

AMENDED IN SENATE SEPTEMBER 3, 2013

AMENDED IN SENATE JUNE 25, 2013

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 529

Introduced by Assembly Member Lowenthal

February 20, 2013

An act to amend, repeal, and add Sections 7235 and 7236 of the Revenue and Taxation Code, and to amend Section 34622 of, ~~to repeal Section 34606 of,~~ and to amend, repeal, and add Sections 34501.12, 34505.5, 34505.6, 34515, 34601, 34623, and 40000.22 of, *and to repeal Section 34606 of*, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 529, as amended, Lowenthal. Vehicles: motor carriers: inspections and fees.

Existing law establishes the Biennial Inspection of Terminals Program (BIT) to ensure the safe operation of certain vehicles by a motor carrier through the inspection of these vehicles at the motor carrier's terminal by the Department of the California Highway Patrol. Existing law defines a motor carrier, for this purpose, as the registered owner of, and in some cases the lessee or person exclusively authorizing and directing the operation of, specified vehicles. Existing law requires, within 30 days of establishing a terminal, a motor carrier to schedule an inspection by submitting to the department an application for a terminal inspection accompanied by the payment of a fee the amount of which is based on the number of vehicles in a terminal or the "terminal fleet size." Existing law requires the department to inspect every terminal at least once every

25 months and defines a terminal as the location or locations designated by the motor carrier where subject vehicles and specific records are available for inspection.

This bill would, commencing January 1, 2016, revise and recast these provisions as the Basic Inspection of Terminals (BIT) Program. The bill would, commencing January 1, 2016, authorize the department to conduct terminal inspections at any time. The bill would require the department, on or before January 1, 2016, to implement a performance-based truck terminal inspection priority system similar to that used by the Federal Motor Carrier Safety Administration that would require the department to place an inspection priority on motor carrier terminals never previously inspected by the department. The bill would require, commencing January 1, 2016, the department to create a database to include specified performance-based data and provide real-time information to the department regarding motor carrier performance, as specified. The bill would, commencing January 1, 2016, provide that the department is not required to inspect a terminal more than once every 6 years, if certain conditions apply, and provides that terminals that receive less than a satisfactory compliance rating would be subject to periodic inspections based on the severity of violations. *The bill would require the Department of the California Highway Patrol, commencing January 30, 2017, and every 5 years thereafter, to report to the Department of Motor Vehicles the amount it expended for truck terminal inspections and roadside safety inspections. The bill would require the Department of Motor Vehicles to compare those expenditures to the amounts collected for carrier inspection fees, as specified, and, commencing July 1, 2017, and every 5 years thereafter, adjust the carrier inspection fee to ensure that the net revenues from the carrier inspection fee are sufficient to cover the Department of California Highway Patrol's reasonable costs for those activities. The bill would express the intent of the Legislature in this regard.*

Existing law provides that it is a misdemeanor for a motor carrier to operate a vehicle without having submitted an inspection application and the required fees to the department, as specified.

This bill would revise those provisions to, commencing January 1, 2016, make it a misdemeanor for a motor carrier to operate any of specified types of vehicles without identifying to the department all terminals in this state where vehicles may be inspected by the department and where vehicle inspection and maintenance records and

driver records will be made available for inspection. The bill would, commencing January 1, 2016, require the lessor of certain vehicles to make vehicles available for inspection upon request of an authorized representative of the department in the course of inspecting the terminal of the lessee. The bill would make a violation of these provisions a misdemeanor. The bill would, commencing January 1, 2016, make it a misdemeanor for a motor carrier to operate or cause to be operated any of specified vehicles unless the motor carrier is knowledgeable of, and in compliance with, all applicable statutes and regulations.

By expanding the provisions of existing law, the violation of which is an offense, this bill would impose a state-mandated local program.

The bill would, commencing January, 2016, require a motor carrier to make vehicles and records available for inspection upon request by the department and to pay a carrier inspection fee, the amount to be based on the size of the motor carrier's fleet. The bill would, commencing January 1, 2016, impose delinquency fees for failure to pay the fee on time. The bill would make other technical and conforming changes to the BIT Program.

This bill would incorporate additional changes to Section 34601 of the Vehicle Code proposed by AB 501 that would become operative if this bill and AB 501 are both enacted and this bill is enacted last.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

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

- 1 SECTION 1. Section 7235 of the Revenue and Taxation Code
- 2 is amended to read:
- 3 7235. (a) The Safety Fee imposed by this chapter shall be paid
- 4 by all motor carriers of property, as defined in Section 34601 of
- 5 the Vehicle Code.
- 6 (b) This section shall remain in effect only until January 1, 2016,
- 7 and as of that date is repealed, unless a later enacted statute, that
- 8 is enacted before January 1, 2016, deletes or extends that date.

1 SEC. 2. Section 7235 is added to the Revenue and Taxation
2 Code, to read:

3 7235. (a) The Safety Fee and Carrier Inspection Fee imposed
4 by this chapter shall be paid by all motor carriers of property, as
5 defined in Section 34601 of the Vehicle Code.

6 (b) This section shall become operative on January 1, 2016.

7 SEC. 3. Section 7236 of the Revenue and Taxation Code is
8 amended to read:

9 7236. (a) Uniform business license tax fee payments collected
10 by the Department of Motor Vehicles pursuant to Section 7232
11 shall be deposited in the State Treasury to the credit of the General
12 Fund. All other funds collected by the Department of Motor
13 Vehicles pursuant to Section 7232 shall be deposited in the State
14 Treasury to the credit of the Motor Vehicle Account in the State
15 Transportation Fund. The following fees shall be paid to the
16 department:

17 (1) For-hire motor carriers of property shall pay, according to
18 the following schedule, fees indicated as the safety fee and uniform
19 business license tax fee, based on the size of their motor vehicle
20 fleet.

21 (2) Private carriers of property with a fleet size of 10 or less
22 motor vehicles shall pay a fee of thirty-five dollars (\$35). Private
23 carriers of property with a fleet size of 11 or more motor vehicles
24 shall pay, according to the following schedule, fees indicated as
25 the safety fee, based on the size of their motor vehicle fleet. Any
26 carrier that does not pay a uniform business license tax fee shall
27 not operate as a for-hire motor carrier.

28 (3) A seasonal permit may be issued to a motor carrier of
29 property upon payment of fees indicated as the safety fee and
30 one-twelfth of the fee indicated as the uniform business license
31 tax fee, rounded to the next dollar, for each month the permit is
32 valid. The original seasonal permit shall be valid for a period of
33 not less than six months, and may be renewed upon payment of a
34 five-dollar (\$5) fee, and one-twelfth of the fee indicated as a
35 uniform business license tax fee for each additional month of
36 operation.

37				
38				Uniform
39	Fleet Size—Commercial			Business
40	Motor Vehicles Fee	Safety Fee	-	License Tax

1	1	-\$60	-	-\$60
2	2-4	-\$75	-	\$125
3	5-10	\$200	-	\$275
4	11-20	\$240	-	\$470
5	21-35	\$325	-	\$650
6	36-50	\$430	-	\$880
7	51-100	\$535	-	\$1,075
8	101-200	\$635	-	\$1,300
9	201-500	\$730	-	\$1,510
10	501-1,000	\$830	-	\$1,715
11	1,001-2,000	\$930	-	\$1,900
12	2,001-over	\$1,030	-	\$2,000

13				
14				<i>Uniform</i>
15	<i>Fleet Size—Commercial</i>			<i>Business</i>
16	<i>Motor Vehicles Fee</i>	<i>Safety Fee</i>		<i>License Tax</i>
17	<i>1</i>	<i>\$60</i>		<i>\$60</i>
18	<i>2-4</i>	<i>75</i>		<i>125</i>
19	<i>5-10</i>	<i>200</i>		<i>275</i>
20	<i>11-20</i>	<i>240</i>		<i>470</i>
21	<i>21-35</i>	<i>325</i>		<i>650</i>
22	<i>36-50</i>	<i>430</i>		<i>880</i>
23	<i>51-100</i>	<i>535</i>		<i>1,075</i>
24	<i>101-200</i>	<i>635</i>		<i>1,300</i>
25	<i>201-500</i>	<i>730</i>		<i>1,510</i>
26	<i>501-1,000</i>	<i>830</i>		<i>1,715</i>
27	<i>1,001-2,000</i>	<i>930</i>		<i>1,900</i>
28	<i>2,001-over</i>	<i>1,030</i>		<i>2,000</i>

29

30 Notwithstanding the above fee schedule, motor carriers of
 31 property with 10 or fewer trucks shall not pay fees higher than
 32 they would have paid under the fee structure in place as of January
 33 1, 1996. Notwithstanding Section 34606 of the Vehicle Code, fees
 34 for these carriers shall not be subject to an increase by the
 35 Department of Motor Vehicles.

36 (b) Funds derived from safety fees shall remain in the Motor
 37 Vehicle Account in the State Transportation Fund and shall be
 38 available for appropriation by the Legislature to cover costs
 39 incurred by the Department of Motor Vehicles and the Department
 40 of the California Highway Patrol in regulating motor carriers of

1 property pursuant to Division 14.85 (commencing with Section
2 34600) of the Vehicle Code.

3 (c) It is the intent of the Legislature that the fee schedule
4 established in subdivision (a) shall not discriminate against small
5 fleet or individual vehicle operators or result in a disproportionate
6 share of those fees being assigned to small fleet or individual
7 vehicle operators.

8 (d) This section shall remain in effect only until January 1, 2016,
9 and as of that date is repealed, unless a later enacted statute, that
10 is enacted before January 1, 2016, deletes or extends that date.

