AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 718

Introduced by Assembly Member Chu

February 25, 2015

An act to amend Section 14602.6 of add Sections 22506.5 and 22651.06 to the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 718, as amended, Chu. Vehicles: impounded vehicles. parking citations and impoundment.

Existing law regulates the stopping, parking, or leaving of vehicles on highways and off-street parking facilities, and also authorizes local authorities, by ordinance or resolution, to regulate the parking of vehicles on highways, if the ordinance or resolution is first approved by the Department of Transportation. Existing law further authorizes the impoundment of a vehicle that is parked where local authorities, by resolution or ordinance, have prohibited parking, or when the vehicle has been issued 5 or more notices of parking violations to which the owner or person in control of the vehicle has not responded within 21 calendar days, as specified.

This bill would prohibit a peace officer or an employee of a city or county from issuing a parking citation to the owner or person in control of a vehicle, or from impounding a vehicle, on the basis that the owner or other person is sleeping in the vehicle, if the vehicle is otherwise lawfully parked.

Existing law authorizes a peace officer who determines that a person was driving a vehicle while his or her driving privilege was suspended or revoked, driving in violation of a driver's license restriction, or

 $AB 718 \qquad \qquad -2 -$

driving a vehicle without ever having been issued a driver's license, to cause the removal and seizure of the vehicle. Existing law requires a 30-day impoundment period for seized vehicles, subject to exceptions allowing earlier release.

This bill would make technical, nonsubstantive changes to these provisions.

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

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

1 SECTION 1. Section 22506.5 is added to the Vehicle Code, to 2 read:

22506.5. A peace officer, or a regularly employed and salaried employee of a city or county who is engaged in directing traffic or enforcing parking laws, shall not issue a parking citation to the owner or person in control of a vehicle for sleeping in the vehicle, if the vehicle is otherwise lawfully parked.

SEC. 2. Section 22651.06 is added to the Vehicle Code, to read:

22651.06. A peace officer, or a regularly employed and salaried employee of a city or county who is engaged in directing traffic or enforcing parking laws, shall not remove and impound a vehicle on the basis that the owner or person in control of the vehicle is sleeping in the vehicle, if the vehicle is otherwise lawfully parked.

SECTION 1. Section 14602.6 of the Vehicle Code is amended to read:

14602.6. (a) (1) If a peace officer determines that a person was driving a vehicle while his or her driving privilege was suspended or revoked, driving a vehicle while his or her driving privilege is restricted pursuant to Section 13352 or 23575 and the vehicle is not equipped with a functioning, certified interlock device, or driving a vehicle without ever having been issued a driver's license, the peace officer may either immediately arrest that person and cause the removal and seizure of that vehicle or, if the vehicle is involved in a traffic collision, cause the removal and seizure of the vehicle without the necessity of arresting the person in accordance with Chapter 10 (commencing with Section 22650) of Division 11. A vehicle impounded pursuant to this paragraph shall be impounded for 30 days.

-3- AB 718

(2) The impounding agency, within two working days of impoundment, shall send a notice by certified mail, return receipt requested, to the legal owner of the vehicle, at the address obtained from the department, informing the owner that the vehicle has been impounded. Failure to notify the legal owner within two working days shall prohibit the impounding agency from charging for more than 15 days' impoundment when the legal owner redeems the impounded vehicle. The impounding agency shall maintain a published telephone number that provides information 24 hours a day regarding the impoundment of vehicles and the rights of a registered owner to request a hearing. The law enforcement agency shall be open to issue a release to the registered owner or legal owner, or the agent of either, whenever the agency is open to serve the public for regular, nonemergency business.

- (b) The registered and legal owner of a vehicle that is removed and seized under subdivision (a) or their agents shall be provided the opportunity for a storage hearing to determine the validity of, or consider any mitigating circumstances attendant to, the storage, in accordance with Section 22852.
- (c) Any period in which a vehicle is subjected to storage under this section shall be included as part of the period of impoundment ordered by the court pursuant to subdivision (a) of Section 14602.5.
- (d) (1) An impounding agency shall release a vehicle to the registered owner or his or her agent prior to the end of 30 days' impoundment under any of the following circumstances:
 - (A) The vehicle is a stolen vehicle.

