

Senate Bill No. 491

Passed the Senate September 1, 2015

Secretary of the Senate

Passed the Assembly August 27, 2015

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2015, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend, repeal, and add Sections 116.870 and 116.880 of the Code of Civil Procedure, to amend Sections 14526.5 and 65074 of the Government Code, to amend Section 44241 of the Health and Safety Code, to amend Section 99164 of the Public Utilities Code, to amend Sections 143, 182.6, 182.7, 253.7, 392, 470, 485, 538, 890.4, and 2384 of the Streets and Highways Code, and to amend Sections 1808, 1808.1, 13558, 16020.1, 16020.2, 21455.7, 24002, 24017, 24604, 25104, 25305, 25803, 26311, 27400, 29007, 34500.3, 34500.5, and 34520 of, to amend, repeal, and add Sections 1656.2, 12517.1, 13369, 16000, 16000.1, 16075, 16251, 16377, 16378, 16430, and 16434 of, and to add Section 27154.1 to, the Vehicle Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 491, Committee on Transportation and Housing. Transportation: omnibus bill.

(1) Existing law authorizes certain air districts to impose a vehicle registration fee surcharge to be used for projects and programs to improve air quality. Existing law, in the area under the jurisdiction of the Bay Area Air Quality Management District, requires at least 40% of fee revenues to be proportionately allocated to each county within the district, and requires an entity receiving these revenues, at least once a year, to hold one or more public meetings for the purpose of adopting criteria for expenditure of the funds and to review those expenditures.

This bill would instead, at least once a year, require one or more public meetings to adopt criteria for expenditure of funds, if the criteria have been modified from the previous year, and one or more public meetings to review those expenditures.

(2) Existing law imposes certain requirements on transit agencies with respect to the purchase and installation of security systems, including a requirement that the equipment be capable of storing recorded images for at least one year, subject to an exception.

This bill would provide that installation of a security system under these provisions shall not create a duty to contemporaneously monitor the live video or other data collected by the system.

(3) Existing law requires the employers of drivers of certain types of vehicles, including vehicles for which the driver is required to have a Class C license with a hazardous materials endorsement, to enroll these drivers in the pull notice system under which the Department of Motor Vehicles notifies the employer of information appearing on a driver's driving record.

This bill would require the employer to enroll in the pull notice system any driver of a vehicle for which a Class C license with any endorsement is required.

(4) Existing law, among other things, provides that it is unlawful to operate any vehicle or vehicle combination that is in an unsafe condition, or that is not safely loaded, and that presents an immediate safety hazard, or that is not equipped as required by the Vehicle Code.

This bill would prohibit a motor carrier from requiring a person to drive a commercial motor vehicle, as defined, unless the person, by experience, training, or both, can determine whether the transported cargo, including passenger baggage, has been properly located, distributed, and secured, as specified. The bill would prohibit a driver from operating a commercial motor vehicle unless the driver can demonstrate familiarity with the methods and procedures for securing cargo. The bill would also require motor carriers and commercial motor vehicle drivers to comply with certain federal motor carrier regulations. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

(5) Existing law requires a transit bus operated by a motor carrier to be equipped with a speedometer, which is required to be maintained in good working order.

This bill would require every commercial motor vehicle operated by a motor carrier to be equipped with a speedometer maintained in good working order. Because a violation of this provision would be a crime, this bill would impose a state-mandated local program.

(6) Existing law, if the load on a vehicle or an integral part of the vehicle extends 4 feet or more beyond the rear of the vehicle, requires the vehicle to display 2 red lights at the extreme end of the load or projection if operating during darkness, or to display a solid red or fluorescent orange flag or cloth of not less than 12 square inches at the extreme end of the load or projection if operating at any other time. Existing law requires a vehicle or

equipment operating under a permit due to exceeding normal vehicle width restrictions to display a solid red or fluorescent orange flag or cloth of not less than 12 square inches at the extreme left front and rear of the vehicle or equipment if operating other than during darkness. Existing law also requires certain other vehicles with a total outside width of more than 100 inches to display a solid red or fluorescent orange flag or cloth of not less than 12 square inches at the left outer extremity of the vehicle or load if operating other than during darkness.

This bill would increase the size of the required flag or cloth in these cases to 18 square inches. The bill would impose new requirements for a vehicle to display 2 flags or cloths if a projecting load to the rear is more than 2 feet in width, and for a commercial vehicle transporting a load that extends beyond the sides of a vehicle by more than 4 inches to display a flag or cloth at the extremities of the vehicle or equipment. The bill would also revise provisions relating to a vehicle or equipment operating under a permit for exceeding width restrictions to display a flag or cloth at the extremities of the vehicle or equipment, rather than at the extreme left front and left rear. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

(7) Existing law prohibits a person from placing, depositing, or displaying a lighted fusee upon or adjacent to any highway except as a warning to approaching vehicular traffic or railroad trains of an existing hazard.

This bill would prohibit a person from attaching or permitting any person to attach a lighted fusee to any part of a vehicle. Because a violation of this provision would be a crime, this bill would impose a state-mandated local program.

(8) Existing law generally requires every motor vehicle to be equipped with service brakes on all wheels, subject to certain exceptions, including trucks and truck tractors manufactured before January 1, 1982, with 3 or more axles, as specified, or any vehicle being towed in a driveway-towaway operation.

This bill would specify that the requirement for a motor vehicle to be equipped with service brakes on all wheels applies to all wheels that are in contact with the roadway. The bill would narrow the above-referenced exceptions to instead apply to trucks or truck tractors manufactured before July 25, 1980, with 3 or more axles,

and to the final towed vehicle in a triple-saddle-mount driveaway-towaway operation. Because the bill would change the definition of a crime, it would impose a state-mandated local program.

(9) Existing law imposes certain requirements for towing of a vehicle. Existing law provides that certain of these requirements do not apply to vehicles engaged in driveaway-towaway operations, if certain requirements are met.

This bill would impose additional requirements applicable to towing involving saddle mounts or use of more than one tow-bar or ball-and-socket coupling device in any combination. The bill would also require driveaway-towaway combinations to comply with specified federal regulations. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

(10) Existing law requires the cab of any motor vehicle to be reasonably tight against the penetration of gases and fumes from the engine or exhaust system.

This bill would require the flooring in all motor vehicles to be substantially constructed free of unnecessary holes and openings and to be maintained so as to minimize the entrance of fumes, exhaust gases, or fire. The bill would also prohibit floors from being permeated with oil or other substances likely to cause injury to persons using the floor as a traction device. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

(11) Existing law prohibits a person operating a motor vehicle or a bicycle from wearing a headset covering both ears, or from wearing earplugs in both ears, subject to certain exceptions.

This bill would also prohibit wearing earphones covering, resting on, or inserted in, both ears. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

(12) Existing law requires the Department of the California Highway Patrol to adopt regulations relative to cargo securement standards. Existing law provides an exemption from those regulations, in certain cases, for the transportation of a pole on a pole dolly by a public utility company or a local agency engaged in the business of supplying electricity or telephone service, or by a licensed contractor in the performance of work for the public

utility company or the local agency, or for the Department of Transportation.

This bill would delete this exemption. Because this bill would change the definition of a crime, it would impose a state-mandated local program.

(13) Existing law generally requires drivers to show proof of financial responsibility to register their vehicles or upon the request of law enforcement, except that those requirements apply to residents of the Counties of Los Angeles and San Francisco only until January 1, 2016.

This bill would extend the proof of financial responsibility requirements to residents of those counties until January 1, 2020.

(14) Existing law classifies bikeways into various categories, including a Class IV bikeway, also known as a cycle track or separated bikeway, that provides a right-of-way designated exclusively for bicycle travel adjacent to a roadway and that is protected from vehicular traffic.

This bill would revise that description to delete the reference to a Class IV bikeway being protected from vehicular traffic and instead provide that it is separated from vehicular traffic.

(15) Existing law requires the Department of Transportation and regional transportation planning agencies to engage in various transportation planning activities, including the programming of transportation improvement projects. Existing federal law requires projects seeking federal funds to be in compliance with certain federal planning and programming requirements.

This bill would revise these provisions to refer to the current names of certain federal transportation programming documents, and would make various modifications to the dates by which regional transportation planning agencies and the department are required to adopt those documents.

(16) Existing law requires the Department of Transportation to prepare a state highway operation and protection program every other year for the expenditure of transportation capital improvement funds for projects that are necessary to preserve and protect the state highway system, excluding projects that add new traffic lanes. Existing law, for each project in the program, requires the department to specify capital and support budgets as well as a projected delivery date for certain project phases, including construction.

This bill would delete the reference to the construction phase, and instead require the department to specify a capital and support budget and a projected delivery date for the start of construction.

(17) Existing law provides for the California Transportation Commission, except as otherwise provided by law, to adopt the location for a state highway on routes authorized by law. Existing law generally describes the various authorized routes in the state highway system, including Route 170 in the County of Los Angeles. Existing law also includes various state highway routes in the California freeway and expressway system.

This bill would revise the description of Route 170 to delete the unconstructed portion of this route between Los Angeles International Airport and Route 90 from both the state highway system and the California freeway and expressway system.

(18) Existing law gives the Department of Transportation full possession and control of all state highways. Existing law describes the authorized routes in the state highway system and establishes a process for adoption of a highway on an authorized route by the California Transportation Commission. Existing law authorizes the commission to relinquish certain state highway segments to local agencies. Existing law, with respect to certain relinquished former portions of State Highway Routes 92, 185, and 238 in the City of Hayward, requires the city to maintain within its jurisdiction signs directing motorists to the continuation of those routes or to the state highway system, as applicable, and also requires the city to ensure the continuity of traffic flow, including any traffic signal progression.

This bill would revise the route description for State Highway Route 92, and delete the requirement for the City of Hayward to ensure the continuity of traffic flow, including any traffic signal progression, on relinquished former portions of State Highway Routes 92, 185, and 238 within the city. The bill would also authorize the California Transportation Commission to relinquish to the city all or any portion of these routes within the city under certain terms and conditions, including a requirement for the city to maintain within its jurisdiction signs directing motorists to the continuation of each route or to the state highway system, as applicable.

(19) Existing law creates the Active Transportation Program in the Department of Transportation for the purpose of encouraging

increased use of active modes of transportation, including biking and walking, and provides for funding of various types of projects, including recreational trails, trailheads, and park projects that facilitate trail linkages or connectivity to nonmotorized corridors. Existing law provides for funds to be allocated to projects in the program by the California Transportation Commission. Existing law requires the California Transportation Commission to adopt the 2015 program of projects no later than December 31, 2015, with each subsequent program of projects to be adopted by April 1 of each odd-numbered year.

This bill would instead require the commission to adopt the 2015 program of projects by January 31, 2016.

(20) Existing law requires the driver of every motor vehicle who is involved in an accident that results in damage to the property of any one person in excess of \$750, or in bodily injury, or in the death of a person, to report the accident to the Department of Motor Vehicles within 10 days after the accident, as specified. Under existing law that threshold amount of damages also serves as a condition, among others, for (A) the suspension of a judgment debtor's driving privileges, as an aid in the enforcement of small claims or civil money judgments arising out of those accidents; and (B) the suspension or revocation of specified endorsements or certificates.

This bill, commencing January 1, 2017, would increase the minimum property damage that is required to be reported to \$1,000. The bill would make conforming changes to those related provisions described above.

(21) This bill would also correct several erroneous cross-references and references.

(22) 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.

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

SECTION 1. Section 116.870 of the Code of Civil Procedure is amended to read:

116.870. (a) Sections 16250 to 16381, inclusive, of the Vehicle Code, regarding the suspension of the judgment debtor's privilege to operate a motor vehicle for failing to satisfy a judgment, apply if the judgment (1) was for damage to property in excess of seven hundred fifty dollars (\$750) or for bodily injury to, or death of, a person in any amount, and (2) resulted from the operation of a motor vehicle upon a California highway by the defendant, or by any other person for whose conduct the defendant was liable, unless the liability resulted from the defendant's signing the application of a minor for a driver's license.

(b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 2. Section 116.870 is added to the Code of Civil Procedure, to read:

116.870. (a) Sections 16250 to 16381, inclusive, of the Vehicle Code, regarding the suspension of the judgment debtor's privilege to operate a motor vehicle for failing to satisfy a judgment, apply if the judgment (1) was for damage to property in excess of one thousand dollars (\$1,000) or for bodily injury to, or death of, a person in any amount, and (2) resulted from the operation of a motor vehicle upon a California highway by the defendant, or by any other person for whose conduct the defendant was liable, unless the liability resulted from the defendant's signing the application of a minor for a driver's license.

(b) This section shall become operative on January 1, 2017.

SEC. 3. Section 116.880 of the Code of Civil Procedure is amended to read:

116.880. (a) If the judgment (1) was for seven hundred fifty dollars (\$750) or less, (2) resulted from a motor vehicle accident occurring on a California highway caused by the defendant's operation of a motor vehicle, and (3) has remained unsatisfied for more than 90 days after the judgment became final, the judgment creditor may file with the Department of Motor Vehicles a notice requesting a suspension of the judgment debtor's privilege to operate a motor vehicle.

(b) The notice shall state that the judgment has not been satisfied, and shall be accompanied by (1) a fee set by the department, (2) the judgment of the court determining that the judgment resulted from a motor vehicle accident occurring on a

California highway caused by the judgment debtor's operation of a motor vehicle, and (3) a declaration that the judgment has not been satisfied. The fee shall be used by the department to finance the costs of administering this section and shall not exceed the department's actual costs.

(c) Upon receipt of a notice, the department shall attempt to notify the judgment debtor by telephone, if possible, otherwise by certified mail, that the judgment debtor's privilege to operate a motor vehicle will be suspended for a period of 90 days, beginning 20 days after receipt of notice by the department from the judgment creditor, unless satisfactory proof, as provided in subdivision (e), is provided to the department before that date.

(d) At the time the notice is filed, the department shall give the judgment creditor a copy of the notice that indicates the filing fee paid by the judgment creditor, and includes a space to be signed by the judgment creditor acknowledging payment of the judgment by the judgment debtor. The judgment creditor shall mail or deliver a signed copy of the acknowledgment to the judgment debtor once the judgment is satisfied.

