

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 18, 2008  
POSITION: Support  
SPONSOR: Department of Motor Vehicles

BILL NUMBER: SB 1720  
AUTHOR: A. Lowenthal

**BILL SUMMARY: Clean Air Sticker: Misuse: Penalties**

This bill would provide that an individual convicted of the creation, use, sale, or trafficking of fraudulent Clean Air Stickers (sticker) permitting use of high occupancy vehicle (HOV) lanes by hybrids, would be guilty of an infraction and subject to monetary penalties.

**FISCAL SUMMARY**

The Department of Motor Vehicles (DMV) has indicated that this bill would not result in any additional costs because it already has a sticker program in place.

The California Highway Patrol has indicated that it would not incur additional costs because enforcement would occur during officers' other normal enforcement related duties.

Although flagged as a mandate by the Legislative Counsel because this bill would create a new crime, the mandate should not be reimbursable because the mandate only involves the definition of a crime or the penalty for conviction of a crime.

This bill would provide for a penalty of between \$100 and \$250 for a first offense, \$250 and \$500 for a second offense, and \$500 and \$1000 for three or more offenses, which would be collected by the local courts.

**SUMMARY OF CHANGES**

The amendment to this bill since our analysis of the original version does not change our position. The amendment would set a maximum dollar limit for each level of penalty.

**COMMENTS**

The Department of Finance supports this bill because it would reduce congestion in HOV lanes by penalizing individuals who traffic fraudulent stickers.

Current law authorizes the DMV to issue up to 85,000 Clean Air Stickers to specified vehicles, including hybrid vehicles, with low exhaust emissions, which allow single-occupant vehicle access to high-occupancy vehicle lanes. The maximum sticker allotment was reached in February of 2007. The DMV reports that consumers who purchased hybrid vehicles specifically to obtain the stickers were upset that no additional stickers would be issued, and that this created a market for fraudulent stickers. When DMV investigators noticed that fraudulent stickers were being sold over the Internet, they found that there were no provisions in existing law to punish the individuals involved. This bill is intended to reduce the number of fraudulent stickers created and sold by creating a statutory penalty for these activities.

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| Analyst/Principal<br>(0752) J. Parks | Date | Program Budget Manager<br>Mark Hill | Date |
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| Department Deputy Director | Date |
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| Governor's Office: | By: | Date: | Position Approved _____    |
|                    |     |       | Position Disapproved _____ |

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**BILL ANALYSIS** Form DF-43 (Rev 03/95 Buff)

**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)**

**Form DF-43  
BILL NUMBER**

**AUTHOR**

**AMENDMENT DATE**

A. Lowenthal

June 18, 2008

SB 1720

| Code/Department<br>Agency or Revenue<br>Type | SO                         | (Fiscal Impact by Fiscal Year) |    |           |                        |           |    |           | Fund<br>Code |
|--|----------------------------|--------------------------------|----|-----------|------------------------|-----------|----|-----------|--------------|
|  | LA                         | (Dollars in Thousands)         |    |           |                        |           |    |           |              |
|  | CO                         | PROP                           |    |           |                        |           |    |           |              |
|  | RV                         | 98                             | FC | 2008-2009 | FC                     | 2009-2010 | FC | 2010-2011 |              |
| 2740/DMV                                     | SO                         | No                             |    | -----     | No/Minor Fiscal Impact | -----     |    |           | 0044         |
| 2720/CHP                                     | SO                         | No                             |    | -----     | No/Minor Fiscal Impact | -----     |    |           | 0044         |
| <u>Fund Code</u>                             | <u>Title</u>               |                                |    |           |                        |           |    |           |              |
| 0044   | Motor Vehicle Account, STF |                                |    |           |                        |           |    |           |              |