11 SEC. 4. Section 7236 is added to the Revenue and Taxation
12 Code, to read:

13 7236. (a) Uniform business license tax fee payments collected
14 by the Department of Motor Vehicles pursuant to Section 7232
15 shall be deposited in the State Treasury to the credit of the General
16 Fund. All other funds collected by the Department of Motor
17 Vehicles pursuant to Section 7232 shall be deposited in the State
18 Treasury to the credit of the Motor Vehicle Account in the State
19 Transportation Fund. The following fees shall be paid to the
20 department:

21 (1) For-hire motor carriers of property shall pay, according to
22 the schedule in subdivision (c), fees indicated as the safety fee,
23 Carrier Inspection Fee, and uniform business license tax fee, based
24 on the size of their motor vehicle fleet.

25 (2) (A) Private carriers of property with a fleet size of 10 or less
26 motor vehicles shall pay a safety fee of thirty-five dollars (\$35).
27 Private carriers of property with a fleet size of 11 or more motor
28 vehicles shall pay, according to the schedule in subdivision (c),
29 fees indicated as the safety fee, based on the size of their motor
30 vehicle fleet. Any carrier that does not pay a uniform business
31 license tax fee shall not operate as a for-hire motor carrier.

32 (B) Private carriers of property shall pay, according to the
33 schedule of fees in subdivision (c), fees indicated as the carrier
34 inspection fee based on the size of the motor vehicle fleet.

35 (b) "Fleet size" as used in this section, does not include vehicles
36 described in subdivision (e) of Section 34500.

37 (c) (1) A seasonal permit may be issued to a motor carrier of
38 property upon payment of fees indicated as the safety fee and
39 one-twelfth of the fee indicated as the uniform business license
40 tax fee, rounded to the next dollar, for each month the permit is

1 valid. The original seasonal permit shall be valid for a period of
 2 not less than six months, and may be renewed upon payment of a
 3 five-dollar (\$5) fee, and one-twelfth of the fee indicated as a
 4 uniform business license tax fee for each additional month of
 5 operation.

7	Fleet-Size		Uniform	Carrier
8	Commercial	Safety	Business	Inspection
9	Vehicles Fee	Fee	License Tax	Fee
10	†	—\$60	—\$60	—\$130
11	2-4	—\$75	\$125	—\$152
12	5-10	—\$200	\$275	—\$252
13	11-20	—\$240	\$470	—\$573
14	21-35	—\$325	\$650	—\$743
15	36-50	—\$430	\$880	—\$961
16	51-100	—\$535	\$1,075	—\$1,112
17	101-200	—\$635	\$1,300	—\$1,463
18	201-500	—\$730	\$1,510	—\$1,512
19	501-1,000	—\$830	\$1,715	—\$1,600
20	1,001-2,000	—\$930	\$1,900	—\$1,800
21	2,001-over	\$1,030	\$2,000	—\$2,114

23	<i>Fleet—Size</i>		<i>Uniform</i>	<i>Carrier</i>
24	<i>Commercial</i>	<i>Safety</i>	<i>Business</i>	<i>Inspection</i>
25	<i>Vehicles Fee</i>	<i>Fee</i>	<i>License Tax</i>	<i>Fee</i>
26	<i>1</i>	<i>60</i>	<i>\$60</i>	<i>\$130</i>
27	<i>2-4</i>	<i>75</i>	<i>125</i>	<i>152</i>
28	<i>5-10</i>	<i>200</i>	<i>275</i>	<i>252</i>
29	<i>11-20</i>	<i>240</i>	<i>470</i>	<i>573</i>
30	<i>21-35</i>	<i>325</i>	<i>650</i>	<i>743</i>
31	<i>36-50</i>	<i>430</i>	<i>880</i>	<i>961</i>
32	<i>51-100</i>	<i>535</i>	<i>1,075</i>	<i>1,112</i>
33	<i>101-200</i>	<i>635</i>	<i>1,300</i>	<i>1,463</i>
34	<i>201-500</i>	<i>730</i>	<i>1,510</i>	<i>1,512</i>
35	<i>501-1,000</i>	<i>830</i>	<i>1,715</i>	<i>1,600</i>
36	<i>1,001-2,000</i>	<i>930</i>	<i>1,900</i>	<i>1,800</i>
37	<i>2,001-over</i>	<i>1,030</i>	<i>2,000</i>	<i>2,114</i>

38
 39 (2) Notwithstanding the fee schedule in paragraph (1), except
 40 for the carrier inspection fee, motor carriers of property with 10

1 or fewer trucks shall not pay fees higher than they would have
2 paid under the fee schedule applicable as of January 1, 1996.

3 (d) Failure to pay fees required by this section, within the
4 appropriate timeframe, shall result in additional delinquent fees
5 as follows:

6 (1) For a delinquency period of more than 30 days and less than
7 one year, the penalty is 60 percent of the required fee.

8 (2) For a delinquency period of one to two years, the penalty is
9 80 percent of the required fee.

10 (3) For a delinquency period of more than two years, the penalty
11 is 160 percent of the required fee.

12 (e) Funds derived from safety fees, including delinquency fees,
13 shall remain in the Motor Vehicle Account in the State
14 Transportation Fund and shall be available for appropriation by
15 the Legislature to cover costs incurred by the Department of Motor
16 Vehicles and the Department of the California Highway Patrol in
17 regulating and inspecting motor carriers of property pursuant to
18 Division 14.8 (commencing with Section 34500) and Division
19 14.85 (commencing with Section 34600) of the Vehicle Code.

20 (f) All Carrier Inspection Fees, including delinquency fees,
21 collected pursuant to this section shall be deposited in the Motor
22 Vehicle Account in the State Transportation Fund. An amount
23 equal to the Carrier Inspection Fees collected shall be made
24 available for appropriation by the Legislature from the Motor
25 Vehicle Account to the department for the purpose of conducting
26 truck terminal inspections and roadside safety inspections required
27 by Section 34514 of the Vehicle Code.

28 (g) It is the intent of the Legislature that the fee schedule
29 established in subdivision (c) shall not discriminate against small
30 fleet or individual vehicle operators or result in a disproportionate
31 share of those fees being assigned to small fleet or individual
32 vehicle operators. *It is further the intent of the Legislature that the*
33 *amount made available for appropriation pursuant to subdivision*
34 *(f) shall fully defray the costs of the department for the purposes*
35 *of the truck terminal inspections conducted pursuant to Section*
36 *34501.12 of the Vehicle Code and roadside safety inspections*
37 *required by Section 34514 of the Vehicle Code.*

38 (h) *Commencing January 30, 2017, and every five years*
39 *thereafter, the Department of the California Highway Patrol shall*
40 *report to the Department of Motor Vehicles the amount that the*

1 Department of the California Highway Patrol expended in the
2 previous fiscal year to conduct the inspections and otherwise
3 administer the requirements of Section 34501.12 and 34514 of the
4 Vehicle Code. The Department of Motor Vehicles shall compare
5 this amount to the revenue it collected, net of its collection costs,
6 during the same fiscal year from carrier inspection fees received
7 pursuant to this section. Based on this comparison, the Department
8 of Motor Vehicles shall, effective July 1, 2017, and every five years
9 thereafter, adjust the carrier inspection fee specified in subdivision
10 (c) to ensure that the net revenues from the carrier inspection fee
11 are sufficient to cover the Department of the California Highway
12 Patrol's reasonable costs for the activities described in this
13 subdivision.

14 ~~(h)~~

15 (i) This section shall become operative on January 1, 2016.

16 SEC. 5. Section 34501.12 of the Vehicle Code is amended to
17 read:

18 34501.12. (a) Notwithstanding Section 408, as used in this
19 section and Sections 34505.5 and 34505.6, "motor carrier" means
20 the registered owner of a vehicle described in subdivision (a), (b),
21 (e), (f), or (g) of Section 34500, except in the following
22 circumstances:

23 (1) The registered owner leases the vehicle to another person
24 for a term of more than four months. If the lease is for more than
25 four months, the lessee is the motor carrier.

26 (2) The registered owner operates the vehicle exclusively under
27 the authority and direction of another person. If the operation is
28 exclusively under the authority and direction of another person,
29 that other person may assume the responsibilities as the motor
30 carrier. If not so assumed, the registered owner is the motor carrier.
31 A person who assumes the motor carrier responsibilities of another
32 pursuant to subdivision (b) shall provide to that other person whose
33 motor carrier responsibility is so assumed, a completed copy of a
34 departmental form documenting that assumption, stating the period
35 for which responsibility is assumed, and signed by an agent of the
36 assuming person. A legible copy shall be carried in each vehicle
37 or combination of vehicles operated on the highway during the
38 period for which responsibility is assumed. That copy shall be
39 presented upon request by an authorized employee of the
40 department. The original completed departmental form

1 documenting the assumption shall be provided to the department
2 within 30 days of the assumption. If the assumption of
3 responsibility is terminated, the person who had assumed
4 responsibility shall so notify the department in writing within 30
5 days of the termination.

6 (b) (1) A motor carrier may combine two or more terminals
7 that are not subject to an unsatisfactory compliance rating within
8 the last 36 months for purposes of the inspection required by
9 subdivision (d), subject to all of the following conditions:

10 (A) The carrier identifies to the department, in writing, each
11 terminal proposed to be included in the combination of terminals
12 for purposes of this subdivision prior to an inspection of the
13 designated terminal pursuant to subdivision (d).

14 (B) The carrier provides the department, prior to the inspection
15 of the designated terminal pursuant to subdivision (d), a written
16 listing of all its vehicles of a type subject to subdivision (a), (b),
17 (e), (f), or (g) of Section 34500 that are based at each of the
18 terminals combined for purposes of this subdivision. The listing
19 shall specify the number of vehicles of each type at each terminal.