(e) The department shall terminate the suspension, or the suspension proceedings, upon the occurrence of one or more of the following:

(1) Receipt of proof that the judgment has been satisfied, either (A) by a copy of the notice required by this section signed by the judgment creditor acknowledging satisfaction of the judgment, or (B) by a declaration of the judgment debtor stating that the judgment has been satisfied.

(2) Receipt of proof that the judgment debtor is complying with a court-ordered payment schedule.

(3) Proof that the judgment debtor had insurance covering the accident sufficient to satisfy the judgment.

(4) A deposit with the department of the amount of the unsatisfied judgment, if the judgment debtor presents proof, satisfactory to the department, of inability to locate the judgment creditor.

(5) At the end of 90 days.

(f) If the suspension has been terminated under subdivision (e), the action is final and shall not be reinstated. If the suspension is terminated, Section 14904 of the Vehicle Code shall apply. Money deposited with the department under this section shall be

handled in the same manner as money deposited under paragraph (4) of subdivision (a) of Section 16377 of the Vehicle Code.

(g) A public agency is not liable for an injury caused by the suspension, termination of suspension, or the failure to suspend a person's privilege to operate a motor vehicle as authorized by this section.

(h) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 4. Section 116.880 is added to the Code of Civil Procedure, to read:

116.880. (a) If the judgment (1) was for one thousand dollars (\$1,000) or less, (2) resulted from a motor vehicle accident occurring on a California highway caused by the defendant's operation of a motor vehicle, and (3) has remained unsatisfied for more than 90 days after the judgment became final, the judgment creditor may file with the Department of Motor Vehicles a notice requesting a suspension of the judgment debtor's privilege to operate a motor vehicle.

(b) The notice shall state that the judgment has not been satisfied, and shall be accompanied by (1) a fee set by the department, (2) the judgment of the court determining that the judgment resulted from a motor vehicle accident occurring on a California highway caused by the judgment debtor's operation of a motor vehicle, and (3) a declaration that the judgment has not been satisfied. The fee shall be used by the department to finance the costs of administering this section and shall not exceed the department's actual costs.

(c) Upon receipt of a notice, the department shall attempt to notify the judgment debtor by telephone, if possible, otherwise by certified mail, that the judgment debtor's privilege to operate a motor vehicle will be suspended for a period of 90 days, beginning 20 days after receipt of notice by the department from the judgment creditor, unless satisfactory proof, as provided in subdivision (e), is provided to the department before that date.

(d) At the time the notice is filed, the department shall give the judgment creditor a copy of the notice that indicates the filing fee paid by the judgment creditor, and includes a space to be signed by the judgment creditor acknowledging payment of the judgment by the judgment debtor. The judgment creditor shall mail or deliver

a signed copy of the acknowledgment to the judgment debtor once the judgment is satisfied.

(e) The department shall terminate the suspension, or the suspension proceedings, upon the occurrence of one or more of the following:

(1) Receipt of proof that the judgment has been satisfied, either (A) by a copy of the notice required by this section signed by the judgment creditor acknowledging satisfaction of the judgment, or (B) by a declaration of the judgment debtor stating that the judgment has been satisfied.

(2) Receipt of proof that the judgment debtor is complying with a court-ordered payment schedule.

(3) Proof that the judgment debtor had insurance covering the accident sufficient to satisfy the judgment.

(4) A deposit with the department of the amount of the unsatisfied judgment, if the judgment debtor presents proof, satisfactory to the department, of inability to locate the judgment creditor.

(5) At the end of 90 days.

(f) If the suspension has been terminated under subdivision (e), the action is final and shall not be reinstated. If the suspension is terminated, Section 14904 of the Vehicle Code shall apply. Money deposited with the department under this section shall be handled in the same manner as money deposited under paragraph (4) of subdivision (a) of Section 16377 of the Vehicle Code.

(g) A public agency is not liable for an injury caused by the suspension, termination of suspension, or the failure to suspend a person's privilege to operate a motor vehicle as authorized by this section.

(h) This section shall become operative on January 1, 2017.

SEC. 5. Section 14526.5 of the Government Code is amended to read:

14526.5. (a) Based on the asset management plan prepared and approved pursuant to Section 14526.4, the department shall prepare a state highway operation and protection program for the expenditure of transportation funds for major capital improvements that are necessary to preserve and protect the state highway system. Projects included in the program shall be limited to capital improvements relative to maintenance, safety, and rehabilitation

of state highways and bridges that do not add a new traffic lane to the system.

(b) The program shall include projects that are expected to be advertised prior to July 1 of the year following submission of the program, but which have not yet been funded. The program shall include those projects for which construction is to begin within four fiscal years, starting July 1 of the year following the year the program is submitted.

(c) The department, at a minimum, shall specify, for each project in the state highway operation and protection program, the capital and support budget, as well as a projected delivery date, for each of the following project components:

(1) Completion of project approval and environmental documents.

(2) Preparation of plans, specifications, and estimates.

(3) Acquisition of rights-of-way, including, but not limited to, support activities.

(4) Start of construction.

(d) The program shall be submitted to the commission not later than January 31 of each even-numbered year. Prior to submitting the plan, the department shall make a draft of its proposed program available to transportation planning agencies for review and comment and shall include the comments in its submittal to the commission.

(e) The commission may review the program relative to its overall adequacy, consistency with the asset management plan prepared and approved pursuant to Section 14526.4 and funding priorities established in Section 167 of the Streets and Highways Code, the level of annual funding needed to implement the program, and the impact of those expenditures on the state transportation improvement program. The commission shall adopt the program and submit it to the Legislature and the Governor not later than April 1 of each even-numbered year. The commission may decline to adopt the program if the commission determines that the program is not sufficiently consistent with the asset management plan prepared and approved pursuant to Section 14526.4.

(f) Expenditures for these projects shall not be subject to Sections 188 and 188.8 of the Streets and Highways Code.

SEC. 6. Section 65074 of the Government Code is amended to read:

65074. The Department of Transportation shall prepare, in cooperation with the metropolitan planning agencies, a Federal Statewide Transportation Improvement Program in accordance with subsection (g) of Section 135 of Title 23 of the United States Code. The Federal Statewide Transportation Improvement Program shall be submitted by the department to the United States Secretary of Transportation, by not later than December 1 of each even-numbered year.

SEC. 7. Section 44241 of the Health and Safety Code is amended to read:

44241. (a) Fee revenues generated under this chapter in the bay district shall be subvended to the bay district by the Department of Motor Vehicles after deducting its administrative costs pursuant to Section 44229.

(b) Fee revenues generated under this chapter shall be allocated by the bay district to implement the following mobile source and transportation control projects and programs that are included in the plan adopted pursuant to Sections 40233, 40717, and 40919:

- (1) The implementation of ridesharing programs.
- (2) The purchase or lease of clean fuel buses for school districts and transit operators.
- (3) The provision of local feeder bus or shuttle service to rail and ferry stations and to airports.
- (4) Implementation and maintenance of local arterial traffic management, including, but not limited to, signal timing, transit signal preemption, bus stop relocation and “smart streets.”
- (5) Implementation of rail-bus integration and regional transit information systems.
- (6) Implementation of demonstration projects in telecommuting and in congestion pricing of highways, bridges, and public transit. No funds expended pursuant to this paragraph for telecommuting projects shall be used for the purchase of personal computing equipment for an individual’s home use.
- (7) Implementation of vehicle-based projects to reduce mobile source emissions, including, but not limited to, engine repowers, engine retrofits, fleet modernization, alternative fuels, and advanced technology demonstrations.
- (8) Implementation of a smoking vehicles program.

(9) Implementation of an automobile buy-back scrappage program operated by a governmental agency.

(10) Implementation of bicycle facility improvement projects that are included in an adopted countywide bicycle plan or congestion management program.

(11) The design and construction by local public agencies of physical improvements that support development projects that achieve motor vehicle emission reductions. The projects and the physical improvements shall be identified in an approved area-specific plan, redevelopment plan, general plan, or other similar plan.

(c) (1) Fee revenue generated under this chapter shall be allocated by the bay district for projects and programs specified in subdivision (b) to cities, counties, the Metropolitan Transportation Commission, transit districts, or any other public agency responsible for implementing one or more of the specified projects or programs. Fee revenue generated under this chapter may also be allocated by the bay district for projects and programs specified in paragraph (7) of subdivision (b) to entities that include, but are not limited to, public agencies, consistent with applicable policies adopted by the governing board of the bay district. Those policies shall include, but are not limited to, requirements for cost-sharing for projects subject to the policies. Fee revenues shall not be used for any planning activities that are not directly related to the implementation of a specific project or program.

(2) The bay district shall adopt cost-effectiveness criteria for fee revenue generated under this chapter that projects and programs are required to meet. The cost-effectiveness criteria shall maximize emissions reductions and public health benefits.

(d) Not less than 40 percent of fee revenues shall be allocated to the entity or entities designated pursuant to subdivision (e) for projects and programs in each county within the bay district based upon the county's proportionate share of fee-paid vehicle registration.

(e) In each county, one or more entities may be designated as the overall program manager for the county by resolutions adopted by the county board of supervisors and the city councils of a majority of the cities representing a majority of the population in the incorporated area of the county. The resolution shall specify the terms and conditions for the expenditure of funds. The entities

so designated shall be allocated the funds pursuant to subdivision (d) in accordance with the terms and conditions of the resolution.

(f) Any county, or entity designated pursuant to subdivision (e), that receives funds pursuant to this section, at least once a year, shall hold one or more public meetings for the purpose of adopting criteria for expenditure of the funds, if those criteria have been modified in any way from the previous year. Any county, or entity designated pursuant to subdivision (e), that receives funds pursuant to this section, at least once a year, shall also hold one or more public meetings to review the expenditure of revenues received pursuant to this section by any designated entity. If any county or entity designated pursuant to subdivision (e) that receives funds pursuant to this section has not allocated all of those funds within six months of the date of the formal approval of its expenditure plan by the bay district, the bay district shall allocate the unallocated funds in accordance with subdivision (c).

SEC. 8. Section 99164 of the Public Utilities Code is amended to read:

99164. (a) When installing new security systems, a transit agency operated by an operator as defined in Section 99210 shall only purchase and install equipment capable of storing recorded images for at least one year, unless all of the following conditions apply:

(1) The transit agency has made a diligent effort to identify a security system that is capable of storing recorded data for one year.

(2) The transit agency determines that the technology to store recorded data in an economically and technologically feasible manner for one year is not available.

(3) The transit agency purchases and installs the best available technology with respect to storage capacity that is both economically and technologically feasible at that time.

(b) Notwithstanding any other provision of law, videotapes or recordings made by security systems operated as part of a public transit system shall be retained for one year, unless one of the following conditions applies:

(1) The videotapes or recordings are evidence in any claim filed or any pending litigation, in which case the videotapes or recordings shall be preserved until the claim or the pending litigation is resolved.

(2) The videotapes or recordings recorded an event that was or is the subject of an incident report, in which case the videotapes or recordings shall be preserved until the incident is resolved.

(3) The transit agency utilizes a security system that was purchased or installed prior to January 1, 2004, or that meets the requirements of subdivision (a), in which case the videotapes or recordings shall be preserved for as long as the installed technology allows.

(c) Installation of a security system by a transit agency pursuant to this section shall not create a duty to contemporaneously monitor the live video or other data collected by the system.

SEC. 9. Section 143 of the Streets and Highways Code is amended to read:

143. (a) (1) “Best value” means a value determined by objective criteria, including, but not limited to, price, features, functions, life-cycle costs, and other criteria deemed appropriate by the department or the regional transportation agency.

(2) “Contracting entity or lessee” means a public or private entity, or consortia thereof, that has entered into a comprehensive development lease agreement with the department or a regional transportation agency for a transportation project pursuant to this section.

(3) “Design-build” means a procurement process in which both the design and construction of a project are procured from a single entity.

(4) “Regional transportation agency” means any of the following:

(A) A transportation planning agency as defined in Section 29532 or 29532.1 of the Government Code.

(B) A county transportation commission as defined in Section 130050, 130050.1, or 130050.2 of the Public Utilities Code.

(C) Any other local or regional transportation entity that is designated by statute as a regional transportation agency.

(D) A joint exercise of powers authority as defined in Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code, with the consent of a transportation planning agency or a county transportation commission for the jurisdiction in which the transportation project will be developed.

(5) “Public Infrastructure Advisory Commission” means a unit or auxiliary organization established by the Transportation Agency

that advises the department and regional transportation agencies in developing transportation projects through performance-based infrastructure partnerships.

(6) “Transportation project” means one or more of the following: planning, design, development, finance, construction, reconstruction, rehabilitation, improvement, acquisition, lease, operation, or maintenance of highway, public street, rail, or related facilities supplemental to existing facilities currently owned and operated by the department or regional transportation agencies that is consistent with the requirements of subdivision (c).

(b) (1) The Public Infrastructure Advisory Commission shall do all of the following:

(A) Identify transportation project opportunities throughout the state.

(B) Research and document similar transportation projects throughout the state, nationally, and internationally, and further identify and evaluate lessons learned from these projects.

(C) Assemble and make available to the department or regional transportation agencies a library of information, precedent, research, and analysis concerning infrastructure partnerships and related types of public-private transactions for public infrastructure.

(D) Advise the department and regional transportation agencies, upon request, regarding infrastructure partnership suitability and best practices.

(E) Provide, upon request, procurement-related services to the department and regional transportation agencies for infrastructure partnership.

(2) The Public Infrastructure Advisory Commission may charge a fee to the department and regional transportation agencies for the services described in subparagraphs (D) and (E) of paragraph (1), the details of which shall be articulated in an agreement entered into between the Public Infrastructure Advisory Commission and the department or the regional transportation agency.

(c) (1) Notwithstanding any other provision of law, only the department, in cooperation with regional transportation agencies, and regional transportation agencies, may solicit proposals, accept unsolicited proposals, negotiate, and enter into comprehensive development lease agreements with public or private entities, or consortia thereof, for transportation projects.

(2) Projects proposed pursuant to this section and associated lease agreements shall be submitted to the California Transportation Commission. The commission, at a regularly scheduled public hearing, shall select the candidate projects from projects nominated by the department or a regional transportation agency after reviewing the nominations for consistency with paragraphs (3) and (4). Approved projects may proceed with the process described in paragraph (5).

