

AMENDED IN ASSEMBLY JUNE 4, 2014
AMENDED IN ASSEMBLY MAY 1, 2014
AMENDED IN ASSEMBLY JANUARY 7, 2014
AMENDED IN ASSEMBLY SEPTEMBER 9, 2013
AMENDED IN ASSEMBLY SEPTEMBER 6, 2013
AMENDED IN ASSEMBLY SEPTEMBER 3, 2013
AMENDED IN ASSEMBLY AUGUST 6, 2013
AMENDED IN ASSEMBLY JUNE 14, 2013
AMENDED IN SENATE MAY 28, 2013
AMENDED IN SENATE MAY 8, 2013
AMENDED IN SENATE APRIL 15, 2013

SENATE BILL

No. 611

Introduced by Senator Hill

February 22, 2013

An act to amend Sections 1042, 5373.1, 5385.7, and 5387 of, to add Sections 1042.1, 5361, and 5384.2 to, and to repeal Sections 5385.6 and 5390 of, the Public Utilities Code, and to amend Sections 27375, 34500, and 34505.1 of, to add Sections 378, 28062, and 34500.4 to, and to repeal Sections 5011.5, 5011.6, and 5011.9 of, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

SB 611, as amended, Hill. Modified limousines: inspection program: safety requirements.

(1) The Passenger Charter-party Carriers' Act places charter-party carriers of passengers, as defined, under the jurisdiction and control of the Public Utilities Commission. The act defines a charter-party carrier of passengers to mean every person that is engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway, subject to certain exceptions, including common carrier passenger stage corporations. Existing law requires the Department of the California Highway Patrol to regulate the safe operation of motor vehicles engaged in transportation for hire or compensation and to inspect those vehicles to ensure that they have the required safety equipment. A violation of these provisions is a crime.

This bill would require a modified limousine, as defined, to be equipped with 2 readily accessible and fully charged fire extinguishers, as specified, and would require one fire extinguisher to be securely mounted in the driver's compartment and at least one to be accessible to the passengers. The bill would require the driver or operator of the modified limousine to notify the passengers of the location of each fire extinguisher prior to the commencement of any trip.

The bill would require the department, not later than January 1, 2016, to implement a safety inspection program, as specified, of charter-party carriers of passengers and passenger stage corporations that operate modified limousines. The bill would require the department to adopt emergency regulations for this purpose. The bill would require the department to transmit to the Public Utilities Commission inspection data of modified limousines inspected pursuant to this program. The bill would also require the department to adopt regulations to establish an inspection fee to be paid by a charter-party carrier or passenger stage corporation, as specified. The bill would require the inspection fee to be collected by the Public Utilities Commission and deposited into the Motor Vehicle Account in the State Transportation Fund to cover the costs of the inspections conducted by the department.

(2) Existing law requires that the Department of the California Highway Patrol, upon determining that a tour bus operator has failed, as provided, to comply with certain Vehicle Code provisions or related regulations, recommend to the Public Utilities Commission and other authorities that certain actions be taken against the carrier.

This bill would also apply these requirements to an operator of modified limousines and correct obsolete references.

(3) Existing law requires every passenger stage corporation to furnish the Public Utilities Commission annually a list, prepared under oath, of all vehicles used in transportation for compensation during the preceding year and requires the commission to furnish a copy of this list to the Department of the California Highway Patrol.

This bill would apply these requirements to charter-party carriers of passengers and would require that the list identify each modified limousine and its terminal location. The bill would prohibit the commission from issuing or continuing in effect, any permit, certificate, or authority of a passenger stage corporation or charter-party carrier of passengers that has not submitted the required fee for inspection pursuant to the inspection program. The bill would require the commission, not later than January 1, 2015, to provide the Department of the California Highway Patrol a list of each modified limousine and its terminal location in order for the department to promulgate regulations pursuant to these provisions.

