



AB 256 – Provide Grace Period for Vehicle Registration Fees

Background

AB 256 will create a 30 day delay for enforcement for driving with an expired vehicle registration.

The average cost of registering a vehicle in California is \$289, which is a 66% increase over the last six years.

Failure to pay by the due date can result in parking or traffic tickets up to \$280 that is added to the vehicle registration bill. The additional costs of these tickets as well as the inflating cost of registration can quickly add up for the average Californian family.

Problem Being Addressed

According to the Franchise Tax Board (FTB), approximately \$4 million in vehicle registrations become delinquent yearly, with almost 1.4 million Californians facing wage garnishment or the involuntary withdrawal of funds from their bank accounts to collect debt on behalf of the Department of Motor Vehicles (DMV).

Current law requires that vehicle registration fees and taxes increase yearly to reflect current inflation.

With inflation at a 40-year high and the cost of living only increasing, it is vital we provide time for Californians dealing with the sticker shock of vehicle registrations.

Transportation is essential for many Californians and living in fear of losing their vehicle because of their inability to pay their vehicle registration on time is burdensome.

A 30-day period without ticket enforcement will allow for more time to get vehicles registration without worrying about not being able to use the vehicle for fear of ticket costs. However, the accrual of late fees still encourages registration sooner rather than later.

Which code section is affected?

This bill would amend sections 4000, 5204, and 40225 of the Vehicle Code.

Summary

AB 256 will delay enforcement for driving with an expired vehicle registration for 30 days after the registration becomes delinquent.

Staff Contact

Caroline Strouse:
Caroline.Strouse@asm.ca.gov

Supporters

Western Center on Law & Poverty, Inc.