(3) The projects authorized pursuant to this section shall be primarily designed to achieve the following performance objectives:

(A) Improve mobility by improving travel times or reducing the number of vehicle hours of delay in the affected corridor.

(B) Improve the operation or safety of the affected corridor.

(C) Provide quantifiable air quality benefits for the region in which the project is located.

(4) In addition to meeting the requirements of paragraph (3), the projects authorized pursuant to this section shall address a known forecast demand, as determined by the department or regional transportation agency.

(5) At least 60 days prior to executing a final lease agreement authorized pursuant to this section, the department or regional transportation agency shall submit the agreement to the Legislature and the Public Infrastructure Advisory Commission for review. Prior to submitting a lease agreement to the Legislature and the Public Infrastructure Advisory Commission, the department or regional transportation agency shall conduct at least one public hearing at a location at or near the proposed facility for purposes of receiving public comment on the lease agreement. Public comments made during this hearing shall be submitted to the Legislature and the Public Infrastructure Advisory Commission with the lease agreement. The Secretary of Transportation or the chairperson of the Senate or Assembly fiscal committees or policy committees with jurisdiction over transportation matters may, by written notification to the department or regional transportation agency, provide any comments about the proposed agreement within the 60-day period prior to the execution of the final agreement. The department or regional transportation agency shall consider those comments prior to executing a final agreement and shall retain the discretion for executing the final lease agreement.

(d) For the purpose of facilitating those projects, the agreements between the parties may include provisions for the lease of rights-of-way in, and airspace over or under, highways, public streets, rail, or related facilities for the granting of necessary easements, and for the issuance of permits or other authorizations to enable the construction of transportation projects. Facilities subject to an agreement under this section shall, at all times, be owned by the department or the regional transportation agency, as appropriate. For department projects, the commission shall certify the department's determination of the useful life of the project in establishing the lease agreement terms. In consideration therefor, the agreement shall provide for complete reversion of the leased facility, together with the right to collect tolls and user fees, to the department or regional transportation agency, at the expiration of the lease at no charge to the department or regional transportation agency. At the time of the reversion, the facility shall be delivered to the department or regional transportation agency, as applicable, in a condition that meets the performance and maintenance standards established by the department or regional transportation agency and that is free of any encumbrance, lien, or other claims.

(e) Agreements between the department or regional transportation agency and the contracting entity or lessee shall authorize the contracting entity or lessee to use a design-build method of procurement for transportation projects, subject to the requirements for utilizing such a method contained in Chapter 6.5 (commencing with Section 6800) of Part 1 of Division 2 of the Public Contract Code, other than Sections 6802, 6803, and 6813 of that code, if those provisions are enacted by the Legislature during the 2009–10 Regular Session, or a 2009–10 extraordinary session.

(f) (1) (A) Notwithstanding any other provision of this chapter, for projects on the state highway system, the department is the responsible agency for the performance of project development services, including performance specifications, preliminary engineering, prebid services, the preparation of project reports and environmental documents, and construction inspection services. The department is also the responsible agency for the preparation of documents that may include, but need not be limited to, the size, type, and desired design character of the project, performance

specifications covering the quality of materials, equipment, and workmanship, preliminary plans, and any other information deemed necessary to describe adequately the needs of the department or regional transportation agency.

(B) The department may use department employees or consultants to perform the services described in subparagraph (A), consistent with Article XXII of the California Constitution. Department resources, including personnel requirements, necessary for the performance of those services shall be included in the department's capital outlay support program for workload purposes in the annual Budget Act.

(2) The department or a regional transportation agency may exercise any power possessed by it with respect to transportation projects to facilitate the transportation projects pursuant to this section. The department, regional transportation agency, and other state or local agencies may provide services to the contracting entity or lessee for which the public entity is reimbursed, including, but not limited to, planning, environmental planning, environmental certification, environmental review, preliminary design, design, right-of-way acquisition, construction, maintenance, and policing of these transportation projects. The department or regional transportation agency, as applicable, shall regularly inspect the facility and require the contracting entity or lessee to maintain and operate the facility according to adopted standards. Except as may otherwise be set forth in the lease agreement, the contracting entity or lessee shall be responsible for all costs due to development, maintenance, repair, rehabilitation, and reconstruction, and operating costs.

(g) (1) In selecting private entities with which to enter into these agreements, notwithstanding any other provision of law, the department and regional transportation agencies may utilize, but are not limited to utilizing, one or more of the following procurement approaches:

(A) Solicitations of proposals for defined projects and calls for project proposals within defined parameters.

(B) Prequalification and short-listing of proposers prior to final evaluation of proposals.

(C) Final evaluation of proposals based on qualifications and best value. The California Transportation Commission shall

develop and adopt criteria for making that evaluation prior to evaluation of a proposal.

(D) Negotiations with proposers prior to award.

(E) Acceptance of unsolicited proposals, with issuance of requests for competing proposals. Neither the department nor a regional transportation agency may award a contract to an unsolicited bidder without receiving at least one other responsible bid.

(2) When evaluating a proposal submitted by the contracting entity or lessee, the department or the regional transportation agency may award a contract on the basis of the lowest bid or best value.

(h) The contracting entity or lessee shall have the following qualifications:

(1) Evidence that the members of the contracting entity or lessee have completed, or have demonstrated the experience, competency, capability, and capacity to complete, a project of similar size, scope, or complexity, and that proposed key personnel have sufficient experience and training to competently manage and complete the design and construction of the project, and a financial statement that ensures that the contracting entity or lessee has the capacity to complete the project.

(2) The licenses, registration, and credentials required to design and construct the project, including, but not limited to, information on the revocation or suspension of any license, credential, or registration.

(3) Evidence that establishes that members of the contracting entity or lessee have the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance.

(4) Evidence that the contracting entity or lessee has workers' compensation experience, history, and a worker safety program of members of the contracting entity or lessee that is acceptable to the department or regional transportation agency.

(5) A full disclosure regarding all of the following with respect to each member of the contracting entity or lessee during the past five years:

(A) Any serious or willful violation of Part 1 (commencing with Section 6300) of Division 5 of the Labor Code or the federal Occupational Safety and Health Act of 1970 (Public Law 91-596).

(B) Any instance where members of the contracting entity or lessee were debarred, disqualified, or removed from a federal, state, or local government public works project.

(C) Any instance where members of the contracting entity or lessee, or its owners, officers, or managing employees submitted a bid on a public works project and were found to be nonresponsive or were found by an awarding body not to be a responsible bidder.

(D) Any instance where members of the contracting entity or lessee, or its owners, officers, or managing employees defaulted on a construction contract.

(E) Any violations of the Contractors' State License Law (Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code), including, but not limited to, alleged violations of federal or state law regarding the payment of wages, benefits, apprenticeship requirements, or personal income tax withholding, or Federal Insurance Contributions Act (FICA) withholding requirements.

(F) Any bankruptcy or receivership of any member of the contracting entity or lessee, including, but not limited to, information concerning any work completed by a surety.

(G) Any settled adverse claims, disputes, or lawsuits between the owner of a public works project and any member of the contracting entity or lessee during the five years preceding submission of a bid under this article, in which the claim, settlement, or judgment exceeds fifty thousand dollars (\$50,000). Information shall also be provided concerning any work completed by a surety during this five-year period.

(H) If the contracting entity or lessee is a partnership, joint venture, or an association that is not a legal entity, a copy of the agreement creating the partnership or association that specifies that all general partners, joint venturers, or association members agree to be fully liable for the performance under the agreement.

(i) No agreement entered into pursuant to this section shall infringe on the authority of the department or a regional transportation agency to develop, maintain, repair, rehabilitate, operate, or lease any transportation project. Lease agreements may provide for reasonable compensation to the contracting entity or lessee for the adverse effects on toll revenue or user fee revenue due to the development, operation, or lease of supplemental transportation projects with the exception of any of the following:

(1) Projects identified in regional transportation plans prepared pursuant to Section 65080 of the Government Code.

(2) Safety projects.

(3) Improvement projects that will result in incidental capacity increases.

(4) Additional high-occupancy vehicle lanes or the conversion of existing lanes to high-occupancy vehicle lanes.

(5) Projects located outside the boundaries of a public-private partnership project, to be defined by the lease agreement.

However, compensation to a contracting entity or lessee shall only be made after a demonstrable reduction in use of the facility resulting in reduced toll or user fee revenues, and may not exceed the difference between the reduction in those revenues and the amount necessary to cover the costs of debt service, including principal and interest on any debt incurred for the development, operation, maintenance, or rehabilitation of the facility.

(j) (1) Agreements entered into pursuant to this section shall authorize the contracting entity or lessee to impose tolls and user fees for use of a facility constructed by it, and shall require that over the term of the lease the toll revenues and user fees be applied to payment of the capital outlay costs for the project, the costs associated with operations, toll and user fee collection, administration of the facility, reimbursement to the department or other governmental entity for the costs of services to develop and maintain the project, police services, and a reasonable return on investment. The agreement shall require that, notwithstanding Sections 164, 188, and 188.1, any excess toll or user fee revenue either be applied to any indebtedness incurred by the contracting entity or lessee with respect to the project, improvements to the project, or be paid into the State Highway Account, or for all three purposes, except that any excess toll revenue under a lease agreement with a regional transportation agency may be paid to the regional transportation agency for use in improving public transportation in and near the project boundaries.

(2) Lease agreements shall establish specific toll or user fee rates. Any proposed increase in those rates not otherwise established or identified in the lease agreement during the term of the agreement shall first be approved by the department or regional transportation agency, as appropriate, after at least one public

hearing conducted at a location near the proposed or existing facility.

(3) The collection of tolls and user fees for the use of these facilities may be extended by the commission or regional transportation agency at the expiration of the lease agreement. However, those tolls or user fees shall not be used for any purpose other than for the improvement, continued operation, or maintenance of the facility.

(k) Agreements entered into pursuant to this section shall include indemnity, defense, and hold harmless provisions agreed to by the department or regional transportation agency and the contracting entity or lessee, including provisions for indemnifying the State of California or the regional transportation agency against any claims or losses resulting or accruing from the performance of the contracting entity or lessee.

(l) The plans and specifications for each transportation project on the state highway system developed, maintained, repaired, rehabilitated, reconstructed, or operated pursuant to this section shall comply with the department's standards for state transportation projects. The lease agreement shall include performance standards, including, but not limited to, levels of service. The agreement shall require facilities on the state highway system to meet all requirements for noise mitigation, landscaping, pollution control, and safety that otherwise would apply if the department were designing, building, and operating the facility. If a facility is on the state highway system, the facility leased pursuant to this section shall, during the term of the lease, be deemed to be a part of the state highway system for purposes of identification, maintenance, enforcement of traffic laws, and for the purposes of Division 3.6 (commencing with Section 810) of Title 1 of the Government Code.

(m) Failure to comply with the lease agreement in any significant manner shall constitute a default under the agreement and the department or the regional transportation agency, as appropriate, shall have the option to initiate processes to revert the facility to the public agency.

(n) The assignment authorized by subdivision (c) of Section 130240 of the Public Utilities Code is consistent with this section.

(o) A lease to a private entity pursuant to this section is deemed to be public property for a public purpose and exempt from

leasehold, real property, and ad valorem taxation, except for the use, if any, of that property for ancillary commercial purposes.

(p) Nothing in this section is intended to infringe on the authority to develop high-occupancy toll lanes pursuant to Section 149.4, 149.5, or 149.6.

(q) Nothing in this section shall be construed to allow the conversion of any existing nontoll or nonuser-fee lanes into tolled or user fee lanes with the exception of a high-occupancy vehicle lane that may be operated as a high-occupancy toll lane for vehicles not otherwise meeting the requirements for use of that lane.

(r) The lease agreement shall require the contracting entity or lessee to provide any information or data requested by the California Transportation Commission or the Legislative Analyst. The commission, in cooperation with the Legislative Analyst, shall annually prepare a report on the progress of each project and ultimately on the operation of the resulting facility. The report shall include, but not be limited to, a review of the performance standards, a financial analysis, and any concerns or recommendations for changes in the program authorized by this section.

(s) Notwithstanding any other provision of this section, no lease agreement may be entered into pursuant to the section that affects, alters, or supersedes the Memorandum of Understanding (MOU), dated November 26, 2008, entered into by the Golden Gate Bridge Highway and Transportation District, the Metropolitan Transportation Commission, and the San Francisco County Transportation Authority, relating to the financing of the U.S. Highway 101/Doyle Drive reconstruction project located in the City and County of San Francisco.

(t) No lease agreements may be entered into under this section on or after January 1, 2017.

SEC. 10. Section 182.6 of the Streets and Highways Code is amended to read:

182.6. (a) Notwithstanding Sections 182 and 182.5, Sections 188, 188.8, and 825 do not apply to the expenditure of an amount of federal funds equal to the amount of federal funds apportioned to the state pursuant to that portion of subsection (b)(3) of Section 104, subsections (a) and (c) of Section 157, and subsection (d) of Section 160 of Title 23 of the United States Code that is allocated within the state subject to subsection (d)(3) of Section 133 of that

code. These funds shall be known as the regional surface transportation program funds. The department, the transportation planning agencies, the county transportation commissions, and the metropolitan planning organizations may do all things necessary in their jurisdictions to secure and expend those federal funds in accordance with the intent of federal law and this chapter.

(b) The regional surface transportation program funds shall be apportioned by the department to the metropolitan planning organizations designated pursuant to Section 134 of Title 23 of the United States Code and, in areas where none has been designated, to the transportation planning agency designated pursuant to Section 29532 of the Government Code. The funds shall be apportioned in the manner and in accordance with the formula set forth in subsection (d)(3) of Section 133 of Title 23 of the United States Code, except that the apportionment shall be among all areas of the state. Funds apportioned under this subdivision shall remain available for three federal fiscal years, including the federal fiscal year apportioned.

(c) Where county transportation commissions have been created by Division 12 (commencing with Section 130000) of the Public Utilities Code, all regional surface transportation program funds shall be further apportioned by the metropolitan planning organization to the county transportation commission on the basis of relative population.

In the Monterey Bay region, all regional surface transportation program funds shall be further apportioned, on the basis of relative population, by the metropolitan planning organization to the regional transportation planning agencies designated under subdivision (b) of Section 29532 of the Government Code.

