subdivision (b) of Section 65089 of the Government
13 Code.

14 (2) The operation or projected operation of the vehicles
15 described in subdivision (a) in these lanes, or portions thereof, will
16 significantly increase congestion.

17 (e) The State Air Resources Board shall publish and maintain
18 a listing of all vehicles eligible for participation in the programs
19 described in this section. The board shall provide that listing to
20 the department.

21 (f) (1) For purposes of subdivision (a), the Department of the
22 California Highway Patrol and the department, in consultation
23 with the Department of Transportation, shall design and specify
24 the placement of the decal, label, or other identifier on the vehicle.
25 Each decal, label, or other identifier issued for a vehicle shall
26 display a unique number, which number shall be printed on, or
27 affixed to, the vehicle registration.

28 (2) Decals, labels, or other identifiers designed pursuant to this
29 subdivision for a vehicle described in paragraph (5) of subdivision
30 (a) shall be distinguishable from the decals, labels, or other
31 identifiers that are designed for vehicles described in paragraphs
32 (1), (2), (3), and (4) of subdivision (a).

33 (g) (1) (A) Except as provided in subparagraph (B), for
34 purposes of subdivision (a), the department shall issue no more
35 than 85,000 distinctive decals, labels, or other identifiers that
36 clearly distinguish the vehicles specified in paragraphs (3) and (4)
37 of subdivision (a).

38 (B) The department may issue a decal, label, or other identifier
39 for a vehicle that satisfies all of the following conditions:

- 1 (i) The vehicle is of a type identified in paragraph (3) or (4) of
 2 subdivision (a).
- 3 (ii) The owner of the vehicle is the owner of a vehicle for which
 4 a decal, label, or identifier described in subparagraph (A) was
 5 previously issued and that vehicle for which the decal, label, or
 6 identifier was previously issued is determined by the department,
 7 on the basis of satisfactory proof submitted by the owner to the
 8 department, to be a nonrepairable vehicle or a total loss salvage
 9 vehicle.
- 10 (iii) The owner of the vehicle applied for a decal, label, or other
 11 identifier pursuant to this subparagraph on or before March 31,
 12 2009, or within six months of the date on which the vehicle for
 13 which a decal, label, or identifier was previously issued is declared
 14 to be a nonrepairable vehicle or a total loss salvage vehicle,
 15 whichever date is later.
- 16 (2) The department shall notify the Department of Transportation
 17 immediately after the date on which the department has issued
 18 50,000 decals, labels, and other identifiers under this section for
 19 the vehicles described in paragraphs (3) and (4) of subdivision (a).
- 20 (3) The Department of Transportation shall determine whether
 21 significant HOV lane breakdown has occurred throughout the state,
 22 in accordance with the following timeline:
- 23 (A) For lanes that are nearing capacity, the Department of
 24 Transportation shall make the determination not later than 90 days
 25 after the date provided by the department under paragraph (2).
- 26 (B) For lanes that are not nearing capacity, the Department of
 27 Transportation shall make the determination not later than 180
 28 days after the date provided by the department under paragraph
 29 (2).
- 30 (4) In making the determination that significant HOV lane
 31 breakdown has occurred, the Department of Transportation shall
 32 consider the following factors in the HOV lane:
- 33 (A) Reduction in level of service.
- 34 (B) Sustained stop-and-go conditions.
- 35 (C) Slower than average speed than the adjacent mixed-flow
 36 lanes.
- 37 (D) Consistent increase in travel time.
- 38 (5) After making the determinations pursuant to subparagraphs
 39 (A) and (B) of paragraph (3), if the Department of Transportation
 40 determines that significant HOV lane breakdown has occurred

1 throughout the state, the Department of Transportation shall
2 immediately notify the department of that determination, and the
3 department, on the date of receiving that notification, shall
4 discontinue issuing the decals, labels, or other identifiers for the
5 vehicles described in paragraphs (3) and (4) of subdivision (a).

6 (h) (1) Except as provided in paragraph (2), for purposes of
7 paragraph (5) of subdivision (a), the department shall issue no
8 more than 40,000 distinctive decals, labels, or other identifiers that
9 clearly distinguish a vehicle specified in paragraph (5) of
10 subdivision (a).

11 (2) The department may issue a decal, label, or other identifier
12 for a vehicle that satisfies all of the following conditions:

13 (A) The vehicle is of a type identified in paragraph (5) of
14 subdivision (a).

