April 28, 2015

Honorable Kevin Mullin
Assemblymember
California Assembly
State Capitol
Sacramento, CA 95814

Re: AB 516 (Mullin)
Position: Oppose unless amended

Dear Assemblymember Mullin:

California Rural Legal Assistance Foundation (CRLAF) regrets that we must oppose AB 516, which would unfairly penalize consumers who, through no fault of their own, do not receive their permanent license plates within 90 days, and would also give auto dealers a multi-million dollar windfall at the expense of California’s new and used car buyers, in the form of an unjustified increase in the amount car dealers are permitted to tack onto the purchase or lease of a car, from $80 to $95, plus another $2 “transaction fee.”

We at CRLAF support the intent of the bill to provide temporary license tags, in order to make cars more identifiable for law enforcement and other legitimate purposes. However, the bill would also make it easier for various entities to unfairly penalize consumers who have not received their permanent license plates because of circumstances beyond their control, such as: 1) dealers going out of business without submitting registration documents to the Department of Motor Vehicles; 2) dealers who fail to obtain proper title to vehicles prior to sale; 3) first-line service providers who fail to process documents and send permanent license plates to the correct address in a timely fashion; 3) computer errors or other mistakes made by the DMV.

We are also concerned that the bill would make altering a temporary tag a felony offense, punishable by hefty fines and imprisonment. This would be quite disproportionate to the offense, in cases where the consumer is simply trying to avoid being pulled over and ticketed for driving their own car, when they have not received their permanent plates.

The increase in the in the amount dealers are would be allowed to charge as “doc fees” under AB 516, from $80 to $95, is unjustified, and would increase the cost of purchasing a car at the expense of the car-buying public.

For the reasons stated, CRLAF must oppose AB 516 unless it is amended to provide reasonable protections for car buyers from the arbitrary 90-day deadline, when they experience delays through no fault of their own; eliminate the felony penalty; and eliminate the dealer document fee increase. Please feel free to contact me with any questions or comments.

Respectfully submitted,

Noe Paramo
Legislative Advocate