(d) The applicable metropolitan planning organization, county transportation commission, or transportation planning agency shall annually apportion the regional surface transportation program funds for projects in each county, as follows:

(1) An amount equal to the amount apportioned under the federal-aid urban program in federal fiscal year 1990–91 adjusted for population. The adjustment for population shall be based on the population determined in the 1990 federal census except that no county shall be apportioned less than 110 percent of the apportionment received in the 1990–91 fiscal year. These funds shall be apportioned for projects implemented by cities, counties,

and other transportation agencies on a fair and equitable basis based upon an annually updated five-year average of allocations. Projects shall be nominated by cities, counties, transit operators, and other public transportation agencies through a process that directly involves local government representatives.

(2) An amount not less than 110 percent of the amount that the county was apportioned under the federal-aid secondary program in federal fiscal year 1990–91, for use by that county.

(e) The department shall notify each metropolitan planning organization, county transportation commission, and transportation planning agency receiving an apportionment under this section, as soon as possible each year, of the amount of obligation authority estimated to be available for program purposes.

The metropolitan planning organization and transportation planning agency, in cooperation with the department, congestion management agencies, cities, counties, and affected transit operators, shall select and program projects in conformance with federal law. The metropolitan planning organization and transportation planning agency shall submit its Federal Transportation Improvement Program prepared pursuant to Section 134 of Title 23 of the United States Code to the department for incorporation into the Federal Statewide Transportation Improvement Program not later than October 1 of each even-numbered year. The Federal Transportation Improvement Programs shall, at a minimum, include the years covered by the Federal Statewide Transportation Improvement Program.

(f) Not later than July 1 of each year, the metropolitan planning organizations, and the regional transportation planning agencies, receiving obligational authority under this article shall notify the department of the projected amount of obligational authority that each entity intends to use during the remainder of the current federal fiscal year, including, but not limited to, a list of projects that will be obligated by the end of the current federal fiscal year. Any federal obligational authority that will not be used shall be redistributed by the department to other projects in a manner that ensures that the state will continue to compete for and receive increased obligational authority during the federal redistribution of obligational authority. If the department does not have sufficient federal apportionments to fully use excess obligational authority, the metropolitan planning organizations or regional transportation

planning agencies relinquishing obligational authority shall make sufficient apportionments available to the department to fund alternate projects, when practical, within the geographical areas relinquishing the obligational authority. Notwithstanding this subdivision, the department shall comply with subsections (d)(3) and (f) of Section 133 of Title 23 of the United States Code.

(g) A regional transportation planning agency that is not designated as, nor represented by, a metropolitan planning organization with an urbanized area population greater than 200,000 pursuant to the 1990 federal census may exchange its annual apportionment received pursuant to this section on a dollar-for-dollar basis for nonfederal State Highway Account funds, which shall be apportioned in accordance with subdivision (d).

(h) (1) If a regional transportation planning agency described in subdivision (g) does not elect to exchange its annual apportionment, a county located within the boundaries of that regional transportation planning agency may elect to exchange its annual apportionment received pursuant to paragraph (2) of subdivision (d) for nonfederal State Highway Account funds.

(2) A county not included in a regional transportation planning agency described in subdivision (g), whose apportionment pursuant to paragraph (2) of subdivision (d) was less than 1 percent of the total amount apportioned to all counties in the state, may exchange its apportionment for nonfederal State Highway Account funds. If the apportionment to the county was more than 3½ percent of the total apportioned to all counties in the state, it may exchange that portion of its apportionment in excess of 3½ percent for nonfederal State Highway Account funds. Exchange funds received by a county pursuant to this section may be used for any transportation purpose.

(i) The department shall be responsible for closely monitoring the use of federal transportation funds, including regional surface transportation program funds to ensure full and timely use. The department shall prepare a quarterly report for submission to the commission regarding the progress in use of all federal transportation funds. The department shall notify the commission and the appropriate implementation agency whenever there is a failure to use federal funds within the three-year apportionment period established under subdivision (b).

(j) The department shall provide written notice to implementing agencies when there is one year remaining within the three-year apportionment period established under subdivision (b) of this section.

(k) Within six months of the date of notification required under subdivision (j), the implementing agency shall provide to the department a plan to obligate funds that includes, but need not be limited to, a list of projects and milestones.

(l) If the implementing agency has not met the milestones established in the implementation plan required under subdivision (k), prior to the end of the three-year apportionment period established under subdivision (b), the commission shall redirect those funds for use on other transportation projects in the state.

(m) Notwithstanding subdivisions (g) and (h), regional surface transportation program funds available under this section exchanged pursuant to Section 182.8 may be loaned to and expended by the department. The department shall repay from the State Highway Account to the Traffic Congestion Relief Fund all funds received as federal reimbursements for funds exchanged under Section 182.8 as they are received from the Federal Highway Administration, except that those repayments are not required to be made more frequently than on a quarterly basis.

(n) Prior to determining the amount for local subvention required by this section, the department shall first deduct the amount authorized by the Legislature for increased department oversight of the federal subvented program.

SEC. 11. Section 182.7 of the Streets and Highways Code is amended to read:

182.7. (a) Notwithstanding Sections 182 and 182.5, Sections 188, 188.8, and 825 do not apply to the expenditure of an amount of federal funds equal to the amount of federal funds apportioned to the state pursuant to Section 104(b)(4) of Title 23 of the United States Code. These funds shall be known as the congestion mitigation and air quality improvement program funds and shall be expended in accordance with Section 149 of Title 23 of the United States Code, including the requirements relating to particulate matter less than 2.5 micrometers in diameter in subsections (g) and (k) of the section. The department, the transportation planning agencies, and the metropolitan planning organizations may do all things necessary in their jurisdictions to

secure and expend those federal funds in accordance with the intent of federal law and this chapter.

(b) The congestion mitigation and air quality improvement program funds shall be apportioned by the department to the metropolitan planning organizations designated pursuant to Section 134 of Title 23 of the United States Code and, in areas where none has been designated, to the transportation planning agency established by Section 29532 or 29532.1 of the Government Code. All funds apportioned to the state pursuant to Section 104(b)(4) of Title 23 of the United States Code shall be apportioned to metropolitan planning organizations and transportation planning agencies responsible for air quality conformity determinations in federally designated air quality nonattainment and maintenance areas within the state as follows:

(1) The department shall apportion these funds in the ratio that the weighted nonattainment and maintenance population in each federally designated area within the state bears to the total of all weighted nonattainment and maintenance area populations in the state.

(2) Subject to paragraph (3), the weighted nonattainment and maintenance area population shall be calculated by multiplying the population of each area in the state that is a nonattainment area or maintenance area as described in Section 149(b) of Title 23 of the United States Code for ozone or carbon monoxide by the following factors:

(A) A factor of 1.0, if, at the time of apportionment, the area is a maintenance area.

(B) A factor of 1.0, if, at the time of the apportionment, the area is classified as a marginal ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(C) A factor of 1.1, if, at the time of the apportionment, the area is classified as a moderate ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(D) A factor of 1.2, if, at the time of the apportionment, the area is classified as a serious ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(E) A factor of 1.3, if, at the time of the apportionment, the area is classified as a severe ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(F) A factor of 1.4, if, at the time of the apportionment, the area is classified as an extreme ozone nonattainment area under Subpart 2 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7511 et seq.).

(G) A factor of 1.0, if, at the time of the apportionment, the area is not a nonattainment or maintenance area for ozone, but is classified under Subpart 3 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7512 et seq.) as a nonattainment area for carbon monoxide.

(H) A factor of 1.0, if, at the time of the apportionment, an area is designated as a nonattainment area for ozone under Subpart 1 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7512 et seq.).

(3) If, in addition to being designated as a nonattainment or maintenance area for ozone as described in paragraph (2), any county within the area is also classified under Subpart 3 of Part D of Title I of the Clean Air Act (42 U.S.C. Sec. 7512 et seq.) as a nonattainment or maintenance area described in paragraph (2) for carbon monoxide, the weighted nonattainment or maintenance area population of the county, as determined under subparagraphs (A) to (F), inclusive, or subparagraph (H) of paragraph (2), shall be further multiplied by a factor of 1.2.

(4) Funds allocated under this subdivision shall remain available for three federal fiscal years, including the federal fiscal year apportioned.

(c) Notwithstanding subdivision (b), where county transportation commissions have been created by Division 12 (commencing with Section 130000) of the Public Utilities Code, all congestion mitigation and air quality improvement program funds shall be further apportioned by the metropolitan planning organization to the county transportation commission on the basis of relative population within the federally designated air quality nonattainment and maintenance areas after first apportioning to the nonattainment and maintenance areas in the manner and in accordance with the formula set forth in subdivision (b).

In the Monterey Bay region, all congestion mitigation and air quality improvement program funds shall be further apportioned, on the basis of relative population, by the metropolitan planning organization to the regional transportation planning agencies designated under subdivision (b) of Section 29532 of the Government Code.

(d) The department shall notify each metropolitan planning organization, transportation planning agency, and county transportation commission receiving an apportionment under this section, as soon as possible each year, of the amount of obligational authority estimated to be available for expenditure from the federal apportionment. The metropolitan planning organizations, transportation planning agencies, and county transportation commissions, in cooperation with the department, congestion management agencies, cities and counties, and affected transit operators, shall select and program projects in conformance with federal law. Each metropolitan planning organization and transportation planning agency shall, not later than October 1 of each even-numbered year, submit its Federal Transportation Improvement Program prepared pursuant to Section 134 of Title 23 of the United States Code to the department for incorporation into the Federal Statewide Transportation Improvement Program. Federal Transportation Improvement Programs shall, at a minimum, include the years covered by the Federal Statewide Transportation Improvement Program.

(e) Not later than July 1 of each year, the metropolitan planning organizations and the regional transportation planning agencies receiving obligational authority under this section, shall notify the department of the projected amount of obligational authority that each entity intends to use during the remainder of the current federal fiscal year, including, but not limited to, a list of projects that will use the obligational authority. Any federal obligational authority that will not be used shall be redistributed by the department to other projects in a manner that ensures that the state will continue to compete for and receive increased obligational authority during the federal redistribution of obligational authority. If the department does not have sufficient federal apportionments to fully use excess obligational authority, the metropolitan planning organization or transportation planning agency relinquishing obligational authority shall make sufficient funding available to

the department to fund alternate projects, when practical, within the geographical areas relinquishing the obligational authority. Notwithstanding this subdivision, the department shall comply with subsection (f) of Section 133 of Title 23 of the United States Code.

(f) The department shall be responsible for closely monitoring the use of federal transportation funds, including congestion management and air quality improvement program funds to ensure full and timely use. The department shall prepare a quarterly report for submission to the commission regarding the progress in use of all federal transportation funds. The department shall notify the commission and the appropriate implementation agency whenever there is a failure to use federal funds within the three-year apportionment period established under paragraph (4) of subdivision (b).

(g) The department shall provide written notice to implementing agencies when there is one year remaining within the three-year apportionment period established under paragraph (4) of subdivision (b).

(h) Within six months of the date of notification required under subdivision (g), the implementing agency shall provide to the department a plan to obligate funds that includes, but need not be limited to, a list of projects and milestones.

(i) If the implementing agency has not met the milestones established in the implementation plan required under subdivision (h), prior to the end of the three-year apportionment period established under paragraph (4) of subdivision (b), the commission shall redirect those funds for use on other transportation projects in the state.

(j) Congestion mitigation and air quality improvement program funds available under this section exchanged pursuant to Section 182.8 may be loaned to and expended by the department. The department shall repay from the State Highway Account to the Traffic Congestion Relief Fund all funds received as federal reimbursements for funds exchanged under Section 182.8 as they are received from the Federal Highway Administration, except that those repayments are not required to be made more frequently than on a quarterly basis.

(k) Prior to determining the amount for local subvention required by this section, the department shall first deduct the amount

authorized by the Legislature for increased department oversight of the federal subvented program.

SEC. 12. Section 253.7 of the Streets and Highways Code is amended to read:

253.7. The California freeway and expressway system shall also include:

Route 133 from Route 73 to Route 241.

Route 137 from Route 99 near Tulare to Route 65 near Lindsay.

Route 138 from Route 5 near Gorman to Route 15 near Cajon Pass.

Route 142 from Route 71 near Chino to Route 210 near Upland.

Route 152 from Route 101 to Route 65 near Sharon via Pacheco Pass.

Route 160 from:

(a) Route 4 near Antioch to Route 12 near Rio Vista.

(b) Sacramento to Route 51.

Route 166 from:

(a) Route 101 near Santa Maria to Route 33 in Cuyama Valley.

(b) Route 33 near Maricopa to Route 5.

Route 168 from Fresno to Huntington Lake.

Route 170 from Route 101 near Riverside Drive to Route 5 near Tujunga Wash.

Route 178 from:

(a) Bakersfield to Route 14 near Freeman.

(b) Route 14 near Freeman to the vicinity of the San Bernardino county line.

Route 180 from:

(a) Route 25 near Paicines to Route 5.

(b) Route 5 to Route 99 passing near Mendota.

(c) Route 99 near Fresno to General Grant Grove section of Kings Canyon National Park.

Route 190 from Route 136 near Keeler to Route 127 near Death Valley Junction.

Route 193 from Route 65 near Lincoln to Route 80 near Newcastle.

Route 198 from Route 5 near Oilfields to the Sequoia National Park line.

SEC. 13. Section 392 of the Streets and Highways Code is amended to read:

392. (a) Route 92 is from:

(1) Route 1 near Half Moon Bay to Route 280.

(2) Route 280 to Route 238 in Hayward.

(b) The relinquished former portion of Route 92 within the City of Hayward is not a state highway and is not eligible for adoption under Section 81. For the relinquished former portion of Route 92, the City of Hayward shall maintain within its jurisdiction signs directing motorists to the continuation of Route 92 or to the state highway system, as applicable.

(c) (1) The commission may relinquish to the City of Hayward all or any portion of Route 92 located within the city limits of that city, upon terms and conditions the commission finds to be in the best interests of the state, if the department and the city enter into an agreement providing for that relinquishment.

(2) A relinquishment under this subdivision shall become effective immediately after the county recorder's recordation of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.

(3) On and after the effective date of the relinquishment, both of the following shall occur:

(A) The portion of Route 92 relinquished shall cease to be a state highway.