(4) Existing law requires a limousine operated by a charter-party carrier to display a special identification license plate, containing the word “livery.” The special license plate is issued by the Department of Motor Vehicles, and the cost of the special license plate program is funded by the Public Utilities Commission from the Transportation Reimbursement Account.

This bill would repeal these and various other related provisions.

(5) The bill would make other conforming and technical changes.

(6) Because a violation of the bill’s requirements would be a crime, this bill would impose a state-mandated local program.

(7) 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 1042 of the Public Utilities Code is
2 amended to read:

1 1042. (a) Every passenger stage corporation shall furnish the
2 commission annually with a list, prepared under oath, of all
3 vehicles used in transportation for compensation during the
4 preceding year. This list shall include and identify each modified
5 limousine and the terminal location of each modified limousine.
6 The commission shall furnish a copy of this list identifying each
7 modified limousine and its terminal location to the Department of
8 the California Highway Patrol. The commission shall also furnish
9 a copy of this list to the corporation's insurer, if the corporation's
10 accident liability protection is provided by a policy or policies of
11 insurance.

12 (b) The commission shall not issue or continue in effect any
13 permit, certificate, or authority of a passenger stage corporation
14 that has not submitted fees required for inspection pursuant to
15 Section 34500.4 of the Vehicle Code and any associated penalties,
16 if applicable.

17 (c) If the passenger stage corporation's insurer informs the
18 commission that the corporation has failed to obtain insurance
19 coverage for any vehicle reported on the list, the commission may,
20 in addition to any other applicable penalty provided in this part,
21 for a first occurrence, suspend the corporation's certificate or
22 impose a fine, or both, and for a second or subsequent occurrence
23 may suspend or revoke the certificate or impose a fine, or both.

24 (d) As used in this section and Section 1042.1, "modified
25 limousine" means any vehicle that has been modified, altered, or
26 extended in a manner that increases the overall wheelbase of the
27 vehicle, exceeding the original equipment manufacturer's published
28 wheelbase dimension for the base model and year of the vehicle,
29 in any amount sufficient to accommodate additional passengers
30 with a seating capacity of not more than 10 passengers including
31 the driver, and is used in the transportation of passengers for hire.
32 For purposes of this subdivision, "wheelbase" means the
33 longitudinal distance between the vertical centerlines of the front
34 and rear wheels.

35 SEC. 2. Section 1042.1 is added to the Public Utilities Code,
36 to read:

37 1042.1. Not later than January 1, 2015, the commission shall
38 provide the Department of the California Highway Patrol with a
39 list of each passenger stage corporation's modified limousines and

1 their terminal locations in order for the department to promulgate
2 regulations pursuant to Section 34500.4 of the Vehicle Code.

3 SEC. 3. Section 5361 is added to the Public Utilities Code, to
4 read:

5 5361. “Modified limousine” means any vehicle that has been
6 modified, altered, or extended in a manner that increases the overall
7 wheelbase of the vehicle, exceeding the original equipment
8 manufacturer’s published wheelbase dimension for the base model
9 and year of the vehicle, in any amount sufficient to accommodate
10 additional passengers with a seating capacity of not more than 10
11 passengers including the driver, and is used in the transportation
12 of passengers for hire. For purposes of this section, “wheelbase”
13 means the longitudinal distance between the vertical centerlines
14 of the front and rear wheels.

15 SEC. 4. Section 5373.1 of the Public Utilities Code is amended
16 to read:

17 5373.1. (a) Each application for a charter-party carrier of
18 passengers certificate or permit shall be accompanied by a filing
19 fee as follows:

20 (1) Class A certificates (new): one thousand five hundred dollars
21 (\$1,500).

22 (2) Class A certificates (renewal): one hundred dollars (\$100).

23 (3) Class B certificates (new): one thousand dollars (\$1,000).

24 (4) Class B certificates (renewal): one hundred dollars (\$100).

25 (5) Class C certificates (new): one thousand dollars (\$1,000).

26 (6) Class C certificates (renewal): one hundred dollars (\$100).

