

Date of Hearing: July 2, 2024

ASSEMBLY COMMITTEE ON PRIVACY AND CONSUMER PROTECTION

Rebecca Bauer-Kahan, Chair

SB 532 (Wiener) – As Amended June 25, 2024

SENATE VOTE: Not relevant

SUBJECT: Parking payment zones

SYNOPSIS

According to the San Francisco Municipal Transportation Agency (SFMTA), last year San Francisco spent \$26 million purchasing, installing, maintaining, and managing parking meters, which constituted over half of the parking revenue collected during the year.

The purpose of this bill is to provide San Francisco with the opportunity to pilot paid parking zones throughout the city that do not have meters or nearby payment kiosks, thus requiring mobile payments and an alternative method of cash payment. The bill also requires an assessment of the impact on equity, privacy, revenue and costs, and citations issued.

This bill authorizes, but does not require, the City and County of San Francisco to implement a meterless parking payment zone pilot project, provided that the local parking authority also meets the following requirements:

- *Installs signs that clearly state that payment is required and how payments may be made within 100 feet of any space that is part of the meterless parking zone.*
- *Adopts an accessible and equitable parking cash payment plan for the meterless zones that provides a reasonably accessible alternative means for the cash payment of parking fees.*
- *Consults and collaborates with local stakeholder groups, including racial equity, privacy protection, and economic justice groups, to develop the cash payment plan.*

The bill also requires the local parking authority to regularly evaluate the impact of the pilot project and sunsets the pilot as of January 1, 2035.

The Transportation Committee is scheduled to hear this bill one day before this Committee. Should that bill pass with a commitment to take Transportation Committee amendments, due to timing, the amendments will be taken by this Committee. The bill is sponsored by California Mobility and Parking Association and supported by SFMTA, among others. There is no registered opposition.

SUMMARY: Authorizes a local authority in the City and County of San Francisco to require the payment of parking fees by a mobile device until January 1, 2035. Specifically, **this bill:**

- 1) Allows a local authority in the City and County of San Francisco to require parking fee payments through a mobile device if it meets the following requirements:
 - a) Install signs no more than 100 feet from any parking space where payment is required that clearly states the requirement and how payment may be made.

- b) Adopts by ordinance or resolution a cash payment plan that does not use parking meters or payment centers in parking zones.
 - c) The local authority works with relevant stakeholder organizations, including racial equity, privacy protection, and economic justice groups, to develop the cash payment plan.
 - d) The plan must assess the feasibility of potential strategies, including, but not limited to, accepting cash payment for parking from a mailed invoice requested through the mobile payment system.
- 2) Requires the local authority, on or before March 1 of every third year after the plan has been implemented, to submit to its governing body and the transportation committees of the Legislature an evaluation report of the plan's impact on equity, accessibility, and costs.
 - 3) Requires the evaluation to include the effectiveness, impact on privacy, impact on equity, impact on traffic outcomes, cost to implement, change in citations issued, and generation of revenue.
 - 4) Sunsets January 1, 2035.

EXISTING LAW:

- 1) Authorizes local authorities to restrict parking or standing of vehicles on designated streets or highways within their jurisdiction. (Veh. Code §§ 22500 – 22526.)
- 2) Restricts a local authority from establishing parking meter zones or fixing the rate of fees for those zones except by ordinance. (Veh. Code § 22508(a).)
- 3) Allows that a local authority may accept but shall not require payment of parking meter fees by a mobile device. (Veh. Code § 22508(e).)
- 4) Allows a driver to park a vehicle up to the posted time limit in any parking space that is regulated by an inoperable parking meter or an inoperable parking payment center.
 - a) Allows a driver to park a vehicle without time limit in any parking space that does not have a posted time limit and that is regulated by an inoperable parking meter or inoperable parking payment center.
 - b) Allows a local authority to limit parking to four hours for a parking space that does not have a posted time limit and that is regulated by an inoperable parking meter or an inoperable parking payment center, if the local authority posts signs clearly providing notice of the time limitation applicable when that parking meter or parking payment center is inoperable.
 - c) Prohibits a local authority from issuing a citation for nonpayment of parking fees if a parking space is regulated by a parking meter or parking payment center that cannot physically accept payment, notwithstanding the fact that the parking meter or parking payment center may accept payment by other nonphysical means.

- d) Defines an “inoperable parking meter” to mean a meter located next to and designated for an individual parking space that has become inoperable and cannot accept payment in any form or cannot register that a payment in any form has been made.
- e) Defines an “inoperable parking payment center” to mean an electronic parking meter or pay station serving one or more parking spaces that is closest to the space where a person has parked and that cannot accept payment in any form, cannot register that a payment in any form has been made, or cannot issue a receipt that is required to be displayed in a conspicuous location on or in the vehicle. (Veh. Code § 22508.5.)

FISCAL EFFECT: As currently in print, this bill is keyed fiscal.