(B) The portion of Route 92 relinquished shall be ineligible for future adoption under Section 81.

(4) For relinquished portions of Route 92, the City of Hayward shall maintain signs within its jurisdiction directing motorists to the continuation of Route 92 or to the state highway system, as applicable.

SEC. 14. Section 470 of the Streets and Highways Code is amended to read:

470. (a) Route 170 is from Route 101 near Riverside Drive to Route 5 near Tujunga Wash.

(b) The relinquished former portion of Route 170 within the City of Los Angeles between Route 2 and Route 101 is not a state highway and is not eligible for adoption under Section 81. For that relinquished former portion of Route 170, the City of Los Angeles shall maintain signs directing motorists to the continuation of Route 170.

SEC. 15. Section 485 of the Streets and Highways Code is amended to read:

485. (a) Route 185 is from Route 92 in Hayward to Route 77 in Oakland.

(b) The relinquished former portion of Route 185 within the City of Hayward is not a state highway and is not eligible for adoption under Section 81. For the relinquished former portion of Route 185, the City of Hayward shall maintain within its jurisdiction signs directing motorists to the continuation of Route 185 or to the state highway system, as applicable.

(c) (1) The commission may relinquish to the City of Hayward all or any portion of Route 185 located within the city limits of that city, upon terms and conditions the commission finds to be in the best interests of the state, if the department and the city enter into an agreement providing for that relinquishment.

(2) A relinquishment under this subdivision shall become effective immediately after the county recorder's recordation of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.

(3) On and after the effective date of the relinquishment, both of the following shall occur:

(A) The portion of Route 185 relinquished shall cease to be a state highway.

(B) The portion of Route 185 relinquished shall be ineligible for future adoption under Section 81.

(4) For relinquished portions of Route 185, the City of Hayward shall maintain signs within its jurisdiction directing motorists to the continuation of Route 185 or to the state highway system, as applicable.

SEC. 16. Section 538 of the Streets and Highways Code is amended to read:

538. (a) Route 238 is from Route 680 in Fremont to Route 61 near San Lorenzo via Hayward.

(b) The relinquished former portion of Route 238 within the City of Hayward is not a state highway and is not eligible for adoption under Section 81. For the relinquished former portion of Route 238, the City of Hayward shall maintain within its jurisdiction signs directing motorists to the continuation of Route 238 or to the state highway system, as applicable.

(c) (1) The commission may relinquish to the City of Hayward all or any portion of Route 238 located within the city limits of that city, upon terms and conditions the commission finds to be

in the best interests of the state, if the department and the city enter into an agreement providing for that relinquishment.

(2) A relinquishment under this subdivision shall become effective immediately after the county recorder's recordation of the relinquishment resolution containing the commission's approval of the terms and conditions of the relinquishment.

(3) On and after the effective date of the relinquishment, both of the following shall occur:

(A) The portion of Route 238 relinquished shall cease to be a state highway.

(B) The portion of Route 238 relinquished shall be ineligible for future adoption under Section 81.

(4) For relinquished portions of Route 238, the City of Hayward shall maintain signs within its jurisdiction directing motorists to the continuation of Route 238 or to the state highway system, as applicable.

SEC. 17. Section 890.4 of the Streets and Highways Code is amended to read:

890.4. As used in this article, "bikeway" means all facilities that provide primarily for, and promote, bicycle travel. For purposes of this article, bikeways shall be categorized as follows:

(a) Bike paths or shared use paths, also referred to as "Class I bikeways," which provide a completely separated right-of-way designated for the exclusive use of bicycles and pedestrians with crossflows by motorists minimized.

(b) Bike lanes, also referred to as "Class II bikeways," which provide a restricted right-of-way designated for the exclusive or semiexclusive use of bicycles with through travel by motor vehicles or pedestrians prohibited, but with vehicle parking and crossflows by pedestrians and motorists permitted.

(c) Bike routes, also referred to as "Class III bikeways," which provide a right-of-way on-street or off-street, designated by signs or permanent markings and shared with pedestrians and motorists.

(d) Cycle tracks or separated bikeways, also referred to as "Class IV bikeways," which promote active transportation and provide a right-of-way designated exclusively for bicycle travel adjacent to a roadway and which are separated from vehicular traffic. Types of separation include, but are not limited to, grade separation, flexible posts, inflexible physical barriers, or on-street parking.

SEC. 18. Section 2384 of the Streets and Highways Code is amended to read:

2384. The commission shall adopt a program of projects to receive allocations under this chapter. The guidelines for an initial two-year program of projects shall be adopted within six months of the enactment of the act enacting this section. The commission shall adopt the 2015 program of projects no later than January 31, 2016, and shall adopt each subsequent program not later than April 1 of each odd-numbered year, but may alternatively elect to adopt a program annually. Each subsequent program shall cover a period of four fiscal years, beginning July 1 of the year of adoption, and shall be a statement of intent by the commission for the allocation or expenditure of funds during those four fiscal years. The commission shall form a multidisciplinary advisory group to assist it in evaluating project applications.

SEC. 19. Section 1656.2 of the Vehicle Code is amended to read:

1656.2. (a) The department shall prepare and publish a printed summary describing the penalties for noncompliance with Sections 16000 and 16028, which shall be included with each motor vehicle registration, registration renewal, and transfer of registration and with each driver's license and license renewal. The printed summary may contain, but is not limited to, the following wording:

“IMPORTANT FACTS ABOUT ENFORCEMENT OF
CALIFORNIA’S COMPULSORY FINANCIAL
RESPONSIBILITY LAW

California law requires every driver to carry written evidence of valid automobile liability insurance, a \$35,000 bond, a \$35,000 cash deposit, or a certificate of self-insurance that has been issued by the Department of Motor Vehicles.

You must provide evidence of financial responsibility when you renew the registration of a motor vehicle, and after you are cited by a peace officer for a traffic violation or are involved in any traffic accident. The law requires that you provide the officer with the name and address of your insurer and the policy identification number. Your insurer will provide written evidence of this number. Failure to provide evidence of your financial

responsibility can result in fines of up to \$500 and loss of your driver's license. Falsification of evidence can result in fines of up to \$750 or 30 days in jail, or both, in addition to a one-year suspension of driving privileges.

Under existing California law, if you are involved in an accident that results in damages of over \$750 to the property of any person or in any injury or fatality, you must file a report of the accident with the Department of Motor Vehicles within 10 days of the accident. If you fail to file a report or fail to provide evidence of financial responsibility on the report, your driving privilege will be suspended for up to four years. Your suspension notice will notify you of the department's action and of your right to a hearing. Your suspension notice will also inform you that if you request a hearing, it must be conducted within 30 days of your written request, and that a decision is to be rendered within 15 days of the conclusion of the hearing."

(b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 20. Section 1656.2 is added to the Vehicle Code, to read:

1656.2. (a) The department shall prepare and publish a printed summary describing the penalties for noncompliance with Sections 16000 and 16028, which shall be included with each motor vehicle registration, registration renewal, and transfer of registration and with each driver's license and license renewal. The printed summary may contain, but is not limited to, the following wording:

**“IMPORTANT FACTS ABOUT ENFORCEMENT OF
CALIFORNIA’S COMPULSORY FINANCIAL
RESPONSIBILITY LAW**

California law requires every driver to carry written evidence of valid automobile liability insurance, a \$35,000 bond, a \$35,000 cash deposit, or a certificate of self-insurance that has been issued by the Department of Motor Vehicles.

You must provide evidence of financial responsibility when you renew the registration of a motor vehicle, and after you are cited

by a peace officer for a traffic violation or are involved in any traffic accident. The law requires that you provide the officer with the name and address of your insurer and the policy identification number. Your insurer will provide written evidence of this number. Failure to provide evidence of your financial responsibility can result in fines of up to \$500 and loss of your driver's license. Falsification of evidence can result in fines of up to \$750 or 30 days in jail, or both, in addition to a one-year suspension of driving privileges.

Under existing California law, if you are involved in an accident that results in damages of over \$1,000 to the property of any person or in any injury or fatality, you must file a report of the accident with the Department of Motor Vehicles within 10 days of the accident. If you fail to file a report or fail to provide evidence of financial responsibility on the report, your driving privilege will be suspended for up to four years. Your suspension notice will notify you of the department's action and of your right to a hearing. Your suspension notice will also inform you that if you request a hearing, it must be conducted within 30 days of your written request, and that a decision is to be rendered within 15 days of the conclusion of the hearing."

(b) This section shall become operative on January 1, 2017.

SEC. 21. Section 1808 of the Vehicle Code is amended to read:

1808. (a) Except where a specific provision of law prohibits the disclosure of records or information or provides for confidentiality, all records of the department relating to the registration of vehicles, other information contained on an application for a driver's license, abstracts of convictions, and abstracts of accident reports required to be sent to the department in Sacramento, except for abstracts of accidents where, in the opinion of a reporting officer, another individual was at fault, shall be open to public inspection during office hours. All abstracts of accident reports shall be available to law enforcement agencies and courts of competent jurisdiction.

(b) The department shall make available or disclose abstracts of convictions and abstracts of accident reports required to be sent to the department in Sacramento, as described in subdivision (a), if the date of the occurrence is not later than the following:

(1) Ten years for a violation pursuant to Section 23140, 23152, or 23153.

(2) Seven years for a violation designated as two points pursuant to Section 12810, except as provided in paragraph (1) of this subdivision.

(3) Three years for accidents and all other violations.

(c) The department shall make available or disclose suspensions and revocations of the driving privilege while the suspension or revocation is in effect and for three years following termination of the action or reinstatement of the privilege, except that driver's license suspension actions taken pursuant to Sections 13202.6 and 13202.7, Section 17520 of the Family Code, or Section 256 or former Section 11350.6 of the Welfare and Institutions Code shall be disclosed only during the actual time period in which the suspension is in effect.

(d) The department shall not make available or disclose a suspension or revocation that has been judicially set aside or stayed.

(e) The department shall not make available or disclose personal information about a person unless the disclosure is in compliance with the Driver's Privacy Protection Act of 1994 (18 U.S.C. Sec. 2721 et seq.). However, a disclosure is subject to the prohibition in paragraph (2) of subdivision (a) of Section 12800.5.

(f) The department shall make available or disclose to the courts and law enforcement agencies a conviction of Section 23103, as specified in Section 23103.5, or a conviction of Section 23140, 23152, or 23153, or Section 655 of the Harbors and Navigation Code, or paragraph (1) of subdivision (c) of Section 192 of the Penal Code for a period of 10 years from the date of the offense for the purpose of imposing penalties mandated by this code, or by other applicable provisions of California law.

(g) The department shall make available or disclose to the courts and law enforcement agencies a conviction of Section 191.5, or subdivision (a) of Section 192.5 of the Penal Code, punished as a felony, for the purpose of imposing penalties mandated by Section 23550.5, or by other applicable provisions of California law.

SEC. 22. Section 1808.1 of the Vehicle Code is amended to read:

1808.1. (a) The prospective employer of a driver who drives a vehicle specified in subdivision (k) shall obtain a report showing the driver's current public record as recorded by the department.

For purposes of this subdivision, a report is current if it was issued less than 30 days prior to the date the employer employs the driver. The report shall be reviewed, signed, and dated by the employer and maintained at the employer's place of business until receipt of the pull-notice system report pursuant to subdivisions (b) and (c). These reports shall be presented upon request to an authorized representative of the Department of the California Highway Patrol during regular business hours.

(b) The employer of a driver who drives a vehicle specified in subdivision (k) shall participate in a pull-notice system, which is a process for the purpose of providing the employer with a report showing the driver's current public record as recorded by the department, and any subsequent convictions, failures to appear, accidents, driver's license suspensions, driver's license revocations, or any other actions taken against the driving privilege or certificate, added to the driver's record while the employer's notification request remains valid and uncanceled. As used in this section, participation in the pull-notice system means obtaining a requester code and enrolling all employed drivers who drive a vehicle specified in subdivision (k) under that requester code.

(c) The employer of a driver of a vehicle specified in subdivision (k) shall, additionally, obtain a periodic report from the department at least every 12 months. The employer shall verify that each employee's driver's license has not been suspended or revoked, the employee's traffic violation point count, and whether the employee has been convicted of a violation of Section 23152 or 23153. The report shall be signed and dated by the employer and maintained at the employer's principal place of business. The report shall be presented upon demand to an authorized representative of the Department of the California Highway Patrol during regular business hours.

(d) Upon the termination of a driver's employment, the employer shall notify the department to discontinue the driver's enrollment in the pull-notice system.

(e) For the purposes of the pull-notice system and periodic report process required by subdivisions (b) and (c), an owner, other than an owner-operator as defined in Section 34624, and an employer who drives a vehicle described in subdivision (k) shall be enrolled as if he or she were an employee. A family member and a volunteer

driver who drives a vehicle described in subdivision (k) shall also be enrolled as if he or she were an employee.

(f) An employer who, after receiving a driving record pursuant to this section, employs or continues to employ as a driver a person against whom a disqualifying action has been taken regarding his or her driving privilege or required driver's certificate, is guilty of a public offense, and upon conviction thereof, shall be punished by confinement in a county jail for not more than six months, by a fine of not more than one thousand dollars (\$1,000), or by both that confinement and fine.

(g) As part of its inspection of bus maintenance facilities and terminals required at least once every 13 months pursuant to subdivision (c) of Section 34501, the Department of the California Highway Patrol shall determine whether each transit operator, as defined in Section 99210 of the Public Utilities Code, is then in compliance with this section and Section 12804.6, and shall certify each operator found to be in compliance. Funds shall not be allocated pursuant to Chapter 4 (commencing with Section 99200) of Part 11 of Division 10 of the Public Utilities Code to a transit operator that the Department of the California Highway Patrol has not certified pursuant to this section.

(h) (1) A request to participate in the pull-notice system established by this section shall be accompanied by a fee determined by the department to be sufficient to defray the entire actual cost to the department for the notification service. For the receipt of subsequent reports, the employer shall also be charged a fee established by the department pursuant to Section 1811. An employer who qualifies pursuant to Section 1812 shall be exempt from any fee required pursuant to this section. Failure to pay the fee shall result in automatic cancellation of the employer's participation in the notification services.