15 (B) The owner of the vehicle is the owner of a vehicle for which
16 a decal, label, or other identifier described in paragraph (1) was
17 previously issued and that vehicle for which the decal, label, or
18 other identifier was previously issued is determined by the
19 department, on the basis of satisfactory proof submitted by the
20 owner to the department, to be a nonrepairable vehicle or a total
21 loss salvage vehicle.

22 (C) The owner of the vehicle applied for a decal, label, or other
23 identifier pursuant to this paragraph within six months of the date
24 on which the vehicle for which a decal, label, or other identifier
25 was previously issued is declared to be a nonrepairable vehicle or
26 a total loss salvage vehicle.

27 (i) If the Metropolitan Transportation Commission, serving as
28 the Bay Area Toll Authority, grants toll-free and reduced-rate
29 passage on toll bridges under its jurisdiction to a vehicle pursuant
30 to Section 30102.5 of the Streets and Highways Code, it shall also
31 grant the same toll-free and reduced-rate passage to a vehicle
32 displaying an identifier issued by the department pursuant to
33 paragraph (1) or (2) of subdivision (a) and to a vehicle displaying
34 a valid identifier issued by the department pursuant to paragraph
35 (3) or (4) of subdivision (a) if the vehicle is registered to an address
36 outside of the region identified in Section 66502 of the Government
37 Code.

38 (j) An owner of a vehicle specified in paragraph (3) or (4) of
39 subdivision (a) whose vehicle is registered to an address in the
40 region identified in Section 66502 of the Government Code and

1 who seeks a vehicle identifier under subdivision (a) in order to
2 have access to an HOV lane within the jurisdiction of the Bay Area
3 Toll Authority shall do both of the following:

4 (1) Obtain and maintain an active account to operate within the
5 automatic vehicle identification system described in Section 27565
6 of the Streets and Highways Code and shall submit to the
7 department a form, approved by the department and issued by the
8 Bay Area Toll Authority, that contains the vehicle owner's name,
9 the license plate number and vehicle identification number of the
10 vehicle, the vehicle make and year model, and the automatic
11 vehicle identification system account number, as a condition to
12 obtaining a vehicle identifier pursuant to subdivision (a) that allows
13 for the use of that vehicle in HOV lanes regardless of the number
14 of occupants.

15 (2) Be eligible for toll-free or reduced-rate passage on toll
16 bridges within the jurisdiction of the Bay Area Toll Authority only
17 if, at time of passage, the vehicle meets the passenger occupancy
18 rate requirement established for that toll-free or reduced-rate
19 passage.

20 (k) (1) Notwithstanding Section 21655.9, and except as
21 provided in paragraph (2), a vehicle described in subdivision (a)
22 that displays a decal, label, or identifier issued pursuant to this
23 section shall be exempt from toll charges imposed on
24 single-occupant vehicles in high-occupancy toll lanes as described
25 in Section 149.7 of the Streets and Highways Code unless
26 prohibited by federal law.

27 (2) (A) Paragraph (1) does not apply to the imposition of a toll
28 imposed for passage on a toll road or toll highway, that is not a
29 high-occupancy toll lane as described in Section 149.7 of the
30 Streets and Highways Code.

31 (B) On or before March 1, 2014, paragraph (1) does not apply
32 to the imposition of a toll imposed for passage in lanes designated
33 for tolls pursuant to the federally supported value-pricing and
34 transit development demonstration program operated pursuant to
35 Section 149.9 of the Streets and Highways Code for State Highway
36 Route 10 or 110.

37 (C) Paragraph (1) does not apply to the imposition of a toll
38 charged for crossing a state-owned bridge.

39 (l) If the Director of Transportation determines that federal law
40 does not authorize the state to allow vehicles that are identified by

1 distinctive decals, labels, or other identifiers on vehicles described
2 in subdivision (a) to use highway lanes or highway access ramps
3 for high-occupancy vehicles regardless of vehicle occupancy, the
4 Director of Transportation shall submit a notice of that
5 determination to the Secretary of State.

6 (m) (1) This section shall remain in effect only until January
7 1, 2015, or until the date the Secretary of State receives the notice
8 described in subdivision (l), whichever occurs first, and as of that
9 date is repealed.

10 (2) However, with respect to a vehicle described in paragraph
11 (3) or (4) of subdivision (a), this section shall be operative only
12 until July 1, 2011, or only until the date the Secretary of State
13 receives the notice described in subdivision (l), whichever occurs
14 first.

15 (3) With respect to a vehicle described in paragraph (5) of
16 subdivision (a), this section shall become operative on January 1,
17 2012, and shall be operative only until January 1, 2015, or until
18 the date the Secretary of State receives the notice described in
19 subdivision (l), whichever occurs first.

O