# AGENDA ITEM NO. \_\_\_\_.C.

#### CITY OF GARDEN GROVE

#### INTER-DEPARTMENT MEMORANDUM

To:

Matthew J. Fertal

From: Thomas F. Nixon

Dept:

City Manager

Dept: City Attorney

Subject: ADJUSTMENT OF CALIFORNIA VEHICLE

Date: June 23, 2009

CODE PARKING FINES IN ACCORDANCE

WITH STATE CONSTRUCTION SURCHARGE

# **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. Previously, the City Council adjusted the fines for Municipal Code parking violations to account for this state surcharge. Staff now requests that the City Council adjust the fines for all California Vehicle Code parking violations that are set by the City.

## 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.

SURCHARGE ON PARKING FINES June 23, 2009 Page 2

## 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 California Vehicle Code parking violations for which the City establishes the fine amounts as a State Pass-Through Fee effective immediately.

Thomas F. Nixon City Attorney

Attachment: Proposed Resolution

Approved for Agenda Listing

Matthew Ferti

### RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDEN GROVE ADJUSTING THE MONETARY PENALTY FOR VIOLATION OF CALIFORNIA VEHICLE CODE PARKING REGULATIONS FOR WHICH THE CITY ESTABLISHES THE FINE AMOUNTS

WHEREAS, the State legislature, through the enactment of Senate Bills 425 and 1407, has imposed courthouse construction surcharges on all parking citations; and

WHEREAS, the City Council of the City of Garden Grove seeks to revise the monetary penalties for California Vehicle Code parking violations, for which the City establishes the fine amounts, in accordance with such legislation.

NOW, THEREFORE, the City Council of the City of Garden Grove hereby resolves as follows:

That the monetary penalty for all California Vehicle Code parking violations for which the City establishes the fine amount shall be increased by the amount of \$5.00 over the presently existing fines to cover the State-imposed surcharge for courthouse construction.

Adopted this 23<sup>rd</sup> day of June 2009.