(2) A regularly organized fire department, having official recognition of the city, county, city and county, or district in which the department is located, shall participate in the pull-notice program and shall not be subject to the fee established pursuant to this subdivision.

(3) The Board of Pilot Commissioners for Monterey Bay and the Bays of San Francisco, San Pablo, and Suisun, and its port agent shall participate in the pull-notice system established by this section, subject to Section 1178.5 of the Harbors and Navigation

Code, and shall not be subject to the fees established pursuant to this subdivision.

(i) The department, as soon as feasible, may establish an automatic procedure to provide the periodic reports to an employer by mail or via an electronic delivery method, as required by subdivision (c), on a regular basis without the need for individual requests.

(j) (1) The employer of a driver who is employed as a casual driver is not required to enter that driver's name in the pull-notice system, as otherwise required by subdivision (a). However, the employer of a casual driver shall be in possession of a report of the driver's current public record as recorded by the department, prior to allowing a casual driver to drive a vehicle specified in subdivision (k). A report is current if it was issued less than six months prior to the date the employer employs the driver.

(2) For the purposes of this subdivision, a driver is employed as a casual driver when the employer has employed the driver less than 30 days during the preceding six months. "Casual driver" does not include a driver who operates a vehicle that requires a passenger transportation endorsement.

(k) This section applies to a vehicle for the operation of which the driver is required to have a class A or class B driver's license, a class C license with any endorsement issued pursuant to Section 15278, a class C license issued pursuant to Section 12814.7, or a certificate issued pursuant to Section 12517, 12519, 12520, 12523, 12523.5, or 12527, or a passenger vehicle having a seating capacity of not more than 10 persons, including the driver, operated for compensation by a charter-party carrier of passengers or passenger stage corporation pursuant to a certificate of public convenience and necessity or a permit issued by the Public Utilities Commission.

(l) This section shall not be construed to change the definition of "employer," "employee," or "independent contractor" for any purpose.

(m) A motor carrier who contracts with a person to drive a vehicle described in subdivision (k) that is owned by, or leased to, that motor carrier, shall be subject to subdivisions (a), (b), (c), (d), (f), (j), (k), and (l) and the employer obligations in those subdivisions.

(n) Reports issued pursuant to this section, but only those for a driver of a taxicab engaged in transportation services as described in subdivision (a) of Section 53075.5 of the Government Code, shall be presented upon request, during regular business hours, to an authorized representative of the administrative agency responsible for issuing permits to taxicab transportation services pursuant to Section 53075.5 of the Government Code.

SEC. 23. Section 12517.1 of the Vehicle Code is amended to read:

12517.1. (a) A “schoolbus accident” means any of the following:

(1) A motor vehicle accident resulting in property damage in excess of seven hundred fifty dollars (\$750) or personal injury, on public or private property, and involving a schoolbus, youth bus, school pupil activity bus, or general public paratransit vehicle transporting a pupil.

(2) A collision between a vehicle and a pupil or a schoolbus driver while the pupil or driver is crossing the highway when the schoolbus flashing red signal lamps are required to be operated pursuant to Section 22112 or when the schoolbus is stopped for the purpose of loading or unloading pupils.

(3) Injury of a pupil inside a vehicle described in paragraph (1) as a result of acceleration, deceleration, or other movement of the vehicle.

(b) The Department of the California Highway Patrol shall investigate all schoolbus accidents, except that accidents involving only property damage and occurring entirely on private property shall be investigated only if they involve a violation of this code.

(c) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 24. Section 12517.1 is added to the Vehicle Code, to read:

12517.1. (a) A “schoolbus accident” means any of the following:

(1) A motor vehicle accident resulting in property damage in excess of one thousand dollars (\$1,000), or personal injury, on public or private property, and involving a schoolbus, youth bus, school pupil activity bus, or general public paratransit vehicle transporting a pupil.

(2) A collision between a vehicle and a pupil or a schoolbus driver while the pupil or driver is crossing the highway when the schoolbus flashing red signal lamps are required to be operated pursuant to Section 22112 or when the schoolbus is stopped for the purpose of loading or unloading pupils.

(3) Injury of a pupil inside a vehicle described in paragraph (1) as a result of acceleration, deceleration, or other movement of the vehicle.

(b) The Department of the California Highway Patrol shall investigate all schoolbus accidents, except that accidents involving only property damage and occurring entirely on private property shall be investigated only if they involve a violation of this code.

(c) This section shall become operative on January 1, 2017.

SEC. 25. Section 13369 of the Vehicle Code is amended to read:

13369. (a) This section applies to the following endorsements and certificates:

- (1) Passenger transportation vehicle.
- (2) Hazardous materials.
- (3) Schoolbus.
- (4) School pupil activity bus.
- (5) Youth bus.
- (6) General public paratransit vehicle.
- (7) Farm labor vehicle.
- (8) Vehicle used for the transportation of developmentally disabled persons.

(b) The department shall refuse to issue or renew, or shall revoke, the certificate or endorsement of a person who meets the following conditions:

(1) Within three years, has committed any violation that results in a conviction assigned a violation point count of two or more, as defined in Sections 12810 and 12810.5. The department shall not refuse to issue or renew, nor may it revoke, a person's hazardous materials or passenger transportation vehicle endorsement if the violation leading to the conviction occurred in the person's private vehicle and not in a commercial motor vehicle, as defined in Section 15210.

(2) Within three years, has had his or her driving privilege suspended, revoked, or on probation for any reason involving unsafe operation of a motor vehicle. The department shall not

refuse to issue or renew, nor may it revoke, a person's passenger transportation vehicle endorsement if the person's driving privilege has, within three years, been placed on probation only for a reason involving unsafe operation of a motor vehicle.

(3) Notwithstanding paragraphs (1) and (2), does not meet the qualifications for issuance of a hazardous materials endorsement set forth in Parts 383, 384, and 1572 of Title 49 of the Code of Federal Regulations.

(c) The department may refuse to issue or renew, or may suspend or revoke, the certificate or endorsement of a person who meets any of the following conditions:

(1) Within 12 months, has been involved as a driver in three accidents in which the driver caused or contributed to the causes of the accidents.

(2) Within 24 months, as a driver, caused or contributed to the cause of an accident resulting in a fatality or serious injury or serious property damage in excess of seven hundred fifty dollars (\$750).

(3) Has violated any provision of this code, or any rule or regulation pertaining to the safe operation of a vehicle for which the certificate or endorsement was issued.

(4) Has violated any restriction of the certificate, endorsement, or commercial driver's license.

(5) Has knowingly made a false statement or failed to disclose a material fact on an application for a certificate or endorsement.

(6) Has been determined by the department to be a negligent or incompetent operator.

(7) Has demonstrated irrational behavior to the extent that a reasonable and prudent person would have reasonable cause to believe that the applicant's ability to perform the duties of a driver may be impaired.

(8) Excessively or habitually uses, or is addicted to, alcoholic beverages, narcotics, or dangerous drugs.

(9) Does not meet the minimum medical standards established or approved by the department.

(d) The department may cancel the certificate or endorsement of any driver who meets any of the following conditions:

(1) Does not have a valid driver's license of the appropriate class.

(2) Has requested cancellation of the certificate or endorsement.

(3) Has failed to meet any of the requirements for issuance or retention of the certificate or endorsement, including, but not limited to, payment of the proper fee, submission of an acceptable medical report and fingerprint cards, and compliance with prescribed training requirements.

(4) Has had his or her driving privilege suspended or revoked for a cause involving other than the safe operation of a motor vehicle.

(e) (1) The department shall refuse to issue or renew, or shall suspend or revoke, the passenger vehicle endorsement of a person who violates subdivision (b) of Section 5387 of the Public Utilities Code.

(2) A person found to be in violation of subdivision (b) of Section 5387 of the Public Utilities Code shall be ineligible for a passenger vehicle endorsement that would permit him or her to drive a bus of any kind, including, but not limited to, a bus, schoolbus, youth bus, school pupil activity bus, trailer bus, or a transit bus, with passengers, for a period of five years.

(f) (1) Reapplication following refusal or revocation under subdivision (b) or (c) may be made after a period of not less than one year from the effective date of denial or revocation, except in cases where a longer period of suspension or revocation is required by law.

(2) Reapplication following cancellation under subdivision (d) may be made at any time without prejudice.

(g) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 26. Section 13369 is added to the Vehicle Code, to read:

13369. (a) This section applies to the following endorsements and certificates:

- (1) Passenger transportation vehicle.
- (2) Hazardous materials.
- (3) Schoolbus.
- (4) School pupil activity bus.
- (5) Youth bus.
- (6) General public paratransit vehicle.
- (7) Farm labor vehicle.
- (8) Vehicle used for the transportation of developmentally disabled persons.

(b) The department shall refuse to issue or renew, or shall revoke, the certificate or endorsement of a person who meets the following conditions:

(1) Within three years, has committed any violation that results in a conviction assigned a violation point count of two or more, as defined in Sections 12810 and 12810.5. The department shall not refuse to issue or renew, nor may it revoke, a person's hazardous materials or passenger transportation vehicle endorsement if the violation leading to the conviction occurred in the person's private vehicle and not in a commercial motor vehicle, as defined in Section 15210.

(2) Within three years, has had his or her driving privilege suspended, revoked, or on probation for any reason involving unsafe operation of a motor vehicle. The department shall not refuse to issue or renew, nor may it revoke, a person's passenger transportation vehicle endorsement if the person's driving privilege has, within three years, been placed on probation only for a reason involving unsafe operation of a motor vehicle.

(3) Notwithstanding paragraphs (1) and (2), does not meet the qualifications for issuance of a hazardous materials endorsement set forth in Parts 383, 384, and 1572 of Title 49 of the Code of Federal Regulations.

(c) The department may refuse to issue or renew, or may suspend or revoke, the certificate or endorsement of a person who meets any of the following conditions:

(1) Within 12 months, has been involved as a driver in three accidents in which the driver caused or contributed to the causes of the accidents.

(2) Within 24 months, as a driver, caused or contributed to the cause of an accident resulting in a fatality or serious injury or serious property damage in excess of one thousand dollars (\$1,000).

(3) Has violated any provision of this code, or any rule or regulation pertaining to the safe operation of a vehicle for which the certificate or endorsement was issued.

(4) Has violated any restriction of the certificate, endorsement, or commercial driver's license.

(5) Has knowingly made a false statement or failed to disclose a material fact on an application for a certificate or endorsement.

(6) Has been determined by the department to be a negligent or incompetent operator.

(7) Has demonstrated irrational behavior to the extent that a reasonable and prudent person would have reasonable cause to believe that the applicant's ability to perform the duties of a driver may be impaired.

(8) Excessively or habitually uses, or is addicted to, alcoholic beverages, narcotics, or dangerous drugs.

(9) Does not meet the minimum medical standards established or approved by the department.

(d) The department may cancel the certificate or endorsement of any driver who meets any of the following conditions:

(1) Does not have a valid driver's license of the appropriate class.

(2) Has requested cancellation of the certificate or endorsement.

(3) Has failed to meet any of the requirements for issuance or retention of the certificate or endorsement, including, but not limited to, payment of the proper fee, submission of an acceptable medical report and fingerprint cards, and compliance with prescribed training requirements.

(4) Has had his or her driving privilege suspended or revoked for a cause involving other than the safe operation of a motor vehicle.

(e) (1) The department shall refuse to issue or renew, or shall suspend or revoke, the passenger vehicle endorsement of a person who violates subdivision (b) of Section 5387 of the Public Utilities Code.

(2) A person found to be in violation of subdivision (b) of Section 5387 of the Public Utilities Code shall be ineligible for a passenger vehicle endorsement that would permit him or her to drive a bus of any kind, including, but not limited to, a bus, schoolbus, youth bus, school pupil activity bus, trailer bus, or a transit bus, with passengers, for a period of five years.

(f) (1) Reapplication following refusal or revocation under subdivision (b) or (c) may be made after a period of not less than one year from the effective date of denial or revocation, except in cases where a longer period of suspension or revocation is required by law.

(2) Reapplication following cancellation under subdivision (d) may be made at any time without prejudice.

(g) This section shall become operative on January 1, 2017.

SEC. 27. Section 13558 of the Vehicle Code is amended to read:

13558. (a) Any person, who has received a notice of an order of suspension or revocation of the person's privilege to operate a motor vehicle pursuant to Section 13353, 13353.1, 13353.2, 13388, 23612, or 13382 or a notice pursuant to Section 13557, may request a hearing on the matter pursuant to Article 3 (commencing with Section 14100) of Chapter 3, except as otherwise provided in this section.

(b) If the person wishes to have a hearing before the effective date of the order of suspension or revocation, the request for a hearing shall be made within 10 days of the receipt of the notice of the order of suspension or revocation. The hearing shall be held at a place designated by the department as close as practicable to the place where the arrest occurred, unless the parties agree to a different location. Any evidence at the hearing shall not be limited to the evidence presented at an administrative review pursuant to Section 13557.

(c) (1) The only issues at the hearing on an order of suspension or revocation pursuant to Section 13353 or 13353.1 shall be those facts listed in paragraph (1) of subdivision (b) of Section 13557. Notwithstanding Section 14106, the period of suspension or revocation specified in Section 13353 or 13353.1 shall not be reduced and, notwithstanding Section 14105.5, the effective date of the order of suspension or revocation shall not be stayed pending review at a hearing pursuant to this section.

(2) The only issues at the hearing on an order of suspension pursuant to Section 13353.2 shall be those facts listed in paragraph (3) of subdivision (b) of Section 13557. Notwithstanding Section 14106, the period of suspension specified in Section 13353.3 shall not be reduced.

(d) The department shall hold the administrative hearing before the effective date of the order of suspension or revocation if the request for the hearing is postmarked or received by the department on or before 10 days after the person's receipt of the service of the notice of the order of suspension or revocation pursuant to Section 13353.2, 13388, 23612, or 13382.

(e) A request for an administrative hearing does not stay the suspension or revocation of a person's privilege to operate a motor vehicle. If the department does not conduct an administrative

hearing and make a determination after an administrative hearing within the time limit in subdivision (d), the department shall stay the effective date of the order of suspension or revocation pending the determination and, if the person's driver's license has been taken by the peace officer pursuant to Section 13388, 23612, or 13382, the department shall notify the person before the expiration date of the temporary permit issued pursuant to Section 13388, 23612, or 13382, or the expiration date of any previous extension issued pursuant to this subdivision, provided the person is otherwise eligible, in a form that permits the person to establish to any peace officer that his or her privilege to operate a motor vehicle is not suspended or revoked.