20 (C) The carrier provides to the department at the designated
21 terminal during the inspection all maintenance records and driver
22 records and a representative sample of vehicles based at each of
23 the terminals included within the combination of terminals.

24 (2) If the carrier fails to provide the maintenance records, driver
25 records, and representative sample of vehicles pursuant to
26 subparagraph (C) of paragraph (1), the department shall assign the
27 carrier an unsatisfactory terminal rating and require a reinspection
28 to be conducted pursuant to subdivision (h).

29 (3) For purposes of this subdivision, the following terms have
30 the following meanings:

31 (A) “Driver records” includes pull notice system records, driver
32 proficiency records, and driver timekeeping records.

33 (B) “Maintenance records” includes all required maintenance,
34 lubrication, and repair records and drivers’ daily vehicle condition
35 reports.

36 (C) “Representative sample” means the following, applied
37 separately to the carrier’s fleet of motortrucks and truck tractors
38 and its fleet of trailers:

	Fleet Size	Representative Sample
1		
2		
3	1 or 2	All
4	3 to 8	3
5	9 to 15	4
6	16 to 25	6
7	26 to 50	9
8	51 to 90	14
9	91 or more	20

10
 11 (c) Each motor carrier who, in this state, directs the operation
 12 of, or maintains, a vehicle of a type described in subdivision (a)
 13 shall designate one or more terminals, as defined in Section 34515,
 14 in this state where vehicles can be inspected by the department
 15 pursuant to paragraph (4) of subdivision (a) of Section 34501 and
 16 where vehicle inspection and maintenance records and driver
 17 records will be made available for inspection.

18 (d) (1) The department shall inspect, at least every 25 months,
 19 every terminal, as defined in Section 34515, of a motor carrier
 20 who, at any time, operates a vehicle described in subdivision (a).

21 (2) The department shall place an inspection priority on those
 22 terminals operating vehicles listed in subdivision (g) of Section
 23 34500.

24 (3) As used in this section and in Sections 34505.5 and 34505.6,
 25 subdivision (f) of Section 34500 includes only those combinations
 26 where the gross vehicle weight rating of the towing vehicle exceeds
 27 10,000 pounds, but does not include a pickup truck, and subdivision
 28 (g) of Section 34500 includes only those vehicles transporting
 29 hazardous material for which the display of placards is required
 30 pursuant to Section 27903, a license is required pursuant to Section
 31 32000.5, or for which hazardous waste transporter registration is
 32 required pursuant to Section 25163 of the Health and Safety Code.
 33 Historical vehicles, as described in Section 5004, vehicles that
 34 display special identification plates in accordance with Section
 35 5011, implements of husbandry and farm vehicles, as defined in
 36 Chapter 1 (commencing with Section 36000) of Division 16, and
 37 vehicles owned or operated by an agency of the federal government
 38 are not subject to this section or to Sections 34505.5 and 34505.6.

39 (e) (1) It is the responsibility of the motor carrier to schedule
 40 with the department the inspection required by subdivision (d).

1 The motor carrier shall submit an application form supplied by the
 2 department, accompanied by the required fee contained in
 3 paragraph (2), for each terminal the motor carrier operates. This
 4 fee shall be submitted within 30 days of establishing a terminal.
 5 All fees submitted under paragraph (2) are nonrefundable.

6 (2) (A) The fee for each terminal is set forth in the following
 7 table:

Terminal fleet size	Required fee per terminal
1 †	\$ 270
11 2	\$ 375
12 3 to 8	\$ 510
13 9 to 15	\$ 615
14 16 to 25	\$ 800
15 26 to 50	\$1,040
16 51 to 90	\$1,165
17 91 or more	\$1,870

<i>Terminal fleet size</i>	<i>Required fee per terminal</i>
19 1	\$ 270
21 2	375
22 3 to 8	510
23 9 to 15	615
24 16 to 25	800
25 26 to 50	1,040
26 51 to 90	1,165
27 91 or more	1,870

28
 29 (B) In addition to the fee specified in subparagraph (A), the
 30 motor carrier shall submit an additional fee of three hundred fifty
 31 dollars (\$350) for each of its terminals not previously inspected
 32 under the section.

33 (3) Except as provided in paragraph (5), the inspection term for
 34 each inspected terminal of a motor carrier shall expire 25 months
 35 from the date the terminal receives a satisfactory compliance rating,
 36 as specified in subdivision (h). Applications and fees for subsequent
 37 inspections shall be submitted not earlier than nine months and
 38 not later than seven months before the expiration of the motor
 39 carrier's then current inspection term. If the motor carrier has
 40 submitted the inspection application and the required

1 accompanying fees, but the department is unable to complete the
2 inspection within the 25-month inspection period, then no
3 additional fee shall be required for the inspection requested in the
4 original application.

5 (4) All fees collected pursuant to this subdivision, including
6 delinquency fees, shall be deposited in the Motor Vehicle Account
7 in the State Transportation Fund. An amount equal to the fees
8 collected shall be available for appropriation by the Legislature
9 from the Motor Vehicle Account to the department for the purpose
10 of conducting truck terminal inspections and for the additional
11 roadside safety inspections required by Section 34514.

12 (5) To avoid the scheduling of a renewal terminal inspection
13 pursuant to this section during a carrier's seasonal peak business
14 periods, the current inspection term of a terminal that has paid all
15 required fees and has been rated satisfactory in its last inspection
16 may be reduced by not more than nine months if a written request
17 is submitted by the carrier to the department at least four months
18 prior to the desired inspection month, or at the time of payment of
19 renewal inspection fees in compliance with paragraph (3),
20 whichever date is earlier. A motor carrier may request this
21 adjustment of the inspection term during any inspection cycle. A
22 request made pursuant to this paragraph shall not result in a fee
23 proration and does not relieve the carrier from the requirements
24 of paragraph (3).

25 (6) Failure to pay a fee required by this section, within the
26 appropriate timeframe, shall result in additional delinquent fees
27 as follows:

28 (A) For a delinquency period of more than 30 days and less than
29 one year, the penalty is 60 percent of the required fee.

30 (B) For a delinquency period of one to two years, the penalty
31 is 80 percent of the required fee.

32 (C) For a delinquency period of more than two years, the penalty
33 is 160 percent of the required fee.

34 (7) Federal, state, and local public entities are exempt from the
35 fee requirement of this section.

36 (f) It is unlawful for a motor carrier to operate a vehicle subject
37 to this section without having submitted an inspection application
38 and the required fees to the department as required by subdivision
39 (e) or (h).

1 (g) (1) It is unlawful for a motor carrier to operate a vehicle
2 subject to this section after submitting an inspection application
3 to the department, without the inspection described in subdivision
4 (d) having been performed and a safety compliance report having
5 been issued to the motor carrier within the 25-month inspection
6 period or within 60 days immediately preceding the inspection
7 period.

8 (2) It is unlawful for a motor carrier to contract or subcontract
9 with, or otherwise engage the services of, another motor carrier,
10 subject to this section, unless the contracted motor carrier has
11 complied with this section. A motor carrier shall not contract or
12 subcontract with, or otherwise engage the services of, another
13 motor carrier until the contracted motor carrier provides
14 certification of compliance with this section. This certification
15 shall be completed in writing by the contracted motor carrier. The
16 certification, or a copy thereof, shall be maintained by each
17 involved party for the duration of the contract or the period of
18 service plus two years, and shall be presented for inspection
19 immediately upon the request of an authorized employee of the
20 department.

21 (h) (1) An inspected terminal that receives an unsatisfactory
22 compliance rating shall be reinspected within 120 days after the
23 issuance of the unsatisfactory compliance rating.

24 (2) A terminal's first required reinspection under this subdivision
25 shall be without charge unless one or more of the following is
26 established:

27 (A) The motor carrier's operation presented an imminent danger
28 to public safety.

29 (B) The motor carrier was not in compliance with the
30 requirement to enroll all drivers in the pull notice program pursuant
31 to Section 1808.1.

32 (C) The motor carrier failed to provide all required records and
33 vehicles for a consolidated inspection pursuant to subdivision (b).

34 (3) If the unsatisfactory rating was assigned for any of the
35 reasons set forth in paragraph (2), the carrier shall submit the
36 required fee as provided in paragraph (4).

37 (4) Applications for reinspection pursuant to paragraph (3) or
38 for second and subsequent consecutive reinspections under this
39 subdivision shall be accompanied by the fee specified in paragraph
40 (2) of subdivision (e) and shall be filed within 60 days of issuance

1 of the unsatisfactory compliance rating. The reinspection fee is
2 nonrefundable.

3 (5) When a motor carrier's Motor Carrier of Property Permit or
4 Public Utilities Commission operating authority is suspended as
5 a result of an unsatisfactory compliance rating, the department
6 shall not conduct a reinspection for permit or authority
7 reinstatement until requested to do so by the Department of Motor
8 Vehicles or the Public Utilities Commission, as appropriate.

9 (i) It is the intent of the Legislature that the department make
10 its best efforts to inspect terminals within the resources provided.
11 In the interest of the state, the Commissioner of the California
12 Highway Patrol may extend for a period, not to exceed six months,
13 the inspection terms beginning prior to July 1, 1990.

14 (j) Except as provided in paragraph (5), to encourage motor
15 carriers to attain continuous satisfactory compliance ratings, the
16 department may establish and implement an incentive program
17 consisting of the following:

18 (1) After the second consecutive satisfactory compliance rating
19 assigned to a motor carrier terminal as a result of an inspection
20 conducted pursuant to subdivision (d), and after each consecutive
21 satisfactory compliance rating thereafter, an appropriate certificate,
22 denoting the number of consecutive satisfactory ratings, shall be
23 awarded to the terminal, unless the terminal has received an
24 unsatisfactory compliance rating as a result of an inspection
25 conducted in the interim between the consecutive inspections
26 conducted under subdivision (d), or the motor carrier is rated
27 unsatisfactory by the department following a controlled substances
28 and alcohol testing program inspection. The certificate authorized
29 under this paragraph shall not be awarded for performance in the
30 administrative review authorized under paragraph (2). However,
31 the certificate shall include a reference to any administrative
32 reviews conducted during the period of consecutive satisfactory
33 compliance ratings.

