

CITY OF GARDEN GROVE

INTER-DEPARTMENT MEMORANDUM

To: Matthew J. Fertal
From: Thomas F. Nixon
Dept: City Manager
Dept: City Attorney
Subject: STATE IMPOSED CONSTRUCTION SURCHARGE ON PARKING FINES; ADJUSTMENT OF PARKING FINES IN ACCORDANCE WITH STATE SURCHARGE
Date: April 28, 2009

SUMMARY

Pursuant to Senate Bills 425 (2007) and 1407 (2008), the State of California has imposed "Courthouse Construction Surcharges" of \$4.50 per citation on all parking citations.

BACKGROUND/DISCUSSION

SB 425 authorizes additional penalties be levied on fines for criminal offenses, including a State penalty, a county penalty and penalties relating to State court construction in specified amounts. SB 425 imposes a \$1.50 surcharge for court construction from each parking citation paid.

SB 1407 authorizes the issuance of up to \$5 billion in lease revenue bonds for purposes of financing, planning, design, construction, rehabilitation, renovation, replacement and leasing or acquisition of state trial court facilities. The measure also authorizes a variety of increases to penalties and fees as revenue sources for the bonds. The proceeds from these increases and surcharges would be deposited into a new account within the State Court Facilities Construction Fund (SCFCF), the Immediate and Critical Needs Account (ICNA).

Of particular interest to municipalities that impose parking penalties or otherwise process parking violations, SB 1407 amended subdivision (b) of section 70372 of the Government Code to authorize payment to the State of an additional \$3.00 court construction penalty from each parking violation. The additional \$3.00 increases the total surcharge amount to \$4.50 per citation paid. These state penalties are to be taken from the fines and forfeitures prior to any divisions and deposited with the county treasurer on a monthly basis.

For accounting and payment purposes, the State rounds surcharges of \$.50 or greater to the next even dollar amount. Therefore, the \$4.50 surcharge has been rounded up to \$5.00.

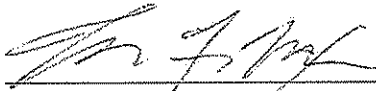
FINANCIAL IMPACT

The proposed action is revenue neutral, offsetting surcharges imposed by the State on parking fines.

RECOMMENDATION

It is recommended that the City Council:

- Conduct a Public Hearing
- Adopt the attached resolution establishing an increase of \$5.00 per violation on all Garden Grove City Code parking violations as a State Pass-Through Fee effective immediately.



Thomas F. Nixon
City Attorney

Approved for Agenda Listing


Matthew Fertal
City Manager

Attachment: Proposed Resolution