(f) The department shall give written notice of its determination pursuant to Section 14105. If the department determines, upon a hearing of the matter, to suspend or revoke the person's privilege to operate a motor vehicle, notwithstanding the term of any temporary permit issued pursuant to Section 13388, 23612, or 13382, the temporary permit shall be revoked and the suspension or revocation of the person's privilege to operate a motor vehicle shall become effective five days after notice is given. If the department sustains the order of suspension or revocation, the department shall include notice that the person has a right to review by the court pursuant to Section 13559.

(g) A determination of facts by the department upon a hearing pursuant to this section has no collateral estoppel effect on a subsequent criminal prosecution and does not preclude litigation of those same facts in the criminal proceeding.

SEC. 28. Section 16000 of the Vehicle Code is amended to read:

16000. (a) The driver of a motor vehicle who is in any manner involved in an accident originating from the operation of the motor vehicle on a street or highway, or is involved in a reportable off-highway accident, as defined in Section 16000.1, that has resulted in damage to the property of any one person in excess of seven hundred fifty dollars (\$750), or in bodily injury, or in the death of any person shall report the accident, within 10 days after the accident, either personally or through an insurance agent, broker, or legal representative, on a form approved by the department, to the office of the department at Sacramento, subject to this chapter. The driver shall identify on the form, by name and

current residence address, if available, any person involved in the accident complaining of bodily injury.

(b) A report is not required under subdivision (a) if the motor vehicle involved in the accident was owned or leased by, or under the direction of, the United States, this state, another state, or a local agency.

(c) If none of the parties involved in an accident has reported the accident to the department under this section within one year following the date of the accident, the department is not required to file a report on the accident and the driver's license suspension requirements of Section 16004 or 16070 do not apply.

(d) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 29. Section 16000 is added to the Vehicle Code, to read:

16000. (a) The driver of a motor vehicle who is in any manner involved in an accident originating from the operation of the motor vehicle on a street or highway, or is involved in a reportable off-highway accident, as defined in Section 16000.1, that has resulted in damage to the property of any one person in excess of one thousand dollars (\$1,000), or in bodily injury, or in the death of any person shall report the accident, within 10 days after the accident, either personally or through an insurance agent, broker, or legal representative, on a form approved by the department, to the office of the department at Sacramento, subject to this chapter. The driver shall identify on the form, by name and current residence address, if available, any person involved in the accident complaining of bodily injury.

(b) A report is not required under subdivision (a) if the motor vehicle involved in the accident was owned or leased by, or under the direction of, the United States, this state, another state, or a local agency.

(c) If none of the parties involved in an accident has reported the accident to the department under this section within one year following the date of the accident, the department is not required to file a report on the accident and the driver's license suspension requirements of Section 16004 or 16070 do not apply.

(d) This section shall become operative on January 1, 2017.

SEC. 30. Section 16000.1 of the Vehicle Code is amended to read:

16000.1. (a) For purposes of this division, a “reportable off-highway accident” means an accident that includes all of the following:

- (1) Occurs off the street or highway.
- (2) Involves a vehicle that is subject to registration under this code.
- (3) Results in damages to the property of any one person in excess of seven hundred fifty dollars (\$750) or in bodily injury or in the death of any person.

(b) A “reportable off-highway accident” does not include any accident that occurs off-highway in which damage occurs only to the property of the driver or owner of the motor vehicle and no bodily injury or death of a person occurs.

(c) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 31. Section 16000.1 is added to the Vehicle Code, to read:

16000.1. (a) For purposes of this division, a “reportable off-highway accident” means an accident that includes all of the following:

- (1) Occurs off the street or highway.
- (2) Involves a vehicle that is subject to registration under this code.
- (3) Results in damages to the property of any one person in excess of one thousand dollars (\$1,000) or in bodily injury or in the death of any person.

(b) A “reportable off-highway accident” does not include any accident that occurs off-highway in which damage occurs only to the property of the driver or owner of the motor vehicle and no bodily injury or death of a person occurs.

(c) This section shall become operative on January 1, 2017.

SEC. 32. Section 16020.1 of the Vehicle Code is amended to read:

16020.1. (a) On and after January 1, 2020, Section 4000.37 does not apply to vehicle owners with a residence address in the County of Los Angeles at the time of registration renewal.

(b) On and after January 1, 2020, subdivisions (a) and (b) of Section 16028 do not apply to a person who drives a motor vehicle upon a highway in the County of Los Angeles.

SEC. 33. Section 16020.2 of the Vehicle Code is amended to read:

16020.2. (a) On and after January 1, 2020, Section 4000.37 does not apply to vehicle owners with a residence address in the City and County of San Francisco at the time of registration renewal.

(b) On and after January 1, 2020, subdivisions (a) and (b) of Section 16028 do not apply to a person who drives a motor vehicle upon a highway in the City and County of San Francisco.

SEC. 34. Section 16075 of the Vehicle Code is amended to read:

16075. (a) The suspension provisions of this article shall not apply to a driver or owner until 30 days after the department sends to the driver or owner notice of its intent to suspend his or her driving privilege, pursuant to subdivision (b) of Section 16070, and advises the driver or owner of his or her right to a hearing as provided in this section.

(b) If the driver or owner receiving the notice of intent to suspend wishes to have a hearing, the request for a hearing shall be made in writing to the department within 10 days of the receipt of the notice. Failure to respond to a notice of intent within 10 days of receipt of the notice is a waiver of the person's right to a hearing.

(c) If the driver or owner makes a timely request for a hearing, the department shall hold the hearing before the effective date of the suspension to determine the applicability of this chapter to the driver or owner, including a determination of whether:

(1) The accident has resulted in property damage in excess of seven hundred fifty dollars (\$750), or bodily injury, or death.

(2) The driver or owner has established evidence of financial responsibility, as provided in Article 3 (commencing with Section 16050), that was in effect at the time of the accident.

(d) A request for a hearing does not stay the suspension of a person's driving privilege. However, if the department does not conduct a hearing and make a determination pursuant thereto within the time limit provided in subdivision (b) of Section 16070, the department shall stay the effective date of the order of suspension pending a determination.

(e) The hearing provided for by this section shall be held in the county of residence of the person requesting the hearing. The

hearing shall be conducted pursuant to Article 3 (commencing with Section 14100) of Chapter 3 of Division 6.

(f) The department shall render its decision within 15 days after conclusion of the hearing.

(g) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 35. Section 16075 is added to the Vehicle Code, to read:

16075. (a) The suspension provisions of this article shall not apply to a driver or owner until 30 days after the department sends to the driver or owner notice of its intent to suspend his or her driving privilege, pursuant to subdivision (b) of Section 16070, and advises the driver or owner of his or her right to a hearing as provided in this section.

(b) If the driver or owner receiving the notice of intent to suspend wishes to have a hearing, the request for a hearing shall be made in writing to the department within 10 days of the receipt of the notice. Failure to respond to a notice of intent within 10 days of receipt of the notice is a waiver of the person's right to a hearing.

(c) If the driver or owner makes a timely request for a hearing, the department shall hold the hearing before the effective date of the suspension to determine the applicability of this chapter to the driver or owner, including a determination of whether:

(1) The accident has resulted in property damage in excess of one thousand dollars (\$1,000), or bodily injury, or death.

(2) The driver or owner has established evidence of financial responsibility, as provided in Article 3 (commencing with Section 16050), that was in effect at the time of the accident.

(d) A request for a hearing does not stay the suspension of a person's driving privilege. However, if the department does not conduct a hearing and make a determination pursuant thereto within the time limit provided in subdivision (b) of Section 16070, the department shall stay the effective date of the order of suspension pending a determination.

(e) The hearing provided for by this section shall be held in the county of residence of the person requesting the hearing. The hearing shall be conducted pursuant to Article 3 (commencing with Section 14100) of Chapter 3 of Division 6.

(f) The department shall render its decision within 15 days after conclusion of the hearing.

(g) This section shall become operative on January 1, 2017.

SEC. 36. Section 16251 of the Vehicle Code is amended to read:

16251. (a) As used in this chapter and Chapter 3 (commencing with Section 16430), “cause of action” means any cause of action for damage to property in excess of seven hundred fifty dollars (\$750) or for damage in any amount on account of bodily injury to or death of any person resulting from the operation by the defendant or any other person of any motor vehicle upon a highway in this state, except a cause of action based upon statutory liability by reason of signing the application of a minor for a driver’s license.

(b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 37. Section 16251 is added to the Vehicle Code, to read:

16251. (a) As used in this chapter and Chapter 3 (commencing with Section 16430), “cause of action” means any cause of action for damage to property in excess of one thousand dollars (\$1,000) or for damage in any amount on account of bodily injury to or death of any person resulting from the operation by the defendant or any other person of any motor vehicle upon a highway in this state, except a cause of action based upon statutory liability by reason of signing the application of a minor for a driver’s license.

(b) This section shall become operative on January 1, 2017.

SEC. 38. Section 16377 of the Vehicle Code is amended to read:

16377. (a) For the purposes of this chapter, every judgment shall be deemed satisfied if any of the following apply:

(1) Fifteen thousand dollars (\$15,000) has been credited, upon any judgment in excess of that amount, or upon all judgments, collectively, which together total in excess of that amount, for personal injury to or death of one person as a result of any one accident.

(2) Subject to the limit of fifteen thousand dollars (\$15,000) as to one person, the sum of thirty thousand dollars (\$30,000) has been credited, upon any judgment in excess of that amount, or upon all judgments, collectively, which together total in excess of

that amount, for personal injury to or death of more than one person as a result of any one accident.

(3) Five thousand dollars (\$5,000) has been credited, upon any judgment in excess of that amount, or upon all judgments, collectively, each of which is in excess of seven hundred fifty dollars (\$750), and which together total in excess of five thousand dollars (\$5,000), for damage to property of others as a result of any one accident.

(4) The judgment debtor or a person designated by him or her has deposited with the department a sum equal to the amount of the unsatisfied judgment for which the suspension action was taken and presents proof, satisfactory to the department, of inability to locate the judgment creditor.

(b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 39. Section 16377 is added to the Vehicle Code, to read:

16377. (a) For the purposes of this chapter, every judgment shall be deemed satisfied if any of the following apply:

(1) Fifteen thousand dollars (\$15,000) has been credited, upon any judgment in excess of that amount, or upon all judgments, collectively, which together total in excess of that amount, for personal injury to or death of one person as a result of any one accident.

(2) Subject to the limit of fifteen thousand dollars (\$15,000) as to one person, the sum of thirty thousand dollars (\$30,000) has been credited, upon any judgment in excess of that amount, or upon all judgments, collectively, which together total in excess of that amount, for personal injury to or death of more than one person as a result of any one accident.

(3) Five thousand dollars (\$5,000) has been credited, upon any judgment in excess of that amount, or upon all judgments, collectively, each of which is in excess of one thousand dollars (\$1,000), and which together total in excess of five thousand dollars (\$5,000), for damage to property of others as a result of any one accident.

(4) The judgment debtor or a person designated by him or her has deposited with the department a sum equal to the amount of the unsatisfied judgment for which the suspension action was taken

and presents proof, satisfactory to the department, of inability to locate the judgment creditor.

(b) This section shall become operative on January 1, 2017.

SEC. 40. Section 16378 of the Vehicle Code is amended to read:

16378. (a) Money deposited pursuant to subdivision (d) of Section 16377 shall be:

(1) Deposited by the department in the special deposit fund with the Treasurer.

(2) Payable to the judgment creditor upon presentation of a valid claim establishing that he or she is the judgment creditor for which the deposit was made and that the judgment remains unsatisfied.

(3) Refunded to the person making the deposit or to a person designated by himself or herself if the deposit remains unclaimed by the judgment creditor for a period of two years following the date of the deposit.

(4) The Controller shall draw his or her warrant on the Treasurer for any payment ordered pursuant to this section as ordered by the department.

(b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 41. Section 16378 is added to the Vehicle Code, to read:

16378. (a) Money deposited pursuant to paragraph (4) of subdivision (a) of Section 16377 shall be:

(1) Deposited by the department in the special deposit fund with the Treasurer.

(2) Payable to the judgment creditor upon presentation of a valid claim establishing that he or she is the judgment creditor for which the deposit was made and that the judgment remains unsatisfied.

(3) Refunded to the person making the deposit or to a person designated by himself or herself if the deposit remains unclaimed by the judgment creditor for a period of two years following the date of the deposit.

(4) The Controller shall draw his or her warrant on the Treasurer for any payment ordered pursuant to this section as ordered by the department.

(b) This section shall become operative on January 1, 2017.

SEC. 42. Section 16430 of the Vehicle Code is amended to read:

16430. (a) “Proof of financial responsibility,” when required by this code, means proof of financial responsibility resulting from the ownership or operation of a motor vehicle and arising by reason of personal injury to, or death of, any one person, of at least fifteen thousand dollars (\$15,000), and, subject to the limit of fifteen thousand dollars (\$15,000) for each person injured or killed, of at least thirty thousand dollars (\$30,000) for the injury to, or the death of, two or more persons in any one accident, and for damages to property in excess of seven hundred fifty dollars (\$750), of at least five thousand dollars (\$5,000) resulting from any one accident. Proof of financial responsibility may be given in any manner authorized in this chapter.

(b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 43. Section 16430 is added to the Vehicle Code, to read:

16430. (a) “Proof of financial responsibility,” when required by this code, means proof of financial responsibility resulting from the ownership or operation of a motor vehicle and arising by reason of personal injury to, or death of, any one person, of at least fifteen thousand dollars (\$15,000), and, subject to the limit of fifteen thousand dollars (\$15,000) for each person injured or killed, of at least thirty thousand dollars (\$30,000) for the injury to, or the death of, two or more persons in any one accident, and for damages to property in excess of one thousand dollars (\$1,000), of at least five thousand dollars (\$5,000) resulting from any one accident. Proof of financial responsibility may be given in any manner authorized in this chapter.

(b) This section shall become operative on January 1, 2017.