34 (2) Unless the department's evaluation of the motor carrier's
35 safety record indicates a declining level of compliance, a terminal
36 that has attained two consecutive satisfactory compliance ratings
37 assigned following inspections conducted pursuant to subdivision
38 (d) is eligible for an administrative review in lieu of the next
39 required inspection, unless the terminal has received an
40 unsatisfactory compliance rating as a result of an inspection

1 conducted in the interim between the consecutive inspections
2 conducted under subdivision (d). An administrative review shall
3 consist of all of the following:

4 (A) A signed request by a terminal management representative
5 requesting the administrative review in lieu of the required
6 inspection containing a promise to continue to maintain a
7 satisfactory level of compliance for the next 25-month inspection
8 term.

9 (B) A review with a terminal management representative of the
10 carrier's record as contained in the department's files. If a terminal
11 has been authorized a second consecutive administrative review,
12 the review required under this subparagraph is optional, and may
13 be omitted at the carrier's request.

14 (C) Absent any cogent reasons to the contrary, upon completion
15 of the requirements of subparagraphs (A) and (B), the safety
16 compliance rating assigned during the last required inspection shall
17 be extended for 25 months.

18 (3) Not more than two administrative reviews may be conducted
19 consecutively. At the completion of the 25-month inspection term
20 following a second administrative review, a terminal inspection
21 shall be conducted pursuant to subdivision (d). If this inspection
22 results in a satisfactory compliance rating, the terminal shall again
23 be eligible for an administrative review in lieu of the next required
24 inspection. If the succession of satisfactory ratings is interrupted
25 by a rating of other than satisfactory, irrespective of the reason for
26 the inspection, the terminal shall again attain two consecutive
27 satisfactory ratings to become eligible for an administrative review.

28 (4) As a condition for receiving the administrative reviews
29 authorized under this subdivision in lieu of inspections, and in
30 order to ensure that compliance levels remain satisfactory, the
31 motor carrier shall agree to accept random, unannounced
32 inspections by the department.

33 (5) Notwithstanding paragraphs (1) to (4), inclusive, a motor
34 carrier of hazardous materials shall not be granted administrative
35 review pursuant to this subdivision in lieu of a terminal inspection
36 pursuant to subdivision (d) at any terminal from which hazardous
37 materials carrying vehicles identified by paragraph (3) of
38 subdivision (d) are operated.

39 (k) This section shall be known and may be cited as the Biennial
40 Inspection of Terminals Program or BIT.

1 (l) The department shall, on or before January 1, 2016, adopt
2 regulations establishing a performance-based truck terminal
3 inspection priority selection system.

4 (m) This section shall remain in effect only until January 1,
5 2016, and as of that date is repealed, unless a later enacted statute,
6 that is enacted before January 1, 2016, deletes or extends that date.

7 SEC. 6. Section 34501.12 is added to the Vehicle Code, to
8 read:

9 34501.12. (a) Vehicles and the operation thereof, subject to
10 this section, are those described in subdivision (a), (b), (e), (f), (g),
11 (j), or (k) of Section 34500.

12 (b) It is unlawful for a motor carrier to operate any vehicle of
13 a type described in subdivision (a) without identifying to the
14 department all terminals, as defined in Section 34515, in this state
15 where vehicles may be inspected by the department pursuant to
16 paragraph (4) of subdivision (a) of Section 34501 and where
17 vehicle inspection and maintenance records and driver records will
18 be made available for inspection. Motor carriers shall make
19 vehicles and records available for inspection upon request by an
20 authorized representative of the department. If a motor carrier fails
21 to provide vehicles and records, an unsatisfactory terminal rating
22 shall be issued by the department.

23 (1) The number of vehicles that will be selected for inspection
24 by the department at a terminal shall be based on terminal fleet
25 size and applied separately to a terminal fleet of power units and
26 trailers, according to the following schedule:

	Fleet Size	Representative Sample
27		
28		
29	1 or 2	All
30	3 to 8	3
31	9 to 15	4
32	16 to 25	6
33	26 to 50	9
34	51 to 90	14
35	91 or more	20
36		
37		

38 (2) The lessor of any vehicle described in subdivision (a) shall
39 make vehicles available for inspection upon request of an
40 authorized representative of the department in the course of

1 inspecting the terminal of the lessee. This section does not affect
2 whether the lessor or driver provided by the lessor is an employee
3 of the authorized carrier lessee, and compliance with this section
4 and its attendant administrative requirements does not imply an
5 employee-employer relationship.

6 (c) (1) The department may inspect any terminal, as defined in
7 Section 34515, of a motor carrier who, at any time, operates any
8 vehicle described in subdivision (a).

9 (2) The department shall adopt rules and regulations establishing
10 a performance-based truck terminal inspection selection priority
11 system. In adopting the system's rules and regulations, the
12 department shall incorporate methodologies consistent with those
13 used by the Federal Motor Carrier Safety Administration, including
14 those related to the quantitative analysis of safety-related motor
15 carrier performance data, collected during the course of inspection
16 or enforcement contact by authorized representatives of the
17 department or any authorized federal, state, or local safety official,
18 in categories, including, but not limited to, driver fatigue, driver
19 fitness, vehicle maintenance, and controlled substances and alcohol
20 use. The department shall also incorporate other safety-related
21 motor carrier performance data in this system, including citations
22 and accident information. The department shall create a database
23 to include all performance-based data specified in this section that
24 shall be updated in a manner to provide real-time information to
25 the department on motor carrier performance. The department
26 shall prioritize for selection those motor carrier terminals never
27 previously inspected by the department, those identified by the
28 inspection priority selection system, and those terminals operating
29 vehicles listed in subdivision (g) of Section 34500. The department
30 is not required to inspect a terminal subject to inspection pursuant
31 to this section more often than once every six years, if a terminal
32 receives a satisfactory compliance rating as the result of a terminal
33 inspection conducted by the department pursuant to this section
34 or Section 34501, or if the department has not received notification
35 by the system of a motor carrier operating while exceeding the
36 threshold of the inspection selection priority system. Any motor
37 carrier that is inspected and receives less than a satisfactory
38 compliance rating, or that falls below the threshold of the selection
39 priority system, shall be subject to periodic inquiries and

1 inspections as outlined in subdivision (f), and these inquiries and
2 inspections shall be based on the severity of the violations.

3 (3) As used in this section and Section 34505.6, subdivision (f)
4 of Section 34500 includes only those combinations where the gross
5 vehicle weight rating of the towing vehicle exceeds 10,000 pounds,
6 but does not include a pickup truck or any combination never
7 operated in commercial use, and subdivision (g) of Section 34500
8 includes only those vehicles transporting hazardous material for
9 which the display of placards is required pursuant to Section 27903,
10 a license is required pursuant to Section 32000.5, or for which
11 hazardous waste transporter registration is required pursuant to
12 Section 25163 of the Health and Safety Code. Notwithstanding
13 Section 5014.1, vehicles that display special identification plates
14 in accordance with Section 5011, historical vehicles, as described
15 in Section 5004, implements of husbandry and farm vehicles, as
16 defined in Chapter 1 (commencing with Section 36000) of Division
17 16, and vehicles owned or operated by an agency of the federal
18 government are not subject to this section or Section 34505.6.

19 (d) It is unlawful for a motor carrier to operate, or cause to be
20 operated, any vehicle which is subject to this section, Section
21 34520, or Division 14.85 (commencing with Section 34600), unless
22 the motor carrier is knowledgeable of, and in compliance with, all
23 applicable statutes and regulations.

24 (e) It is unlawful for a motor carrier to contract or subcontract
25 with, or otherwise engage the services of, another motor carrier,
26 subject to this section, unless the contracted motor carrier has
27 complied with subdivision (d). A motor carrier shall not contract
28 or subcontract with, or otherwise engage the services of, another
29 motor carrier until the contracted motor carrier provides
30 certification of compliance with subdivision (d). This certification
31 shall be completed in writing by the contracted motor carrier in a
32 manner prescribed by the department. The certification, or a copy
33 of the certification, shall be maintained by each involved party for
34 the duration of the contract or the period of service plus two years,
35 and shall be presented for inspection immediately upon the request
36 of an authorized employee of the department. The certifications
37 required by this subdivision and subdivision (b) of 34620 may be
38 combined.

1 (f) (1) An inspected terminal that receives an unsatisfactory
2 compliance rating shall be reinspected by the department within
3 120 days after the issuance of the unsatisfactory compliance rating.

4 (2) When a motor carrier’s Motor Carrier of Property Permit or
5 Public Utilities Commission operating authority is suspended as
6 a result of an unsatisfactory compliance rating, the department
7 shall not conduct a reinspection for permit or authority
8 reinstatement until requested to do so by the Department of Motor
9 Vehicles or the Public Utilities Commission, as appropriate.

10 (g) A motor carrier issued an unsatisfactory terminal rating may
11 request a review of the rating within five business days of receipt
12 of the notification of the rating. The department shall conduct and
13 evaluate the review within 10 business days of the request.

14 (h) The department shall publish performance-based inspection
15 completion data and make the data available for public review.

16 (i) This section shall be known, and may be cited, as the Basic
17 Inspection of Terminals program or BIT program.

18 (j) This section shall become operative on January 1, 2016.