27 (7) Permits (new): one thousand dollars (\$1,000).

28 (8) Permits (renewal): one hundred dollars (\$100).

29 (b) The commission shall also require each application to be
30 accompanied by a fee to offset the cost of the charter-party carrier
31 bus terminal inspections conducted by the Department of the
32 California Highway Patrol. The fee shall be fifteen dollars (\$15)
33 per tour bus, as defined in Section 612 of the Vehicle Code, or a
34 maximum of six thousand five hundred dollars (\$6,500) for each
35 operating carrier.

36 (c) The commission shall require each charter-party carrier that
37 operates tour buses, as defined in Section 612 of the Vehicle Code,
38 to undergo an annual bus terminal inspection conducted by the
39 Department of the California Highway Patrol and to pay an annual
40 fee of fifteen dollars (\$15) per tour bus, or a maximum of six

1 thousand five hundred dollars (\$6,500), to offset the cost of the
2 inspections.

3 (d) The commission shall deposit the fees collected pursuant to
4 subdivisions (b) and (c) in the Motor Vehicle Account in the State
5 Transportation Fund to cover the costs of the inspections conducted
6 by the department as specified in subdivisions (b) and (c).

7 SEC. 5. Section 5384.2 is added to the Public Utilities Code,
8 to read:

9 5384.2. (a) Every charter-party carrier of passengers shall
10 furnish the commission annually with a list, prepared under oath,
11 of all vehicles used in transportation for compensation during the
12 preceding year. The list shall include and identify each modified
13 limousine and the terminal location of each modified limousine.
14 The commission shall furnish a copy of this list identifying each
15 modified limousine and its terminal location to the Department of
16 the California Highway Patrol.

17 (b) The commission shall not issue or continue in effect any
18 permit, certificate, or authority of a charter-party carrier of
19 passengers that has not submitted fees required for inspection
20 pursuant to Section 34500.4 of the Vehicle Code and any associated
21 penalties, if applicable.

22 (c) Not later than January 1, 2015, the commission shall provide
23 the Department of the California Highway Patrol with a list of
24 each charter-party carrier's modified limousines and their terminal
25 locations in order for the department to promulgate regulations
26 pursuant to Section 34500.4 of the Vehicle Code.

27 SEC. 6. Section 5385.6 of the Public Utilities Code is repealed.

28 SEC. 7. Section 5385.7 of the Public Utilities Code is amended
29 to read:

30 5385.7. A charter-party carrier shall not operate a modified
31 limousine, as defined in Section 5361, unless the modified
32 limousine is equipped with emergency exits at the rear of the
33 vehicle as required pursuant to Article 3.4 (commencing with
34 Section 27375) of Chapter 5 of Division 12 of the Vehicle Code.
35 The commission shall adopt rules to implement this section.

36 SEC. 8. Section 5387 of the Public Utilities Code is amended
37 to read:

38 5387. (a) It is unlawful for the owner of a charter-party carrier
39 of passengers to permit the operation of a vehicle upon a public
40 highway for compensation without (1) having obtained from the

1 commission a certificate or permit pursuant to this chapter, (2)
2 having complied with the vehicle identification requirements of
3 Section 5385 or 5385.5, and (3) having complied with the accident
4 liability protection requirements of Section 5391.

5 (b) A person who drives a bus for a charter-party carrier without
6 having a current and valid driver's license of the proper class, a
7 passenger vehicle endorsement, or the required certificate shall be
8 suspended from driving a bus of any kind, including, but not
9 limited to, a bus, schoolbus, school pupil activity bus, or transit
10 bus, with passengers for a period of five years pursuant to Section
11 13369 of the Vehicle Code.

12 (c) (1) A charter-party carrier shall have its authority to operate
13 as a charter-party carrier permanently revoked by the commission
14 or be permanently barred from receiving a permit or certificate
15 from the commission if it commits any of the following acts:

16 (A) Operates a bus without having been issued a permit or
17 certificate from the commission.

