

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 22, 2009
POSITION: Oppose

BILL NUMBER: SB 734
AUTHOR: A. Lowenthal

BILL SUMMARY: Transportation: Technical Clean-up

This omnibus transportation bill would remove the exemption from needing a smog check when transferring the ownership or registration of diesel-powered vehicles of four years or less, and would make the following technical, non-controversial changes to existing law:

- Require interest earnings from the investment of bond funds from the Proposition 1B Local Streets and Road Improvement, Congestion Relief, and Traffic Safety Account to be subject to the same restrictions as the bond proceeds themselves.
Delete an obsolete deadline for adopting State Transportation Improvement Program guidelines.
Conform conflicting deadlines regarding the time by which transit operators must file reports with the State Controller's Office under Proposition 1B.
Provide a statutory definition for the terms "bike path," "bicycle path," and "bicycle path crossing" to clarify the types of facilities that bicycles are permitted to use.
Clarify that state law does not prohibit bicycles from operating on sidewalks, crosswalks, or bicycle paths within a highway, where permitted by local ordinance.
Add a missing cross-reference and delete unnecessary language in the sections of law related to violations of disabled parking restrictions.
Require that a notice of penalty waiver for parking administrative hearings be provided at the close of an informal review rather than once a hearing is requested.
Clarify the time period during which a person may request an initial review of a parking violation notice.
Clarify that a driver must stop at an intersection which has traffic signals that are inoperative regardless of the reason that the signals are inoperative.

FISCAL SUMMARY

The Department of Transportation and the California Highway Patrol indicate no anticipated fiscal impacts associated with this bill.

However, the Department of Motor Vehicles (DMV) anticipates costs of between \$25,000 and \$100,000 to conduct the necessary system programming to include the change in exemptions for diesel-powered vehicles depending on the timing of when this bill is chaptered. The programming effort is currently underway to include diesel vehicles, model year 1998 and newer, in the smog check program beginning in January 2010. The DMV indicates that if this bill is chaptered by the end of July 2009, the programming could easily be included in the existing project; however, if the bill is chaptered at a later date it could require a late revision to the project or implementation after testing for the project has been completed which will increase costs.

Although flagged as a mandate by Legislative Counsel, the mandate should not be reimbursable because it changes the definition of an existing crime by clarifying that a driver must stop at an intersection that has traffic signals that are inoperative regardless of the reason that the signals are inoperative.

Analyst/Principal (0751) M. Tollefson Date Program Budget Manager Mark Hill Date

Department Deputy Director Date

Governor's Office: By: Date: Position Approved Position Disapproved

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

A. Lowenthal

June 22, 2009

SB 734

While this bill would require an issuing agency or processing agency to notify a person contesting a ticket of the option to request a penalty waiver after the initial review rather than notifying the person after an administrative hearing is requested, any potential state mandate should not be reimbursable because these local agencies have the authority to levy fees by increasing parking fine amounts to pay for the increased level of service associated with the additional notification requirement.

COMMENTS

While the Department of Finance has identified no significant concerns with the provisions of this bill, which would provide technical fixes and non-controversial changes to statute, we are opposed to this bill because it could result in additional costs to the state for the DMV to modify its programming to include the change in exemptions for diesel-powered vehicles.

This bill contains many of the provisions that were included in SB 432 and AB 3064 of 2008, which were both vetoed when the Governor only signed bills that were of the highest priority for the state because of the delay in passing the 2008 Budget Act.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)								Fund Code
	LA	(Dollars in Thousands)								
	CO RV	PROP 98	FC	2009-2010 FC	2010-2011 FC	2011-2012 FC				
2660/Caltrans	SO	No			-----	No/Minor Fiscal Impact	-----			0042
2720/CHP	SO	No			-----	No/Minor Fiscal Impact	-----			0044
2740/DMV	SO	No	C		\$25 - 100		--		--	0044
<u>Fund Code</u>	<u>Title</u>									
0042	Highway Account, State, STF									
0044	Motor Vehicle Account, STF									