19 SEC. 7. Section 34505.5 of the Vehicle Code is amended to
20 read:

21 34505.5. (a) Every motor carrier operating any vehicle
22 described in subdivision (a), (b), (e), (f), or (g) of Section 34500,
23 except those vehicles exempted under Section 34501.12, shall, as
24 a part of the systematic inspection, maintenance, and lubrication
25 services required of all motor carriers, require the vehicle or
26 vehicles for which it is responsible pursuant to Section 34501.12
27 to be inspected at least every 90 days, or more often if necessary
28 to ensure safe operation. Vehicles which are out of service for
29 periods greater than 90 calendar days are not required to be
30 inspected at 90-day intervals if they are inspected before operation
31 on the highway. This inspection shall include, but not be limited
32 to, all of the following:

- 33 (1) Brake adjustment.
- 34 (2) Brake system components and leaks.
- 35 (3) Steering and suspension systems.
- 36 (4) Tires and wheels.
- 37 (5) Vehicle connecting devices.

38 (b) No vehicle subject to this section shall be operated on the
39 highway other than to a place of repair until all defects listed during
40 the inspection conducted pursuant to subdivision (a) have been

1 corrected and attested to by the signature of the motor carrier's
2 authorized representative.

3 (c) Records of inspections conducted pursuant to subdivision
4 (a) shall be kept at the motor carrier's terminals, as designated in
5 accordance with Section 34501.12. The records shall be retained
6 by the motor carrier for two years, and shall be made available for
7 inspection upon request by any authorized employee of the
8 department. Each record shall include, but not be limited to, all of
9 the following:

10 (1) Identification of the vehicle, including make, model, license
11 number, company vehicle number, or other means of positive
12 identification.

13 (2) Date and nature of each inspection and any repair performed.

14 (3) Signature of the motor carrier's authorized representative
15 attesting to the inspection and to the completion of all required
16 repairs.

17 (d) Printouts of inspection and maintenance records maintained
18 in computer systems shall be accepted in lieu of signed inspection
19 or repair records if the printouts include the information required
20 in paragraphs (1) and (2) of subdivision (c).

21 (e) Notwithstanding subdivisions (a) to (d), inclusive, records
22 of 90-day inspections need not be retained in California for
23 interstate vehicles which are not physically based in California.
24 However, when these vehicles are present in California, they are
25 subject to inspection by the department. If the inspection results
26 indicate maintenance program deficiencies, the department may
27 require the motor carrier to produce the maintenance records or
28 copies of those records for inspection within 10 working days.

29 (f) This section shall remain in effect only until January 1, 2016,
30 and as of that date is repealed, unless a later enacted statute, that
31 is enacted before January 1, 2016, deletes or extends that date.

32 SEC. 8. Section 34505.5 is added to the Vehicle Code, to read:

33 34505.5. (a) Every motor carrier operating any vehicle
34 described in subdivision (a), (b), (e), (f), (g), (j), or (k) of Section
35 34500, except those vehicles exempted under Section 34501.12,
36 shall, as a part of the systematic inspection, maintenance, and
37 lubrication services required of all motor carriers, require the
38 vehicle or vehicles for which it is responsible pursuant to Section
39 34501.12 to be inspected at least every 90 days, or more often if
40 necessary to ensure safe operation. Vehicles which are out of

1 service for periods greater than 90 calendar days are not required
2 to be inspected at 90-day intervals if they are inspected before
3 operation on the highway. This inspection shall include, but not
4 be limited to, all of the following:

- 5 (1) Brake adjustment.
- 6 (2) Brake system components and leaks.
- 7 (3) Steering and suspension systems.
- 8 (4) Tires and wheels.
- 9 (5) Vehicle connecting devices.

10 (b) No vehicle subject to this section shall be operated on the
11 highway other than to a place of repair until all defects listed during
12 the inspection conducted pursuant to subdivision (a) have been
13 corrected and attested to by the signature of the motor carrier's
14 authorized representative.

15 (c) Records of inspections conducted pursuant to subdivision
16 (a) shall be kept at the motor carrier's terminals, as designated in
17 accordance with Section 34501.12. The records shall be retained
18 by the motor carrier for two years, and shall be made available for
19 inspection upon request by any authorized employee of the
20 department. Each record shall include, but not be limited to, all of
21 the following:

- 22 (1) Identification of the vehicle, including make, model, license
23 number, company vehicle number, or other means of positive
24 identification.
- 25 (2) Date and nature of each inspection and any repair performed.
- 26 (3) Signature of the motor carrier's authorized representative
27 attesting to the inspection and to the completion of all required
28 repairs.

29 (d) Printouts of inspection and maintenance records maintained
30 in computer systems shall be accepted in lieu of signed inspection
31 or repair records if the printouts include the information required
32 in paragraphs (1) and (2) of subdivision (c).

33 (e) Notwithstanding subdivisions (a) to (d), inclusive, records
34 of 90-day inspections need not be retained in California for
35 interstate vehicles which are not physically based in California.
36 However, when these vehicles are present in California, they are
37 subject to inspection by the department. If the inspection results
38 indicate maintenance program deficiencies, the department may
39 require the motor carrier to produce the maintenance records or
40 copies of those records for inspection within 10 working days.

1 (f) This section shall become operative on January 1, 2016.

2 SEC. 9. Section 34505.6 of the Vehicle Code is amended to
3 read:

4 34505.6. (a) Upon determining that a motor carrier of property
5 who is operating any vehicle described in subdivision (a), (b), (e),
6 (f), (g), or (k) of Section 34500, or any motortruck of two or more
7 axles that is more than 10,000 pounds gross vehicle weight rating,
8 on a public highway, has done any of the following, the department
9 shall recommend that the Department of Motor Vehicles suspend
10 or revoke the carrier's motor carrier permit, or for interstate
11 operators, the department shall recommend to the Federal Motor
12 Carrier Safety Administration that appropriate administrative action
13 be taken against the carrier:

14 (1) Failed to maintain any vehicle of a type described above in
15 a safe operating condition or to comply with the Vehicle Code or
16 with applicable regulations contained in Title 13 of the California
17 Code of Regulations, and, in the department's opinion, that failure
18 presents an imminent danger to public safety or constitutes a
19 consistent failure so as to justify a suspension or revocation of the
20 motor carrier's motor carrier permit.

21 (2) Failed to enroll all drivers in the pull-notice system as
22 required by Section 1808.1.

23 (3) Failed to submit any application or pay any fee required by
24 subdivision (e) or (h) of Section 34501.12 within the timeframes
25 set forth in that section.

26 (b) Upon determining that a household goods carrier, or a
27 household goods carrier transporting used office, store, or
28 institution furniture and fixtures under its household goods carrier
29 permit issued under Section 5137 of the Public Utilities Code,
30 operating any vehicle described in subdivision (a), (b), (e), (f), (g),
31 or (k) of Section 34500 on a public highway has done any of the
32 following, the department shall recommend that the Public Utilities
33 Commission deny, suspend, or revoke the carrier's operating
34 authority, or for interstate operators, the department shall
35 recommend to the Federal Motor Carrier Safety Administration
36 that appropriate administrative action be taken against the carrier:

37 (1) Failed to maintain any vehicle used in transportation for
38 compensation in a safe operating condition or to comply with the
39 Vehicle Code or with applicable regulations contained in Title 13
40 of the California Code of Regulations, and, in the department's

1 opinion, that failure presents an imminent danger to public safety
2 or constitutes a consistent failure so as to justify a suspension,
3 revocation, or denial of the motor carrier's operating authority.

4 (2) Failed to enroll all drivers in the pull-notice system as
5 required by Section 1808.1.

6 (3) Failed to submit any application or pay any fee required by
7 subdivision (e) or (h) of Section 34501.12 within the timeframes
8 set forth in that section.

9 (c) For purposes of this section, two consecutive unsatisfactory
10 compliance ratings for an inspected terminal assigned because the
11 motor carrier failed to comply with the periodic report requirements
12 of Section 1808.1 or the cancellation of the carrier's enrollment
13 by the Department of Motor Vehicles for the nonpayment of
14 required fees is a consistent failure. The department shall retain a
15 record, by operator, of every recommendation made pursuant to
16 this section.

17 (d) Before transmitting a recommendation pursuant to
18 subdivision (a), the department shall notify the carrier in writing
19 of all of the following:

20 (1) That the department has determined that the carrier's safety
21 record or compliance with Section 1808.1 or subdivision (e) or (h)
22 of Section 34501.12 is unsatisfactory, furnishing a copy of any
23 documentation or summary of any other evidence supporting the
24 determination.

25 (2) That the determination may result in a suspension,
26 revocation, or denial of the carrier's motor carrier permit by the
27 Department of Motor Vehicles, suspension, revocation, of the
28 motor carrier's operating authority by the California Public Utilities
29 Commission, or administrative action by the Federal Motor Carrier
30 Safety Administration.

31 (3) That the carrier may request a review of the determination
32 by the department within five days of its receipt of the notice
33 required under this subdivision. If a review pursuant to this
34 paragraph is requested by the carrier, the department shall conduct
35 and evaluate that review prior to transmitting any notification
36 pursuant to subdivision (a) or (b).

37 (e) Upon receipt of a written recommendation from the
38 department that a motor carrier permit or operating authority be
39 suspended, revoked, or denied, the Department of Motor Vehicles
40 or Public Utilities Commission, as appropriate, shall, pending a

1 hearing in the matter pursuant to Section 34623 or appropriate
2 Public Utilities Commission authority, suspend the motor carrier
3 permit or operating authority. The written recommendation shall
4 specifically indicate compliance with subdivision (d).

5 (f) This section shall remain in effect only until January 1, 2016,
6 and as of that date is repealed, unless a later enacted statute, that
7 is enacted before January 1, 2016, deletes or extends that date.