18 (B) Operates a bus with a permit that was suspended by the
19 commission pursuant to Section 5378.5.

20 (C) Commits three or more liability insurance violations within
21 a two-year period for which it has been cited.

22 (D) Operates a bus with a permit that was suspended by the
23 commission during a period that the charter-party carrier's liability
24 insurance lapsed for which it has been cited.

25 (E) Knowingly employs a busdriver who does not have a current
26 and valid driver's license of the proper class, a passenger vehicle
27 endorsement, or the required certificate to drive a bus.

28 (F) Has one or more buses improperly registered with the
29 Department of Motor Vehicles.

30 (2) The commission shall not issue a new permit or certificate
31 to operate as a charter-party carrier if any officer, director, or owner
32 of that charter-party carrier was an officer, director, or owner of
33 a charter-party carrier that had its authority to operate as a
34 charter-party carrier permanently revoked by the commission or
35 that was permanently barred from receiving a permit or certificate
36 from the commission pursuant to this subdivision.

37 (d) An officer of the Department of the California Highway
38 Patrol may impound a bus of a charter-party carrier for 30 days
39 pursuant to Section 14602.9 of the Vehicle Code if the officer

1 determines that any of the following violations occurred while the
2 busdriver was operating the bus of a charter-party carrier:

3 (1) The driver was operating the bus of a charter-party carrier
4 when the charter-party carrier did not have a permit or certificate
5 issued by the commission.

6 (2) The driver was operating the bus of a charter-party carrier
7 when the charter-party carrier was operating the bus with a
8 suspended permit or certificate from the commission.

9 (3) The driver was operating the bus of a charter-party carrier
10 without having a current and valid driver's license of the proper
11 class, a passenger vehicle endorsement, or the required certificate.

12 SEC. 9. Section 5390 of the Public Utilities Code is repealed.

13 SEC. 10. Section 378 is added to the Vehicle Code, to read:

14 378. (a) "Limousine" means any sedan or sport utility vehicle,
15 of either standard or extended length, with a seating capacity of
16 not more than 10 passengers including the driver, used in the
17 transportation of passengers for hire on a prearranged basis within
18 this state.

19 (b) "Modified limousine" means any vehicle that has been
20 modified, altered, or extended in a manner that increases the overall
21 wheelbase of the vehicle, exceeding the original equipment
22 manufacturer's published wheelbase dimension for the base model
23 and year of the vehicle, in any amount sufficient to accommodate
24 additional passengers with a seating capacity of not more than 10
25 passengers including the driver, and is used in the transportation
26 of passengers for hire. For purposes of this subdivision,
27 "wheelbase" means the longitudinal distance between the vertical
28 centerlines of the front and rear wheels.

29 SEC. 11. Section 5011.5 of the Vehicle Code is repealed.

30 SEC. 12. Section 5011.6 of the Vehicle Code is repealed.

31 SEC. 13. Section 5011.9 of the Vehicle Code is repealed.

32 SEC. 14. Section 27375 of the Vehicle Code is amended to
33 read:

34 27375. (a) Any person who operates a modified limousine
35 shall ensure that the vehicle has at least two rear side doors and
36 one or two rear windows, as specified in paragraph (1), that the
37 rear seat passengers or all passengers of the vehicle may open from
38 the inside of the vehicle in case of any fire or other emergency that
39 may require the immediate exit of the passengers of the vehicle.

1 A limousine subject to this section shall be equipped with both of
2 the following:

3 (1) (A) Except as provided in subparagraph (B), at least two
4 rear push-out windows that are accessible to all passengers. At
5 least one push-out window shall be located on each side of the
6 vehicle, unless the design of the limousine precludes the installation
7 of a push-out window on one side of the vehicle, in which case
8 the second push-out window shall instead be located in the roof
9 of the vehicle.