- (B) The vehicle is subject to bailment and is driven by an unlicensed employee of a business establishment, including a parking service or repair garage.
- (C) The license of the driver was suspended or revoked for an offense other than those included in Article 2 (commencing with Section 13200) of Chapter 2 of Division 6 or Article 3 (commencing with Section 13350) of Chapter 2 of Division 6.
- (D) The vehicle was seized pursuant to this section for an offense that does not authorize the seizure of the vehicle.
- (E) The driver reinstates his or her driver's license or acquires a driver's license and proper insurance.
- (2) A vehicle shall not be released pursuant to this subdivision without presentation of the registered owner's or agent's currently

AB 718 —4—

valid driver's license to operate the vehicle and proof of current vehicle registration, or upon order of a court.

- (e) The registered owner or his or her agent is responsible for all towing and storage charges related to the impoundment and any administrative charges authorized under Section 22850.5.
- (f) A vehicle removed and seized pursuant to subdivision (a) shall be released to the legal owner of the vehicle or the legal owner's agent prior to the end of 30 days' impoundment if all of the following conditions are met:
- (1) The legal owner is a motor vehicle dealer, bank, credit union, acceptance corporation, or other licensed financial institution legally operating in this state or is another person, not the registered owner, holding a security interest in the vehicle.
- (2) (A) The legal owner or the legal owner's agent pays all towing and storage fees related to the seizure of the vehicle. No lien sale processing fees shall be charged to the legal owner who redeems the vehicle prior to the 15th day of impoundment. Neither the impounding authority nor any person having possession of the vehicle shall collect from the legal owner of the type specified in paragraph (1), or the legal owner's agent, any administrative charges imposed pursuant to Section 22850.5 unless the legal owner voluntarily requested a poststorage hearing.
- (B) A person operating or in charge of a storage facility where vehicles are stored pursuant to this section shall accept a valid bank credit card or cash for payment of towing, storage, and related fees by a legal or registered owner or the owner's agent claiming the vehicle. A credit card shall be in the name of the person presenting the card. "Credit card" means "credit card" as defined in subdivision (a) of Section 1747.02 of the Civil Code, except, for the purposes of this section, credit card does not include a credit card issued by a retail seller.
- (C) A person operating or in charge of a storage facility described in subparagraph (B) who violates subparagraph (B) shall be civilly liable to the owner of the vehicle or to the person who tendered the fees for four times the amount of the towing, storage, and related fees, but not to exceed five hundred dollars (\$500).
- (D) A person operating or in charge of a storage facility described in subparagraph (B) shall have sufficient funds on the premises of the primary storage facility during normal business

5 AB 718

hours to accommodate, and make change in, a reasonable monetary transaction.

- (E) Credit charges for towing and storage services shall comply with Section 1748.1 of the Civil Code. Law enforcement agencies may include the costs of providing for payment by credit when making agreements with towing companies on rates.
- (3) (A) The legal owner or the legal owner's agent presents a copy of the assignment, as defined in subdivision (b) of Section 7500.1 of the Business and Professions Code, a release from the one responsible governmental agency, only if required by the agency, a government-issued photographic identification card, and any one of the following, as determined by the legal owner or the legal owner's agent: a certificate of repossession for the vehicle, a security agreement for the vehicle, or title, whether paper or electronic, showing proof of legal ownership for the vehicle. Any documents presented may be originals, photocopies, or facsimile copies, or may be transmitted electronically. The law enforcement agency, impounding agency, or any other governmental agency, or any person acting on behalf of those agencies, shall not require any documents to be notarized. The law enforcement agency, impounding agency, or any person acting on behalf of those agencies may require the agent of the legal owner to produce a photocopy or facsimile copy of its repossession agency license or registration issued pursuant to Chapter 11 (commencing with Section 7500) of Division 3 of the Business and Professions Code, or to demonstrate, to the satisfaction of the law enforcement agency, impounding agency, or any person acting on behalf of those agencies, that the agent is exempt from licensure pursuant to Section 7500.2 or 7500.3 of the Business and Professions Code.
- (B) Administrative costs authorized under subdivision (a) of Section 22850.5 shall not be charged to the legal owner of the type specified in paragraph (1) who redeems the vehicle unless the legal owner voluntarily requests a poststorage hearing. A city, county, city and county, or state agency shall not require a legal owner or a legal owner's agent to request a poststorage hearing as a requirement for release of the vehicle to the legal owner or the legal owner's agent. The law enforcement agency, impounding agency, or other governmental agency, or any person acting on behalf of those agencies, shall not require any documents other than those specified in this paragraph. The law enforcement agency,