8 SEC. 10. Section 34505.6 is added to the Vehicle Code, to
9 read:

10 34505.6. (a) Upon determining that a motor carrier of property
11 who is operating any vehicle described in subdivision (a), (b), (e),
12 (f), (g), (j), or (k) of Section 34500, or any motortruck of two or
13 more axles that is more than 10,000 pounds gross vehicle weight
14 rating, on a public highway, has done either of the following, the
15 department shall recommend that the Department of Motor
16 Vehicles suspend or revoke the carrier's motor carrier permit, or,
17 for interstate operators, the department shall recommend to the
18 Federal Motor Carrier Safety Administration that appropriate
19 administrative action be taken against the carrier:

20 (1) Failed to maintain any vehicle of a type described above in
21 a safe operating condition or to comply with the Vehicle Code or
22 with applicable regulations contained in Title 13 of the California
23 Code of Regulations, and, in the department's opinion, that failure
24 presents an imminent danger to public safety or constitutes a
25 consistent failure so as to justify a suspension or revocation of the
26 motor carrier's motor carrier permit.

27 (2) Failed to enroll all drivers in the pull-notice system as
28 required by Section 1808.1.

29 (b) Upon determining that a household goods carrier, or a
30 household goods carrier transporting used office, store, or
31 institution furniture and fixtures under its household goods carrier
32 permit issued under Section 5137 of the Public Utilities Code,
33 operating any vehicle described in subdivision (a), (b), (e), (f), (g),
34 (j), or (k) of Section 34500 on a public highway, has done either
35 of the following, the department shall recommend that the Public
36 Utilities Commission deny, suspend, or revoke the carrier's
37 operating authority, or, for interstate operators, the department
38 shall recommend to the Federal Motor Carrier Safety
39 Administration that appropriate administrative action be taken
40 against the carrier:

1 (1) Failed to maintain any vehicle used in transportation for
2 compensation in a safe operating condition or to comply with the
3 Vehicle Code or with applicable regulations contained in Title 13
4 of the California Code of Regulations, and, in the department's
5 opinion, that failure presents an imminent danger to public safety
6 or constitutes a consistent failure so as to justify a suspension,
7 revocation, or denial of the motor carrier's operating authority.

8 (2) Failed to enroll all drivers in the pull-notice system as
9 required by Section 1808.1.

10 (c) For purposes of this section, two consecutive unsatisfactory
11 compliance ratings for an inspected terminal assigned because the
12 motor carrier failed to comply with the periodic report requirements
13 of Section 1808.1 or the cancellation of the carrier's enrollment
14 by the Department of Motor Vehicles for the nonpayment of
15 required fees is a consistent failure. The department shall retain a
16 record, by operator, of every recommendation made pursuant to
17 this section.

18 (d) Before transmitting a recommendation pursuant to
19 subdivision (a), the department shall notify the carrier in writing
20 of all of the following:

21 (1) That the department has determined that the carrier's safety
22 record or compliance with Section 1808.1 is unsatisfactory,
23 furnishing a copy of any documentation or summary of any other
24 evidence supporting the determination.

25 (2) That the determination may result in a suspension,
26 revocation, or denial of the carrier's motor carrier permit by the
27 Department of Motor Vehicles, suspension, revocation, of the
28 motor carrier's operating authority by the California Public Utilities
29 Commission, or administrative action by the Federal Motor Carrier
30 Safety Administration.

31 (3) That the carrier may request a review of the determination
32 by the department within five days of its receipt of the notice
33 required under this subdivision. If a review pursuant to this
34 paragraph is requested by the carrier, the department shall conduct
35 and evaluate that review prior to transmitting any notification
36 pursuant to subdivision (a) or (b).

37 (e) Upon receipt of a written recommendation from the
38 department that a motor carrier permit or operating authority be
39 suspended, revoked, or denied, the Department of Motor Vehicles
40 or Public Utilities Commission, as appropriate, shall, pending a

1 hearing in the matter pursuant to Section 34623 or appropriate
2 Public Utilities Commission authority, suspend the motor carrier
3 permit or operating authority. The written recommendation shall
4 specifically indicate compliance with subdivision (d).

5 (f) This section shall become operative on January 1, 2016.

6 SEC. 11. Section 34515 of the Vehicle Code is amended to
7 read:

8 34515. (a) As used in this division and in regulations adopted
9 pursuant to this division, “maintenance facility or terminal” means
10 any place or places where a vehicle of a type listed in Section
11 34500 is regularly garaged or maintained, or from which it is
12 operated or dispatched. “Maintenance facility or terminal” may
13 include a private business or residence.

14 (b) For the purpose of the inspections required by Section
15 34501.12, “terminal” means the location or locations in this state
16 that are designated by a motor carrier, where subject vehicles may
17 be inspected by the department pursuant to paragraph (4) of
18 subdivision (a) of Section 34501, and where vehicle maintenance
19 and inspection records and drivers’ records will be made available
20 for inspection.

21 (c) This section shall remain in effect only until January 1, 2016,
22 and as of that date is repealed, unless a later enacted statute, that
23 is enacted before January 1, 2016, deletes or extends that date.

24 SEC. 12. Section 34515 is added to the Vehicle Code, to read:

25 34515. (a) As used in this division and in regulations adopted
26 pursuant to this division, “maintenance facility or terminal” means
27 any place or places where a vehicle of a type listed in Section
28 34500 is regularly garaged or maintained, or from which it is
29 operated or dispatched. “Maintenance facility or terminal” includes
30 a private business or residence.

31 (b) For the purpose of the inspections conducted pursuant to
32 Section 34501.12, “terminal” means the location or locations in
33 this state that are designated by a motor carrier, where subject
34 vehicles may be inspected by the department and where vehicle
35 maintenance and inspection records and drivers’ records will be
36 made available for inspection.

37 (c) This section shall become operative on January 1, 2016.

38 SEC. 13. Section 34601 of the Vehicle Code is amended to
39 read:

1 34601. (a) As used in this division, “motor carrier of property”
2 means any person who operates any commercial motor vehicle as
3 defined in subdivision (c). “Motor carrier of property” does not
4 include a household goods carrier, as defined in Section 5109 of
5 the Public Utilities Code, a household goods carrier transporting
6 used office, store, and institution furniture and fixtures under its
7 household goods carrier permit pursuant to Section 5137 of the
8 Public Utilities Code, persons providing only transportation of
9 passengers, or a passenger stage corporation transporting baggage
10 and express upon a passenger vehicle incidental to the
11 transportation of passengers.

12 (b) As used in this division, “for-hire motor carrier of property”
13 means a motor carrier of property as defined in subdivision (a)
14 who transports property for compensation.

15 (c) (1) As used in this division, except as provided in paragraph
16 (2), a “commercial motor vehicle” means any self-propelled vehicle
17 listed in subdivisions (a), (b), (f), (g), and (k) of Section 34500,
18 any motor truck of two or more axles that is more than 10,000
19 pounds gross vehicle weight rating, and any other motor vehicle
20 used to transport property for compensation.

21 (2) As used in this division, “commercial motor vehicle” does
22 not include any of the following:

23 (A) Vehicles identified in subdivision (f) of Section 34500, if
24 the gross vehicle weight rating of the towing vehicle is 10,000
25 pounds or less.

26 (B) Vehicles identified in subdivision (g) of Section 34500, if
27 the hazardous material transportation does not require the display
28 of placards under Section 27903, a license under Section 32000.5,
29 or a hazardous waste transporter registration under Section 25163
30 of the Health and Safety Code, and the vehicle is not operated in
31 commercial use.

32 (C) Vehicles operated by a household goods carrier, as defined
33 in Section 5109 of the Public Utilities Code, under the household
34 goods carrier permit pursuant to Section 5137 of that code.

35 (D) Vehicles operated by a household goods carrier to transport
36 used office, store, and institution furniture and fixtures under its
37 household goods carrier permit pursuant to Section 5137 of the
38 Public Utilities Code.

39 (E) Pickup trucks as defined in Section 471, if the conditions
40 in subparagraphs (A) and (B) are also met.

1 (F) Two-axle daily rental trucks with a gross vehicle weight
2 rating of less than 26,001 pounds, when operated in noncommercial
3 use.

4 (G) Motor trucks or two-axle truck tractors, with a gross vehicle
5 weight rating of less than 26,001 pounds, when used solely to tow
6 a camp trailer, trailer coach, fifth-wheel travel trailer, or utility
7 trailer. Vehicle combinations described in this subparagraph are
8 not subject to Section 27900, 34501.12, or 34507.5.

9 (d) For purposes of this chapter, “private carrier” means a motor
10 carrier of property, who transports only his or her own property,
11 including, but not limited to, the delivery of goods sold by that
12 carrier.

13 (e) This section shall remain in effect only until January 1, 2016,
14 and as of that date is repealed, unless a later enacted statute, that
15 is enacted before January 1, 2016, deletes or extends that date.

16 *SEC. 13.5. Section 34601 of the Vehicle Code is amended to*
17 *read:*

18 34601. (a) As used in this division, “motor carrier of property”
19 means any person who operates any commercial motor vehicle as
20 defined in subdivision (c). “Motor carrier of property” does not
21 include a household goods carrier, as defined in Section 5109 of
22 the Public Utilities Code, a household goods carrier transporting
23 used office, store, and institution furniture and fixtures under its
24 household goods carrier permit pursuant to Section 5137 of the
25 Public Utilities Code, persons providing only transportation of
26 passengers, or a passenger stage corporation transporting baggage
27 and express upon a passenger vehicle incidental to the
28 transportation of passengers.

29 (b) As used in this division, “for-hire motor carrier of property”
30 means a motor carrier of property as defined in subdivision (a)
31 who transports property for compensation.