10 (B) If the design of the limousine precludes the installation of
11 even one push-out window on a side of the vehicle, one push-out
12 window shall instead be located in the roof of the vehicle.

13 (C) The Department of the California Highway Patrol shall
14 establish, by regulation, standards to ensure that window exits are
15 operable and sufficient in emergency situations for limousine
16 passengers. The department shall ensure that these regulations
17 comply with any applicable federal motor vehicle safety standards.

18 (2) At least two rear side doors that are accessible to all
19 passengers and that may be opened manually by any passenger.
20 At least one rear side door shall be located on each side of the
21 vehicle. For modified limousines, on or after July 1, 2015, at least
22 one of these side doors shall be located near the driver's
23 compartment and another near the back of the vehicle. These side
24 doors shall comply with any applicable federal motor vehicle safety
25 standards as deemed necessary by the Department of the California
26 Highway Patrol.

27 (b) In the case of any fire or other emergency that requires the
28 immediate exit of the passengers from the limousine, the driver of
29 the limousine shall unlock the doors so that the rear side doors can
30 be opened by the passengers from the inside of the vehicle.

31 (c) An owner or operator of a limousine shall do all of the
32 following:

33 (1) Instruct all passengers on the safety features of the vehicle
34 prior to the beginning of any trip, including, but not limited to,
35 instructions for lowering the partition between the driver and
36 passenger compartments and for communicating with the driver
37 by the use of an intercom or other onboard or wireless device.

38 (2) Disclose to the contracting party and the passengers whether
39 the limousine meets the safety requirements described in this
40 section.

1 (3) If paragraph (3) of subdivision (d) applies, the owner or
2 operator of a limousine shall further disclose to the contracting
3 party and the passengers that the limousine does not meet the safety
4 requirements required in subdivision (a) regarding vehicle escape
5 options because of its exempt status, and therefore may pose a
6 greater risk to passengers should emergency escape be necessary.

7 (d) (1) Subdivision (a) shall apply to all modified limousines
8 on or after July 1, 2015.

9 (2) Subdivision (a) shall, beginning January 1, 2016, apply to
10 all vehicles that met the definition of modified limousine as
11 described in subdivision (b) of Section 378, prior to July 1, 2015.

12 (3) Except as provided in paragraph (4), subdivision (a) shall
13 not apply to any limousine manufactured prior to 1970 and that
14 has an active transportation charter-party carrier (TCP) number
15 that was issued by the commission as of August 15, 2013.

16 (4) Subdivision (a) shall apply to any limousine manufactured
17 prior to 1970 if it was modified after August 15, 2013.

18 SEC. 15. Section 28062 is added to the Vehicle Code, to read:

19 28062. (a) A modified limousine shall be equipped with two
20 readily accessible and fully charged fire extinguishers having at
21 least a 2A10BC 5lb rating and maintained in efficient operating
22 condition. One fire extinguisher shall be securely mounted in the
23 driver's compartment and at least one shall be accessible to the
24 passengers.

25 (b) The driver or operator of a modified limousine shall notify
26 the passengers of the location of each fire extinguisher prior to the
27 commencement of any trip.

28 SEC. 16. Section 34500 of the Vehicle Code is amended to
29 read:

30 34500. The department shall regulate the safe operation of the
31 following vehicles:

32 (a) Motortrucks of three or more axles that are more than 10,000
33 pounds gross vehicle weight rating.

34 (b) Truck tractors.

35 (c) Buses, schoolbuses, school pupil activity buses, youth buses,
36 farm labor vehicles, modified limousines, and general public
37 paratransit vehicles.

38 (d) Trailers and semitrailers designed or used for the
39 transportation of more than 10 persons, and the towing motor
40 vehicle.

1 (e) Trailers and semitrailers, pole or pipe dollies, auxiliary
2 dollies, and logging dollies used in combination with vehicles
3 listed in subdivision (a), (b), (c), or (d). This subdivision does not
4 include camp trailers, trailer coaches, and utility trailers.