COMMENTS:

1) **Purpose of this legislation.** According to the San Francisco Municipal Transportation Agency (SFMTA), last year San Francisco spent \$26 million purchasing, installing, maintaining, and managing parking meters, which constituted over half of the parking revenue collected during the year. The agency argues in its letter to this Committee:

This high cost recovery ratio gives local authorities no choice but to use vital funds on parking meters when they could be better used to provide other essential services such as street safety projects or improved transit service. Further, parking meters are often vandalized and consume valuable real estate on our streets that can be utilized in other ways by the community, such as for outdoor dining parklets, vendors, or bicycle parking, or more practically used by pedestrians, especially for people with disabilities who may need more space to get around.

The purpose of this bill is to provide San Francisco with the opportunity to establish a pilot project that allows paid parking zones throughout the city that do not have meters or nearby payment kiosks, thus requiring mobile payments and an alternative method of cash payment. SFMTA will be required to assess the impact on equity, privacy, revenue and costs, and citations issued.

2) **Author’s statement.** According to the author:

SB 532 authorizes - but does not require - local agencies to implement meterless parking payment zones while requiring cities that choose to do so to expand equitable cash payment options. Current law effectively requires cities to spend precious resources purchasing, installing, and maintaining outdated and expensive parking meter equipment for paid parking zones. In some cities, parking meters use up tens of millions of dollars that could otherwise be used to fund essential services like roadway maintenance and transit service. On top of this, meters are often vandalized and block precious sidewalk space. It is past time to allow cities to implement other, more effective ways to collect parking payment while helping them continue maintaining essential services.

3) **What this bill does.** This bill authorizes, but does not require, the City and County of San Francisco to implement a meterless parking payment zone pilot project, provided that the local parking authority also meets the following requirements:

- Installs signs that clearly state that payment is required and how payments may be made within 100 feet of any space that is part of such the meterless parking zone.
- Adopts an accessible and equitable parking cash payment plan for the meterless zones that provides a reasonably accessible alternative means for the cash payment of parking fees.
- Consults and collaborates with local stakeholder groups, including racial equity, privacy protection, and economic justice groups, to develop the cash payment plan.

The bill also requires the local parking authority to regularly evaluate the impact of the pilot project and sunsets the pilot as of January 1, 2035.

4) **Question before this Committee.** The primary consideration for this Committee is whether or not authorizing meterless parking payment zones that require mobile payments poses any additional or unnecessary risk to the driver who will be supplying personal information related to the vehicle they are driving and their credit card or bank account to the SFMTA. Allowing people to pay for parking through the use of credit cards either at meters, kiosks, or through mobile smartphone apps is not new. Therefore, eliminating two types of parking payment options would not result in the agency needing to collect additional personal information, nor would it necessarily result in an increase in the amount of personal information that SFMTA is required to collect to facilitate online and credit card payments. As a result, there do not appear to be any privacy concerns related with authorizing this pilot project.

5) **Transportation Committee amendments.** The Transportation Committee is scheduled to hear this bill one day before this Committee. Should the bill pass with a commitment to take the following Transportation Committee amendments, due to timing, the amendments will be taken by this Committee:

22508.2

(b) A local authority that adopts an accessible and equitable parking cash payment plan pursuant to this section shall, on or before ~~March 1 of every third~~ **January 1 of the fourth** year in which the plan has been implemented, submit to its governing body and the transportation committees of the Legislature, consistent with Section 9795 of the Government Code, an evaluation report of the plan's impact on equity, accessibility, and costs. The report shall evaluate the effectiveness, impact on privacy, impact on equity, impact on traffic outcomes, cost to implement, change in citations issued, and generation of revenue.

(c) A civil violation for parking in a parking payment zone that requires payment by mobile device and lacks a parking meter shall be half of the civil violation for failing to pay for parking in a metered zone. This provision shall not apply to a person who paid for parking but stayed in the spot beyond the period it was permitted.

- (i) The City and County of San Francisco may operate a parking payment zone authorized by this section five years upon the creation of the first mobile device parking payment zone or until January 1, 2033, whichever is sooner.*

(j) This section shall remain in effect Until January 1, 2033 and as of that date is repealed.

ARGUMENTS IN SUPPORT: The sponsors of the bill, the California Mobility & Parking Association, argues in support of this bill:

Current law allows local authorities to permit meterless parking payment, but still effectively requires local authorities to include expensive physical parking meters. Cities thus spend precious resources purchasing, installing, and maintaining outdated and expensive meter equipment if they price parking to manage demand or advance other goals such as mode shift. Further, parking meters are often vandalized and take up valuable sidewalk space.

SB 532 modernizes the way cities may require parking payments and reduces costs for cities as they face rising expenses that put pressure on delivering essential services. SB 532 authorizes – but does not require – local authorities to implement meterless parking payment zones provided that the authority meets various signage and equitable cash payment plan requirements. SB 532 helps local agencies reduce fee collection costs while improving parking payment processes.

The measure has been narrowed to a pilot program and we have taken significant amendments to ensure that residents and tourists in these proposed zones are aware of the process and options available to them for compliance.

REGISTERED SUPPORT / OPPOSITION:

Support

California Mobility and Parking Association (sponsor)
City of San Jose
Open Mobility Foundation
San Francisco Municipal Transportation Agency (SFMTA)
Spur

Opposition

None on file.

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