32 (c) (1) As used in this division, except as provided in paragraph
33 (2), a “commercial motor vehicle” means any self-propelled vehicle
34 listed in subdivisions (a), (b), (f), (g), and (k) of Section 34500,
35 ~~any motor truck~~ *motortruck* of two or more axles that is more than
36 10,000 pounds gross vehicle weight rating, and any other motor
37 vehicle used to transport property for compensation.

38 (2) As used in this division, “commercial motor vehicle” does
39 not include any of the following:

1 (A) Vehicles identified in subdivision (f) of Section 34500, if
2 the gross vehicle weight rating of the towing vehicle is 10,000
3 pounds or less.

4 (B) Vehicles identified in subdivision (g) of Section 34500, if
5 the hazardous material transportation does not require the display
6 of placards under Section 27903, a license under Section 32000.5,
7 or a hazardous waste transporter registration under Section 25163
8 of the Health and Safety Code, and the vehicle is not operated in
9 commercial use.

10 (C) Vehicles operated by a household goods carrier, as defined
11 in Section 5109 of the Public Utilities Code, under the household
12 goods carrier permit pursuant to Section 5137 of that code.

13 (D) Vehicles operated by a household goods carrier to transport
14 used office, store, and institution furniture and fixtures under its
15 household goods carrier permit pursuant to Section 5137 of the
16 Public Utilities Code.

17 (E) Pickup trucks as defined in Section 471, if the conditions
18 in subparagraphs (A) and (B) are also met.

19 (F) Two-axle daily rental trucks with a gross vehicle weight
20 rating of less than 26,001 pounds, when operated in noncommercial
21 use.

22 (G) ~~Motor trucks~~ *Motortrucks* or two-axle truck tractors, with
23 a gross vehicle weight rating of less than 26,001 pounds, ~~when~~
24 ~~used~~ *operated* solely to tow a camp trailer, trailer coach, fifth-wheel
25 travel trailer, *trailer designed to transport watercraft*, or utility
26 trailer. Vehicle combinations described in this subparagraph are
27 not subject to Section 27900, 34501.12, or 34507.5.

28 (H) *Motortrucks or two-axle truck tractors, with a gross vehicle*
29 *weight rating of less than 16,001 pounds, operated singly in*
30 *noncommercial use.*

31 (d) For purposes of this chapter, “private carrier” means a motor
32 carrier of property, who transports only his or her own property,
33 including, but not limited to, the delivery of goods sold by that
34 carrier.

35 (e) *This section shall remain in effect only until January 1, 2016,*
36 *and as of that date is repealed, unless a later enacted statute, that*
37 *is enacted before January 1, 2016, deletes or extends that date.*

38 SEC. 14. Section 34601 is added to the Vehicle Code, to read:

39 34601. (a) As used in this division, “motor carrier of property”
40 means any person who operates any commercial motor vehicle as

1 defined in subdivision (c). “Motor carrier of property” does not
2 include a household goods carrier, as defined in Section 5109 of
3 the Public Utilities Code, a household goods carrier transporting
4 used office, store, and institution furniture and fixtures under its
5 household goods carrier permit pursuant to Section 5137 of the
6 Public Utilities Code, persons providing only transportation of
7 passengers, or a passenger stage corporation transporting baggage
8 and express upon a passenger vehicle incidental to the
9 transportation of passengers.

10 (b) As used in this division, “for-hire motor carrier of property”
11 means a motor carrier of property as defined in subdivision (a)
12 who transports property for compensation.

13 (c) (1) As used in this division, except as provided in paragraph
14 (2), a “commercial motor vehicle” means any self-propelled vehicle
15 listed in subdivisions (a), (b), (f), (g), and (k) of Section 34500,
16 any motortruck of two or more axles that is more than 10,000
17 pounds gross vehicle weight rating, and any other motor vehicle
18 used to transport property for compensation.

19 (2) As used in this division, “commercial motor vehicle” does
20 not include any of the following:

21 (A) Vehicles identified in subdivision (f) of Section 34500, if
22 the gross vehicle weight rating of the towing vehicle is 10,000
23 pounds or less.

24 (B) Vehicles identified in subdivision (g) of Section 34500, if
25 the hazardous material transportation does not require the display
26 of placards under Section 27903, a license under Section 32000.5,
27 or a hazardous waste transporter registration under Section 25163
28 of the Health and Safety Code, and the vehicle is not operated in
29 commercial use.

30 (C) Vehicles operated by a household goods carrier, as defined
31 in Section 5109 of the Public Utilities Code, under the household
32 goods carrier permit pursuant to Section 5137 of that code.

33 (D) Vehicles operated by a household goods carrier to transport
34 used office, store, and institution furniture and fixtures under its
35 household goods carrier permit pursuant to Section 5137 of the
36 Public Utilities Code.

37 (E) Pickup trucks as defined in Section 471, if the conditions
38 in subparagraphs (A) and (B) are also met.

1 (F) Two-axle daily rental trucks with a gross vehicle weight
2 rating of less than 26,001 pounds, when ~~not~~ operated in
3 noncommercial use.

4 (G) Vehicles never operated in commercial use, including
5 motortrucks or two-axle truck tractors, with a gross vehicle weight
6 rating of less than 26,001 pounds, when operated singly, or, when
7 used to tow a camp trailer, trailer coach, fifth-wheel travel trailer,
8 trailer designed to transport watercraft, or a utility trailer, never
9 operated in commercial use. Vehicle combinations described in
10 this subparagraph are not subject to Section 27900, 34501.12, or
11 34507.5.

12 (d) For purposes of this chapter, “private carrier” means a motor
13 carrier of property, who transports only his or her own property,
14 including, but not limited to, the delivery of goods sold by that
15 carrier.

16 (e) This section shall become operative on January 1, 2016.

17 SEC. 15. Section 34606 of the Vehicle Code is repealed.

18 SEC. 16. Section 34622 of the Vehicle Code is amended to
19 read:

20 34622. This chapter does not apply to any of the following:

21 (a) Vehicles described in Section 5004 or 5011, and those that
22 are exempt from vehicle registration fees.

23 (b) A household goods carrier transporting used office, store,
24 and institution furniture and fixtures under its household goods
25 carrier permit pursuant to Section 5137 of the Public Utilities Code.

26 SEC. 17. Section 34623 of the Vehicle Code is amended to
27 read:

28 34623. (a) The Department of the California Highway Patrol
29 has exclusive jurisdiction for the regulation of safety of operation
30 of motor carriers of property.

31 (b) The motor carrier permit of a motor carrier of property may
32 be suspended for failure to do any of the following:

33 (1) Maintain any vehicle of the carrier in a safe operating
34 condition or to comply with this code or with applicable regulations
35 contained in Title 13 of the California Code of Regulations, if that
36 failure is either a consistent failure or presents an imminent danger
37 to public safety.

38 (2) Enroll all drivers in the pull notice system as required by
39 Section 1808.1.

1 (3) Submit any application or pay any fee required by
2 subdivision (e) or (h) of Section 34501.12 within the timeframes
3 set forth in that section.

4 (c) The motor carrier permit of a motor carrier of property shall
5 be suspended for failure to either (1) comply with the requirements
6 of federal law described in subdivision (a) of Section 34520 of the
7 Vehicle Code, or (2) make copies of results and other records
8 available as required by subdivision (b) of that section. The
9 suspension shall be as follows:

10 (1) For a serious violation, which is a willful failure to perform
11 substance abuse testing in accordance with state or federal law:

12 (A) For a first offense, a mandatory five-day suspension.

13 (B) For a second offense within three years of a first offense, a
14 mandatory three-month suspension.

15 (C) For a third offense within three years of a first offense, a
16 mandatory one-year suspension.

17 (2) For a nonserious violation, the time recommended to the
18 department by the Department of the California Highway Patrol.

19 (3) For the purposes of this subdivision, “willful failure” means
20 any of the following:

21 (A) An intentional and uncorrected failure to have a controlled
22 substances and alcohol testing program in place.

23 (B) An intentional and uncorrected failure to enroll an employed
24 driver into the controlled substances and alcohol testing program.

25 (C) A knowing use of a medically disqualified driver, including
26 the failure to remove the driver from safety-sensitive duties upon
27 notification of the medical disqualification.

28 (D) An attempt to conceal legal deficiencies in the motor
29 carrier’s controlled substances and alcohol testing program.

30 (d) The department, pending a hearing in the matter pursuant
31 to subdivision (f), may suspend a carrier’s permit.

32 (e) (1) A motor carrier whose motor carrier permit is suspended
33 pursuant to subdivision (b) may obtain a reinspection of its terminal
34 and vehicles by the Department of the California Highway Patrol
35 by submitting a written request for reinstatement to the department
36 and paying a reinstatement fee as required by Section 34623.5.

37 (2) A motor carrier whose motor carrier permit is suspended
38 for failure to submit any application or to pay any fee required by
39 Section 34501.12 shall present proof of having submitted that
40 application or have paid that fee to the Department of the California

1 Highway Patrol before applying for reinstatement of its motor
2 carrier permit.

3 (3) The department shall deposit all reinstatement fees collected
4 from motor carriers of property pursuant to this section in the fund.
5 Upon receipt of the fee, the department shall forward a request to
6 the Department of the California Highway Patrol, which shall
7 perform a reinspection within a reasonable time, or shall verify
8 receipt of the application or fee or both the application and fee.
9 Following the term of a suspension imposed under Section 34670,
10 the department shall reinstate a carrier's motor carrier permit
11 suspended under subdivision (b) upon notification by the
12 Department of the California Highway Patrol that the carrier's
13 safety compliance has improved to the satisfaction of the
14 Department of the California Highway Patrol, or that the required
15 application or fees have been received by the Department of the
16 California Highway Patrol, unless the permit is suspended for
17 another reason or has been revoked.