5 (f) A combination of a motortruck and a vehicle or vehicles set
6 forth in subdivision (e) that exceeds 40 feet in length when coupled
7 together.

8 (g) A truck, or a combination of a truck and any other vehicle,
9 transporting hazardous materials.

10 (h) Manufactured homes that, when moved upon the highway,
11 are required to be moved pursuant to a permit as specified in
12 Section 35780 or 35790.

13 (i) A park trailer, as described in Section 18009.3 of the Health
14 and Safety Code, that, when moved upon a highway, is required
15 to be moved pursuant to a permit pursuant to Section 35780.

16 (j) Any other motortruck not specified in subdivisions (a) to
17 (h), inclusive, or subdivision (k), that is regulated by the
18 Department of Motor Vehicles, Public Utilities Commission, or
19 United States Secretary of the Department of Transportation, but
20 only for matters relating to hours of service and logbooks of
21 drivers.

22 (k) A commercial motor vehicle with a gross vehicle weight
23 rating of 26,001 or more pounds or a commercial motor vehicle
24 of any gross vehicle weight rating towing a vehicle described in
25 subdivision (e) with a gross vehicle weight rating of more than
26 10,000 pounds, except combinations including camp trailers, trailer
27 coaches, or utility trailers. For purposes of this subdivision, the
28 term “commercial motor vehicle” has the meaning defined in
29 subdivision (b) of Section 15210.

30 SEC. 17. Section 34500.4 is added to the Vehicle Code, to
31 read:

32 34500.4. (a) The Department of the California Highway Patrol
33 shall conduct safety inspections of ~~all~~ modified limousines that
34 are operated by passenger stage corporations pursuant to Article
35 2 (commencing with Section 1031) of Chapter 5 of Part 1 of
36 Division 1 of the Public Utilities Code or by charter-party carriers
37 of passengers pursuant to the Passenger Charter-party Carriers’
38 Act (Chapter 8 (commencing with Section 5351) of Division 2 of
39 the Public Utilities Code).

1 (b) (1) Not later than January 1, 2016, the Department of the
2 California Highway Patrol shall implement a safety inspection
3 program of charter-party carriers of passengers and passenger stage
4 corporations that operate modified limousines. The inspection
5 program shall include, but is not limited to, the safe operation of
6 the vehicle, the installation of safety equipment, the retention of
7 maintenance logs, accident reports, and records of driver discipline,
8 compliance with federal and state motor vehicle safety standards,
9 the examination of a preventative maintenance program, and, if
10 ownership of the *modified* limousine has been transferred, the
11 transmission of relevant safety and maintenance information of
12 the limousine.

13 (2) Pursuant to the safety inspection program, the department
14 shall conduct an inspection of each charter-party carrier of
15 passengers and passenger stage corporation that operates modified
16 limousines at least once every 13 months.

17 (3) The department shall adopt emergency regulations for
18 purposes of this subdivision. The adoption by the department of
19 regulations implementing this section shall be deemed to be an
20 emergency and necessary to avoid serious harm to the public peace,
21 health, safety, or general welfare for purposes of Sections 11346.1
22 and 11349.6 of the Government Code, and the department is hereby
23 exempted from the requirement that it describe facts showing the
24 need for immediate action to the Office of Administrative Law.
25 The emergency regulations shall remain in effect for no more than
26 one year, by which time final regulations shall be adopted.

27 (4) (A) The department shall adopt regulations to establish an
28 inspection fee applied to modified limousines to be collected every
29 13 months, based on the number of modified limousines operated
30 by a single charter-party carrier or passenger stage corporation.
31 The fee shall be in an amount sufficient to offset the costs to
32 administer this inspection program and shall not be used to supplant
33 or support any other inspection program conducted by the
34 department. The fee shall be in addition to any other required fee.
35 When developing the regulations, the department shall consider
36 measures that increase efficiencies to limit the financial impact to
37 charter-party carriers of passengers and passenger stage
38 corporations subject to the fee. The department shall promulgate
39 the regulations in consultation with appropriate interested parties.

