

**DEPARTMENT OF FINANCE BILL ANALYSIS**

**AMENDMENT DATE:** May 24, 2010  
**POSITION:** Neutral  
**SPONSOR:** California State Association of Counties (CSAC)

**BILL NUMBER:** AB 2461  
**AUTHOR:** B. Emmerson

**BILL SUMMARY: Vehicles: Vehicle Registration Amnesty Program**

This bill would extend the amnesty program for incorrectly or fraudulently registered vehicles by two years, exempt specially constructed vehicles seeking amnesty that were built prior to 1976 from the smog check program, and provide that specially constructed vehicles seeking amnesty are exempt from the visual component of the smog inspection.

**FISCAL SUMMARY**

The Department of Motor Vehicles (DMV) estimates costs to be minor and absorbable. The process to handle amnesty applications is already established.

**COMMENTS**

Finance is neutral because extending the amnesty program and exempting a limited number of specially constructed vehicles from the smog check program may encourage vehicle owners to correct inaccurate vehicle records and pay the appropriate amount of registration fees, penalties, sales, and use taxes.

The amnesty program was established pursuant to Chapter 420, Statutes of 2008 (AB 619/Emmerson). The bill was in response to investigations conducted by the California Attorney General's (AG) Office into fraudulent titling of specially constructed (kit car) vehicles. While the AG is pursuing businesses that supply fraudulent titles, amnesty is designed to encourage vehicle owners to correct their registrations. The AG's office estimates 70,000 vehicles have been fraudulently titled. According to DMV, it has not received any applications for the amnesty program in 2010. Extending the sunset may provide additional time to increase awareness of the program.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
		LA	PROP	2009-2010		2010-2011		2011-2012	
	CO	RV	FC	FC	FC	FC	FC		
2740/DMV	SO	No						Minor Fiscal Impact	0044
<u>Fund Code</u>	<u>Title</u>								
0044	Motor Vehicle Account, STF								

Analyst/Principal (0744) J. Gregg	Date	Program Budget Manager Mark Hill	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

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