18 (f) Whenever the department suspends the permit of any carrier
19 pursuant to subdivision (b), (c), or paragraph (3) of subdivision
20 (i), the department shall furnish the carrier with written notice of
21 the suspension and shall provide for a hearing within a reasonable
22 time, not to exceed 21 days, after a written request is filed with
23 the department. At the hearing, the carrier shall show cause why
24 the suspension should not be continued. Following the hearing,
25 the department may terminate the suspension, continue the
26 suspension in effect, or revoke the permit. The department may
27 revoke the permit of any carrier suspended pursuant to subdivision
28 (b) at any time that is 90 days or more after its suspension if the
29 carrier has not filed a written request for a hearing with the
30 department or has failed to submit a request for reinstatement
31 pursuant to subdivision (e).

32 (g) Notwithstanding any other provision of this code, no hearing
33 shall be provided when the suspension of the motor carrier permit
34 is based solely upon the failure of the motor carrier to maintain
35 satisfactory proof of financial responsibility as required by this
36 code, or failure of the motor carrier to submit an application or to
37 pay fees required by Section 34501.12.

38 (h) A motor carrier of property may not operate a commercial
39 motor vehicle on any public highway in this state during any period

1 its motor carrier of property permit is suspended pursuant to this
2 division.

3 (i) (1) A motor carrier of property whose motor carrier permit
4 is suspended pursuant to this section or Section 34505.6, which
5 suspension is based wholly or in part on the failure of the motor
6 carrier to maintain any vehicle in safe operating condition, may
7 not lease, or otherwise allow, another motor carrier to operate the
8 vehicles of the carrier subject to the suspension, during the period
9 of the suspension.

10 (2) A motor carrier of property may not knowingly lease,
11 operate, dispatch, or otherwise utilize any vehicle from a motor
12 carrier of property whose motor carrier permit is suspended, which
13 suspension is based wholly or in part on the failure of the motor
14 carrier to maintain any vehicle in safe operating condition.

15 (3) The department may immediately suspend the motor carrier
16 permit of any motor carrier that the department determines to be
17 in violation of paragraph (2).

18 (j) This section shall remain in effect only until January 1, 2016,
19 and as of that date is repealed, unless a later enacted statute, that
20 is enacted before January 1, 2016, deletes or extends that date.

21 SEC. 18. Section 34623 is added to the Vehicle Code, to read:

22 34623. (a) The Department of the California Highway Patrol
23 has exclusive jurisdiction for the regulation of safety of operation
24 of motor carriers of property.

25 (b) The motor carrier permit of a motor carrier of property may
26 be suspended for failure to do either of the following:

27 (1) Maintain any vehicle of the carrier in a safe operating
28 condition or to comply with this code or with applicable regulations
29 contained in Title 13 of the California Code of Regulations, if that
30 failure is either a consistent failure or presents an imminent danger
31 to public safety.

32 (2) Enroll all drivers in the pull-notice system as required by
33 Section 1808.1.

34 (c) The motor carrier permit of a motor carrier of property shall
35 be suspended for failure to either (1) comply with the requirements
36 of federal law described in subdivision (a) of Section 34520 of the
37 Vehicle Code, or (2) make copies of results and other records
38 available as required by subdivision (b) of that section. The
39 suspension shall be as follows:

- 1 (1) For a serious violation, which is a willful failure to perform
2 substance abuse testing in accordance with state or federal law:
- 3 (A) For a first offense, a mandatory five-day suspension.
4 (B) For a second offense within three years of a first offense, a
5 mandatory three-month suspension.
6 (C) For a third offense within three years of a first offense, a
7 mandatory one-year suspension.
- 8 (2) For a nonserious violation, the time recommended to the
9 department by the Department of the California Highway Patrol.
- 10 (3) For the purposes of this subdivision, “willful failure” means
11 any of the following:
- 12 (A) An intentional and uncorrected failure to have a controlled
13 substances and alcohol testing program in place.
14 (B) An intentional and uncorrected failure to enroll an employed
15 driver into the controlled substances and alcohol testing program.
16 (C) A knowing use of a medically disqualified driver, including
17 the failure to remove the driver from safety-sensitive duties upon
18 notification of the medical disqualification.
19 (D) An attempt to conceal legal deficiencies in the motor
20 carrier’s controlled substances and alcohol testing program.
- 21 (d) The department, pending a hearing in the matter pursuant
22 to subdivision (f), may suspend a carrier’s permit.
- 23 (e) (1) A motor carrier whose motor carrier permit is suspended
24 pursuant to subdivision (b) may obtain a reinspection of its terminal
25 and vehicles by the Department of the California Highway Patrol
26 by submitting a written request for reinstatement to the department
27 and paying a reinstatement fee as required by Section 34623.5.
- 28 (2) The department shall deposit all reinstatement fees collected
29 from motor carriers of property pursuant to this section in the fund.
30 Upon receipt of the fee, the department shall forward a request to
31 the Department of the California Highway Patrol, which shall
32 perform a reinspection within a reasonable time, or shall verify
33 receipt of the application or fee or both the application and fee.
34 Following the term of a suspension imposed under Section 34670,
35 the department shall reinstate a carrier’s motor carrier permit
36 suspended under subdivision (b) upon notification by the
37 Department of the California Highway Patrol that the carrier’s
38 safety compliance has improved to the satisfaction of the
39 Department of the California Highway Patrol, unless the permit
40 is suspended for another reason or has been revoked.

1 (f) Whenever the department suspends the permit of any carrier
2 pursuant to subdivision (b), (c), or paragraph (3) of subdivision
3 (i), the department shall furnish the carrier with written notice of
4 the suspension and shall provide for a hearing within a reasonable
5 time, not to exceed 21 days, after a written request is filed with
6 the department. At the hearing, the carrier shall show cause why
7 the suspension should not be continued. Following the hearing,
8 the department may terminate the suspension, continue the
9 suspension in effect, or revoke the permit. The department may
10 revoke the permit of any carrier suspended pursuant to subdivision
11 (b) at any time that is 90 days or more after its suspension if the
12 carrier has not filed a written request for a hearing with the
13 department or has failed to submit a request for reinstatement
14 pursuant to subdivision (e).

15 (g) Notwithstanding any other provision of this code, a hearing
16 shall not be provided if the suspension of the motor carrier permit
17 is based solely upon the failure of the motor carrier to maintain
18 satisfactory proof of financial responsibility as required by this
19 code.

20 (h) A motor carrier of property may not operate a commercial
21 motor vehicle on any public highway in this state during any period
22 its motor carrier of property permit is suspended pursuant to this
23 division.

24 (i) (1) A motor carrier of property whose motor carrier permit
25 is suspended pursuant to this section or Section 34505.6, which
26 suspension is based wholly or in part on the failure of the motor
27 carrier to maintain any vehicle in safe operating condition, may
28 not lease, or otherwise allow, another motor carrier to operate the
29 vehicles of the carrier subject to the suspension, during the period
30 of the suspension.

31 (2) A motor carrier of property may not knowingly lease,
32 operate, dispatch, or otherwise utilize any vehicle from a motor
33 carrier of property whose motor carrier permit is suspended, which
34 suspension is based wholly or in part on the failure of the motor
35 carrier to maintain any vehicle in safe operating condition.

36 (3) The department may immediately suspend the motor carrier
37 permit of any motor carrier that the department determines to be
38 in violation of paragraph (2).

39 (j) This section shall become operative on January 1, 2016.

1 SEC. 19. Section 40000.22 of the Vehicle Code is amended to
2 read:

3 40000.22. (a) A violation of subdivision (e) of Section 34501,
4 subdivision (f) of Section 34501.12, or subdivision (c) of Section
5 34501.14, relating to applications for inspections, is a misdemeanor
6 and not an infraction.

7 (b) A violation of Division 14.85 (commencing with Section
8 34600), relating to motor carriers of property, is a misdemeanor
9 and not an infraction.

10 (c) This section shall remain in effect only until January 1, 2016,
11 and as of that date is repealed, unless a later enacted statute, that
12 is enacted before January 1, 2016, deletes or extends that date.

13 SEC. 20. Section 40000.22 is added to the Vehicle Code, to
14 read:

15 40000.22. (a) A violation of subdivision (e) of Section 34501,
16 subdivision (b) or (d) of Section 34501.12, or subdivision (c) of
17 Section 34501.14, relating to applications for inspections, is a
18 misdemeanor and not an infraction.

19 (b) A violation of Division 14.85 (commencing with Section
20 34600), relating to motor carriers of property, is a misdemeanor
21 and not an infraction.

22 (c) This section shall become operative on January 1, 2016.

23 *SEC. 21. Section 13.5 of this bill incorporates amendments to*
24 *Section 34601 of the Vehicle Code proposed by both this bill and*
25 *Assembly Bill 501. It shall only become operative if (1) both bills*
26 *are enacted and become effective on or before January 1, 2014,*
27 *(2) each bill amends Section 34601 of the Vehicle Code, and (3)*
28 *this bill is enacted after Assembly Bill 501, in which case Section*
29 *13 of this bill shall not become operative.*

30 ~~SEC. 21.~~

31 SEC. 22. No reimbursement is required by this act pursuant
32 to Section 6 of Article XIII B of the California Constitution because
33 the only costs that may be incurred by a local agency or school
34 district will be incurred because this act creates a new crime or
35 infraction, eliminates a crime or infraction, or changes the penalty
36 for a crime or infraction, within the meaning of Section 17556 of
37 the Government Code, or changes the definition of a crime within

1 the meaning of Section 6 of Article XIII B of the California
2 Constitution.

O