1 (B) The fee structure established pursuant to this subdivision
2 shall apply to modified limousines that are required to undergo a
3 safety inspection pursuant to this section.

4 (C) The fee established pursuant to this subdivision shall be
5 collected by the Public Utilities Commission and deposited into
6 the Motor Vehicle Account in the State Transportation Fund to
7 cover the costs of the inspections conducted by the department.

8 (5) The department shall transmit to the Public Utilities
9 Commission inspection data of modified limousines inspected
10 pursuant to this program, as specified in the program regulations.

11 (c) Regulations adopted pursuant to this section shall be
12 consistent with the established inspection program administered
13 by the department for buses pursuant to this division.

14 SEC. 18. Section 34505.1 of the Vehicle Code is amended to
15 read:

16 34505.1. (a) Upon determining that a tour bus or modified
17 limousine operator has either (1) failed to maintain any vehicle
18 used in transportation for compensation in a safe operating
19 condition or to comply with the Vehicle Code or with regulations
20 contained in Title 13 of the California Code of Regulations relative
21 to motor carrier safety, and, in the department's opinion, that failure
22 presents an imminent danger to public safety or constitutes such
23 a consistent failure as to justify a recommendation to the Public
24 Utilities Commission or the interstate operating authority or the
25 United States Department of Transportation or (2) failed to enroll
26 all drivers in the pull notice system as required by Section 1808.1,
27 the department shall recommend to the Public Utilities Commission
28 that the carrier's operating authority be suspended, denied, or
29 revoked, or to the United States Department of Transportation,
30 that appropriate administrative action be taken against the carrier's
31 interstate operating authority or United States Department of
32 Transportation number, whichever is appropriate. For purposes of
33 this subdivision, two consecutive unsatisfactory compliance ratings
34 for an inspected terminal assigned because the tour bus or *modified*
35 limousine operator failed to comply with the periodic report
36 requirements of Section 1808.1 or the cancellation of the operator's
37 enrollment by the Department of Motor Vehicles for nonpayment
38 of required fees may be determined by the department to be a
39 consistent failure. However, when recommending denial of an
40 application for new or renewal authority, the department need not

1 conclude that the carrier’s failure presents an imminent danger to
 2 public safety or that it constitutes a consistent failure. The
 3 department need only conclude that the carrier’s compliance with
 4 the safety-related matters described in paragraph (1) of subdivision
 5 (a) is sufficiently unsatisfactory to justify a recommendation for
 6 denial. The department shall retain a record, by operator, of every
 7 recommendation made pursuant to this section.

8 (b) Before transmitting a recommendation pursuant to
 9 subdivision (a), the department shall notify the carrier in writing
 10 of all of the following:

11 (1) That the department has determined that the carrier’s safety
 12 record is unsatisfactory, furnishing a copy of any documentation
 13 or summary of any other evidence supporting the determination.

14 (2) That the determination may result in a suspension,
 15 revocation, or denial of the carrier’s operating authority or United
 16 States Department of Transportation number by the California
 17 Public Utilities Commission or the United States Department of
 18 Transportation, as appropriate.

19 (3) That the carrier may request a review of the determination
 20 by the department within five days of its receipt of the notice
 21 required under this subdivision. If a review is requested by the
 22 carrier, the department shall conduct and evaluate that review prior
 23 to transmitting any notification pursuant to subdivision (a).

24 SEC. 19. No reimbursement is required by this act pursuant to
 25 Section 6 of Article XIII B of the California Constitution because
 26 the only costs that may be incurred by a local agency or school
 27 district will be incurred because this act creates a new crime or
 28 infraction, eliminates a crime or infraction, or changes the penalty
 29 for a crime or infraction, within the meaning of Section 17556 of
 30 the Government Code, or changes the definition of a crime within
 31 the meaning of Section 6 of Article XIII B of the California
 32 Constitution.