SEC. 44. Section 16434 of the Vehicle Code is amended to read:

16434. (a) Proof of financial responsibility may be given by a bond. The bond shall be conditioned for the payment of the amount specified in Section 16430, and shall provide for the entry of judgment on motion of the state in favor of any holder of any final judgment on account of damages to property over seven hundred fifty dollars (\$750) in amount, or injury to any person caused by the operation of the person’s motor vehicle.

(b) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.

SEC. 45. Section 16434 is added to the Vehicle Code, to read:

16434. (a) Proof of financial responsibility may be given by a bond. The bond shall be conditioned for the payment of the amount specified in Section 16430, and shall provide for the entry of judgment on motion of the state in favor of any holder of any final judgment on account of damages to property over one thousand dollars (\$1,000) in amount, or injury to any person caused by the operation of the person's motor vehicle.

(b) This section shall become operative on January 1, 2017.

SEC. 46. Section 21455.7 of the Vehicle Code is amended to read:

21455.7. (a) At an intersection at which there is an automated enforcement system in operation, the minimum yellow light change interval shall be established in accordance with the California Manual on Uniform Traffic Control Devices.

(b) For purposes of subdivision (a), the minimum yellow light change intervals relating to designated approach speeds provided in the California Manual on Uniform Traffic Control Devices are mandatory minimum yellow light intervals.

(c) A yellow light change interval may exceed the minimum interval established pursuant to subdivision (a).

SEC. 47. Section 24002 of the Vehicle Code is amended to read:

24002. (a) It is unlawful to operate any vehicle or combination of vehicles which is in an unsafe condition, or which is not safely loaded, and which presents an immediate safety hazard.

(b) It is unlawful to operate any vehicle or combination of vehicles which is not equipped as provided in this code.

(c) A motor carrier shall not require a person to drive a commercial motor vehicle unless the driver can, by reason of experience, training, or both, determine whether the cargo being transported, including baggage in a passenger-carrying commercial vehicle, has been properly located, distributed, and secured in or on the commercial motor vehicle operated by the driver.

(d) A driver shall not operate a commercial motor vehicle unless the driver can, by reason of experience, training, or both, demonstrate familiarity with the methods and procedures for

securing cargo in or on the commercial motor vehicle operated by the driver.

(e) Drivers and motor carriers of commercial motor vehicles shall comply with Section 392.9 of Title 49 of the Code of Federal Regulations.

(f) For purposes of this section, “commercial motor vehicle” has the same meaning as defined in subdivision (b) of Section 15210, and also includes any vehicle listed in Section 34500.

SEC. 48. Section 24017 of the Vehicle Code is amended to read:

24017. A commercial motor vehicle, as defined in Section 260, operated by a motor carrier, whether the motor carrier is a private company or a public agency shall be equipped with a speedometer that shall be maintained in good working order. The speedometer shall indicate the vehicle’s speed in miles per hour or kilometers (km) per hour and shall be accurate to within plus or minus 5 miles per hour (8 km/hour) at a speed of 50 miles per hour (80 km/hour).

SEC. 49. Section 24604 of the Vehicle Code is amended to read:

24604. (a) Whenever the load upon any vehicle extends, or whenever any integral part of any vehicle projects, to the rear four feet or more beyond the rear of the vehicle, as measured from the taillamps, there shall be displayed at the extreme end of the load or projecting part of the vehicle during darkness, in addition to the required taillamp, two red lights with a bulb rated not in excess of six candlepower plainly visible from a distance of at least 500 feet to the sides and rear. At any other time there shall be displayed at the extreme end of the load or projecting part of the vehicle a solid red or fluorescent orange flag or cloth not less than 18 inches square.

(b) There shall be a single flag or cloth at the extreme rear if the projecting load is two feet wide or less. Two warning flags or cloths are required if the projecting load is wider than two feet. Flags or cloths shall be located to indicate maximum width of loads that extend beyond the sides or rear of the vehicle.

SEC. 50. Section 25104 of the Vehicle Code is amended to read:

25104. (a) Any vehicle or equipment that requires a permit issued pursuant to Article 6 (commencing with Section 35780) of Chapter 5 of Division 15 because it is wider than permitted under

Chapter 2 (commencing with Section 35100) of Division 15 shall display a solid red or fluorescent orange flag or cloth not less than 18 inches square at the extremities of the vehicle or equipment, if the vehicle or equipment is being operated other than during darkness.

(b) Any vehicle defined in Section 34500 transporting a load that extends beyond the sides of the vehicle by more than four inches shall also comply with subdivision (a).

SEC. 51. Section 25305 of the Vehicle Code is amended to read:

25305. (a) No person shall place, deposit, or display upon or adjacent to any highway any lighted fusee, except as a warning to approaching vehicular traffic or railroad trains, or both, of an existing hazard upon or adjacent to the highway or highway-railroad crossing.

(b) It is unlawful to use any fusee which produces other than a red light. The provisions of this subdivision shall not apply to any railroad, as defined in Section 229 of the Public Utilities Code.

(c) No person shall attach or permit any person to attach a lighted fusee to any part of a vehicle.

SEC. 52. Section 25803 of the Vehicle Code is amended to read:

25803. (a) All vehicles not otherwise required to be equipped with headlamps, rear lights, or reflectors by this chapter shall, if operated on a highway during darkness, be equipped with a lamp exhibiting a red light visible from a distance of 500 feet to the rear of the vehicle. In addition, all of these vehicles operated alone or as the first vehicle in a combination of vehicles, shall be equipped with at least one lighted lamp exhibiting a white light visible from a distance of 500 feet to the front of the vehicle.

(b) A vehicle shall also be equipped with an amber reflector on the front near the left side and a red reflector on the rear near the left side. The reflectors shall be mounted on the vehicle not lower than 16 inches nor higher than 60 inches above the ground and so designed and maintained as to be visible during darkness from all distances within 500 feet from the vehicle when directly in front of a motor vehicle displaying lawful lighted headlamps undimmed.

(c) In addition, if a vehicle described in subdivision (a) or the load thereon has a total outside width in excess of 100 inches there shall be displayed during darkness at the left outer extremity at

least one amber light visible under normal atmospheric conditions from a distance of 500 feet to the front, sides, and rear. At all other times there shall be displayed at the left outer extremity a solid red or fluorescent orange flag or cloth not less than 18 inches square.

SEC. 53. Section 26311 of the Vehicle Code is amended to read:

26311. (a) Every motor vehicle shall be equipped with service brakes on all wheels in contact with the roadway, except as follows:

(1) Trucks and truck tractors manufactured before July 25, 1980, having three or more axles need not have brakes on the front wheels, except when such vehicles are equipped with at least two steerable axles, the wheels of one such axle need not be equipped with brakes.

(2) The final towed vehicle in a triple saddle-mount driveaway-towaway operation.

(3) Any vehicle manufactured prior to 1930.

(4) Any two-axle truck tractor manufactured prior to 1964.

(5) Any sidecar attached to a motorcycle.

(6) Any motorcycle manufactured prior to 1966. Such motorcycle shall be equipped with brakes on at least one wheel.

(b) Any bus, truck, or truck tractor may be equipped with a manual or automatic means for reducing the braking effort on the front wheels. The manual means shall be used only when operating under adverse road conditions, such as wet, snowy, or icy roads.

(c) Vehicles and combinations of vehicles exempted in subdivisions (a) and (b) from the requirements of brakes on all wheels shall comply with the stopping distance requirements of Section 26454.

SEC. 54. Section 27154.1 is added to the Vehicle Code, to read:

27154.1. (a) The flooring in all motor vehicles shall be substantially constructed, free of unnecessary holes and openings and shall be maintained so as to minimize the entrance of fumes, exhaust gases, or fire.

(b) Floors shall not be permeated with oil or other substances likely to cause injury to persons using the floor as a traction surface.

SEC. 55. Section 27400 of the Vehicle Code is amended to read:

27400. A person operating a motor vehicle or bicycle may not wear a headset covering, earplugs in, or earphones covering, resting on, or inserted in, both ears. This prohibition does not apply to any of the following:

(a) A person operating authorized emergency vehicles, as defined in Section 165.

(b) A person engaged in the operation of either special construction equipment or equipment for use in the maintenance of any highway.

(c) A person engaged in the operation of refuse collection equipment who is wearing a safety headset or safety earplugs.

(d) A person wearing personal hearing protectors in the form of earplugs or molds that are specifically designed to attenuate injurious noise levels. The plugs or molds shall be designed in a manner so as to not inhibit the wearer's ability to hear a siren or horn from an emergency vehicle or a horn from another motor vehicle.

(e) A person using a prosthetic device that aids the hard of hearing.

SEC. 56. Section 29007 of the Vehicle Code is amended to read:

29007. The requirements of Section 29004 shall not apply to vehicles engaged in driveaway-towaway operations if all the following conditions are met:

(a) The towed vehicle has one end supported by the towing vehicle.

(b) The towed vehicle is secured to the towing vehicle by a device designed and constructed as to be readily demountable and to perform the functions of a fifth-wheel-type connection.

(c) The fifth-wheel-type connection device is securely affixed to the vehicles to prevent shifting of the device on the vehicles to which it is attached.

(d) The fifth-wheel-type connection device provides a means of variation of inclination between the towing and towed vehicle due to vertical curvatures of the highway. Such means shall not depend upon either the looseness or deformation of the connection or the vehicles to provide for such variation.

(e) No more than three saddle-mounts may be used in any combination.

(f) No more than one tow-bar or ball-and-socket type coupling device may be used in any combination.

(g) Driveaway-towaway combinations shall comply with all provisions specified in Section 393.71 of Title 49 of the Code of Federal Regulations.

SEC. 57. Section 34500.3 of the Vehicle Code is amended to read:

34500.3. (a) The department shall adopt rules and regulations that are designed to promote the safe operation of vehicles, regarding cargo securement standards. The regulations adopted pursuant to this section shall be consistent with the securement regulations adopted by the United States Department of Transportation in Part 393 (commencing with Section 393.1) of Title 49 of the Code of Federal Regulations, as those regulations now exist or are amended in the future.

(b) Regulations adopted pursuant to subdivision (a) do not apply to a farmer transporting his or her own hay or straw, incidental to his or her farming operation, if that transportation requires that the farmer use a highway, except that this subdivision does not relieve the farmer from loading and securing the hay or straw in a safe manner.

SEC. 58. Section 34500.5 of the Vehicle Code is amended to read:

34500.5. For purposes of this division, the term “commercial motor vehicle” has the same meaning as defined in subdivision (b) of Section 15210, or any vehicle listed in Section 34500.

SEC. 59. Section 34520 of the Vehicle Code is amended to read:

34520. (a) Motor carriers and drivers shall comply with the controlled substances and alcohol use, transportation, and testing requirements of the United States Secretary of Transportation as set forth in Part 382 (commencing with Section 382.101) of, and Sections 392.4 and 392.5 of, Title 49 of the Code of Federal Regulations.

(b) (1) A motor carrier shall make available for inspection, upon the request of an authorized employee of the department, copies of all results and other records pertaining to controlled substances and alcohol use and testing conducted pursuant to federal law, as specified in subdivision (a), including those records contained in individual driver qualification files.

(2) For the purposes of complying with the return-to-duty alcohol or controlled substances test requirements, or both, of Section 382.309 of Title 49 of the Code of Federal Regulations and the followup alcohol or controlled substances test requirements, or both, of Section 382.311 of that title, the department may use those test results to monitor drivers who are motor carriers.

(3) Evidence derived from a positive test result in the possession of a motor carrier shall not be admissible in a criminal prosecution concerning unlawful possession, sale, or distribution of controlled substances.

(c) A drug or alcohol testing consortium, as defined in Section 382.107 of Title 49 of the Code of Federal Regulations, shall mail a copy of all drug and alcohol positive test result summaries to the department within three days of the test. This requirement applies only to drug and alcohol positive tests of those drivers employed by motor carriers who operate terminals within this state.

(d) A transit agency receiving federal financial assistance under Section 3, 9, or 18 of the Federal Transit Act, or under Section 103(e)(4) of Title 23 of the United States Code, shall comply with the controlled substances and alcohol use and testing requirements of the United States Secretary of Transportation as set forth in Part 655 (commencing with Section 655.1) of Title 49 of the Code of Federal Regulations.

(e) The owner-operator shall notify all other motor carriers with whom he or she is under contract when the owner-operator has met the requirements of subdivision (c) of Section 15242. Notwithstanding subdivision (i), a violation of this subdivision is an infraction.

(f) Except as provided in Section 382.301 of Title 49 of the Code of Federal Regulations, an applicant for employment as a commercial driver or an owner-operator seeking to provide transportation services and meeting the requirements of subdivision (b) of Section 34624, may not be placed on duty by a motor carrier until a preemployment test for controlled substances and alcohol use meeting the requirements of the federal regulations referenced in subdivision (a) have been completed and a negative test result has been reported.

(g) An applicant for employment as a commercial driver or an owner-operator, seeking to provide transportation services and meeting the requirements of subdivision (b) of Section 34624, may

not be placed on duty by a motor carrier until the motor carrier has completed a full investigation of the driver's employment history meeting the requirements of the federal regulations cited under subdivision (a). Every motor carrier, whether making or receiving inquiries concerning a driver's history, shall document all activities it has taken to comply with this subdivision.

(h) A motor carrier that utilizes a preemployment screening service to review applications is in compliance with the employer duties under subdivisions (e) and (f) if the preemployment screening services that are provided satisfy the requirements of state and federal law and the motor carrier abides by any findings that would, under federal law, disqualify an applicant from operating a commercial vehicle.

(i) It is a misdemeanor punishable by imprisonment in the county jail for six months and a fine not to exceed five thousand dollars (\$5,000), or by both the imprisonment and fine, for a person to willfully violate this section. As used in this subdivision, "willfully" has the same meaning as defined in Section 7 of the Penal Code.

(j) This section does not apply to a peace officer, as defined in Section 830.1 or 830.2 of the Penal Code, who is authorized to drive vehicles described in Section 34500, or to a firefighter, as defined in subdivision (f) of Section 15250.6, who is authorized to operate firefighting equipment as defined in subdivision (g) of Section 15250.6, if that peace officer or firefighter is participating in a substance abuse detection program within the scope of his or her employment.

SEC. 60. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Approved _____, 2015

Governor