

Assembly Bill No. 913

Passed the Assembly April 26, 2007

Chief Clerk of the Assembly

Passed the Senate June 28, 2007

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2007, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 34623.5, 34630, 34640, and 34671 of the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 913, Niello. Vehicles: motor carriers: permits.

Existing law requires a motor carrier to pay the Department of Motor Vehicles a \$150 fee for the reissuance of a motor carrier's permit following its suspension or revocation.

This bill would waive that fee requirement, if the suspension or revocation was based on a lapse in liability insurance or workers' compensation insurance, and the evidence of valid insurance coverage demonstrates that a lapse in coverage for the carrier's operation did not occur.

The people of the State of California do enact as follows:

SECTION 1. Section 34623.5 of the Vehicle Code is amended to read:

34623.5. Except as provided under subdivision (c) of Section 34630 and subdivision (d) of Section 34640, before a permit may be reissued after a suspension is terminated, there shall, in addition to any other fees required by this code, be paid to the department a fee of one hundred fifty dollars (\$150).

SEC. 2. Section 34630 of the Vehicle Code is amended to read:

34630. (a) A motor carrier permit shall not be granted to any motor carrier of property until there is filed with the department proof of financial responsibility in the form of a currently effective certificate of insurance, issued by a company licensed to write that insurance in this state or by a nonadmitted insurer subject to Section 1763 of the Insurance Code, if the policy represented by the certificate meets the minimum insurance requirements contained in Section 34631.5. The certificate of insurance or surety bond shall provide coverage with respect to the operation, maintenance, or use of any vehicle for which a permit is required, although the vehicle may not be specifically described in the policy, or a bond of surety issued by a company licensed to write surety

bonds in this state, or written evidence of self-insurance by providing the self-insured number granted by the department on a form approved by the department.

(b) Proof of financial responsibility shall be continued in effect during the active life of the motor carrier permit. The certificate of insurance shall not be cancelable on less than 30 days' written notice from the insurer to the department except in the event of cessation of operations as a permitted motor carrier of property.

(c) Whenever the department determines or is notified that the certificate of insurance or surety bond of a motor carrier of property will lapse or be terminated, the department shall suspend the carrier's permit effective on the date of lapse or termination unless the carrier provides evidence of valid insurance coverage pursuant to subdivision (a).

(1) If the carrier's permit is suspended, the carrier shall pay a reinstatement fee as set forth in Section 34623.5, and prior to conducting on-highway operations, present proof of financial responsibility pursuant to subdivision (a) in order to have the permit reinstated.

(2) If the evidence provided by the carrier of valid insurance coverage pursuant to subdivision (a) demonstrates that a lapse in coverage for the carrier's operation did not occur, the reinstatement fee shall be waived.

SEC. 3. Section 34640 of the Vehicle Code is amended to read:

34640. (a) A motor carrier permit shall not be granted to any motor carrier of property until one of the following is filed with the department:

(1) A certificate of workers' compensation coverage for its employees issued by an admitted insurer.

(2) A certification of consent to self-insure issued by the Director of Industrial Relations, and the identity of the administrator of the carrier's workers' compensation self-insurance plan.

(3) A statement, under penalty of perjury, stating that, in its operations as a motor carrier of property, it does not employ any person in any manner so as to become subject to the workers' compensation laws of this state.

(b) The workers' compensation certified under paragraph (1) of subdivision (a) shall be effective until canceled. The insurer shall provide to the motor carrier of property and to the department

a notice of cancellation not less than 30 days in advance of the effective date.

(c) If, after filing the statement described in paragraph (3) of subdivision (a), the carrier becomes subject to the workers' compensation laws of this state, the carrier shall promptly notify the department that the carrier is withdrawing its statement under paragraph (3) of subdivision (a), and shall simultaneously file the certificate described in either paragraph (1) or (2) of subdivision (a).

(d) Whenever the department determines or is notified that the certificate of workers' compensation insurance or certification to self-insure a motor carrier of property will lapse or be terminated, the department shall suspend the carrier's permit effective on the date of the lapse or termination, unless the motor carrier provides evidence of valid insurance coverage pursuant to subdivision (a).

(1) If the carrier's permit is suspended, the carrier shall pay a reinstatement fee as set forth in Section 34671, and prior to conducting on-highway operations, present proof of valid insurance coverage pursuant to subdivision (a) in order to have the permit reinstated.

(2) If the evidence provided by the carrier of valid insurance coverage pursuant to subdivision (a) demonstrates that a lapse in coverage for the carrier's operation did not occur, the reinstatement fee shall be waived.

SEC. 4. Section 34671 of the Vehicle Code is amended to read:

34671. Except as provided under subdivision (c) of Section 34630 and subdivision (d) of Section 34640, a motor carrier permit suspended or revoked under the provisions of this code shall not be reinstated until a fee of one hundred fifty dollars (\$150) has been paid, and the motor carrier permitholder has met all requirements for the issuance of a permit.

Approved _____, 2007

Governor