-6-

impounding agency, or other governmental agency, or any person acting on behalf of those agencies, shall not require any documents to be notarized. The legal owner or the legal owner's agent shall be given a copy of any documents he or she is required to sign, except for a vehicle evidentiary hold logbook. The law enforcement agency, impounding agency, or any person acting on behalf of those agencies, or any person in possession of the vehicle, may photocopy and retain the copies of any documents presented by the legal owner or legal owner's agent.

- (4) A failure by a storage facility to comply with any applicable conditions set forth in this subdivision shall not affect the right of the legal owner or the legal owner's agent to retrieve the vehicle, provided all conditions required of the legal owner or legal owner's agent under this subdivision are satisfied.
- (g) (1) A legal owner or the legal owner's agent that obtains release of the vehicle pursuant to subdivision (f) shall not release the vehicle to the registered owner of the vehicle, or the person who was listed as the registered owner when the vehicle was impounded, or any agents of the registered owner, unless the registered owner is a rental car agency, until after the termination of the 30-day impoundment period.
- (2) The legal owner or the legal owner's agent shall not relinquish the vehicle to the registered owner or the person who was listed as the registered owner when the vehicle was impounded until the registered owner or that owner's agent presents his or her valid driver's license or valid temporary driver's license to the legal owner or the legal owner's agent. The legal owner or the legal owner's agent or the person in possession of the vehicle shall make every reasonable effort to ensure that the license presented is valid and possession of the vehicle will not be given to the driver who was involved in the original impoundment proceeding until the expiration of the impoundment period.
- (3) Prior to relinquishing the vehicle, the legal owner may require the registered owner to pay all towing and storage charges related to the impoundment and any administrative charges authorized under Section 22850.5 that were incurred by the legal owner in connection with obtaining custody of the vehicle.
- (4) Any legal owner who knowingly releases or causes the release of a vehicle to a registered owner or the person in possession of the vehicle at the time of the impoundment or any

7 AB 718

agent of the registered owner in violation of this subdivision shall be guilty of a misdemeanor and subject to a fine in the amount of two thousand dollars (\$2,000) in addition to any other penalties established by law.

- (5) The legal owner, registered owner, or person in possession of the vehicle shall not change or attempt to change the name of the legal owner or the registered owner on the records of the department until the vehicle is released from the impoundment.
- (h) (1) A vehicle removed and seized under subdivision (a) shall be released to a rental car agency prior to the end of 30 days' impoundment if the agency is either the legal owner or registered owner of the vehicle and the agency pays all towing and storage fees related to the seizure of the vehicle.
- (2) The owner of a rental vehicle that was seized under this section may continue to rent the vehicle upon recovery of the vehicle. However, the rental car agency may not rent another vehicle to the driver of the vehicle that was seized until 30 days after the date that the vehicle was seized.
- (3) The rental car agency may require the person to whom the vehicle was rented to pay all towing and storage charges related to the impoundment and any administrative charges authorized under Section 22850.5 that were incurred by the rental car agency in connection with obtaining custody of the vehicle.
- (i) Notwithstanding any other provision of this section, the registered owner and not the legal owner shall remain responsible for any towing and storage charges related to the impoundment, any administrative charges authorized under Section 22850.5, and any parking fines, penalties, and administrative fees incurred by the registered owner.
- (j) The law enforcement agency and the impounding agency, including any storage facility acting on behalf of the law enforcement agency or impounding agency, shall comply with this section and shall not be liable to the registered owner for the improper release of the vehicle to the legal owner or the legal owner's agent provided the release complies with the provisions of this section. The legal owner shall indemnify and hold harmless a storage facility from any claims arising out of the release of the vehicle to the legal owner or the legal owner's agent and from any damage to the vehicle after its release, including the reasonable costs associated with defending any such claims. A law

AB 718 —8—

- 1 enforcement agency shall not refuse to issue a release to a legal 2 owner or the agent of a legal owner on the grounds that it 3 previously issued a release.