

AMENDED IN ASSEMBLY JULY 16, 2015

AMENDED IN SENATE JUNE 2, 2015

AMENDED IN SENATE MAY 5, 2015

AMENDED IN SENATE APRIL 6, 2015

SENATE BILL

No. 541

Introduced by Senator Hill

February 26, 2015

An act to amend Sections 5102, 5317.5, 5352, ~~5387~~, and ~~5411.5~~ 5359, and 5387 of, and to add Sections 1046 and 5417.5 to, the Public Utilities Code, and to amend Section 14602.9 of the Vehicle Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 541, as amended, Hill. Public Utilities Commission: for-hire transportation carriers: enforcement.

(1) The California Constitution establishes the Public Utilities Commission, with jurisdiction over the transportation of passengers and property by transportation companies, to the extent not preempted by federal law. The Household Goods Carriers Act and the Passenger Charter-party Carriers' Act contain statements of the purposes of those acts and the use of the public highways pursuant to those acts.

This bill would specify activities to be undertaken by the commission to achieve these purposes. The bill would require the commission to assess its capabilities to carry out the specified activities and to report to the Legislature no later than January 1, 2017, which report would be required to contain an analysis of current capabilities and deficiencies, and recommendations to overcome any deficiencies identified.

(2) A passenger stage corporation, as defined, which operates between fixed termini or over a regular route, is a common carrier subject to regulation by the commission pursuant to the Public Utilities Act. The Public Utilities Act, with certain exceptions, requires that a passenger stage corporation obtain a certificate of public convenience and necessity from the commission to operate on any public highway in the state and requires it to display an identifying symbol issued by the commission. The Public Utilities Act makes any public utility that violates the Public Utilities Act, or that fails to comply with any part of any order, decision, rule, direction, demand, or requirement of the commission guilty of a crime and makes it a misdemeanor for a person or corporation to hold out to the public that the person or corporation is in operation as a passenger stage corporation without having a valid certificate issued by the commission. The Public Utilities Act authorizes the commission to impose various fines and penalties for any violation of the act or an order, decision, rule, direction, demand, or requirement of the commission. The Public Utilities Act provides that the Department of the California Highway Patrol (CHP) has the primary responsibility for regulating the safety of operation of passenger stage corporations and requires the commission to cooperate with the CHP to ensure safe operation of these carriers.

A charter-party carrier of passengers, as defined, is subject to the jurisdiction and control of the commission under the Passenger Charter-party Carriers' Act. The Passenger Charter-party Carriers' Act requires a charter-party carrier of passengers to (A) obtain a certificate of public convenience and necessity or a permit issued by the commission, (B) operate within the state on a prearranged basis, as defined, (C) comply with specified vehicle identification requirements, and (D) comply with accident liability protection requirements. The Passenger Charter-party Carriers' Act additionally prohibits a charter-party carrier of passengers from advertising its services, or in any manner representing its services, as being a taxicab or taxi service. The Passenger Charter-party Carriers' Act makes violation of these requirements a crime. The Passenger Charter-party Carriers' Act authorizes the commission to impose fines and penalties for violations of the act.

This bill would authorize peace officers, ~~defined to include sheriffs, police officers, CHP officers, and airport law enforcement officers, as defined,~~ to enforce and assist in the enforcement of criminal violations of the Public Utilities Act, with respect to passenger stage corporations,

and the Passenger Charter-party Carriers' Act, with respect to charter-party carriers of passengers. The bill would require the commission to coordinate enforcement of those acts with ~~those~~ peace officers through educational outreach and establishing lines of ~~communications~~ *communication* that ensure that the commission is notified if an action is commenced so that the commission may take appropriate action to enforce the fine and penalty provisions of the acts. The bill would require the commission to ensure that the Passenger Charter-party Carriers' Act is enforced and obeyed and that violations are promptly prosecuted and that penalty moneys due to the state are recovered and collected. The bill would authorize the Attorney General, a district attorney, or a city attorney to institute and prosecute actions or proceedings for the violation of the Passenger Charter-party Carriers' Act.

(3) The Passenger Charter-party Carriers' Act authorizes a CHP officer to impound a bus of a charter-party carrier of passengers for 30 days if the officer determines that (A) the driver was operating the bus when the carrier did not have a permit or certificate issued by the commission or the carrier's permit or certificate was suspended, or (B) the driver was operating the bus without having a current and valid driver's license of the proper class, a passenger vehicle endorsement, or the required certificate. A provision of the Vehicle Code also authorizes a CHP officer to impound a bus of a charter-party carrier of passengers for 30 days if the officer makes any of the determinations described above.

This bill would authorize a peace officer, ~~defined to include sheriffs, police officers, and airport law enforcement officers, in addition to CHP officers, as defined,~~ to impound ~~any vehicle~~ *a bus or limousine, as defined,* of a charter-party carrier of ~~passengers~~ *passengers, except as specified,* for 30 days in those circumstances. The bill would revise the Vehicle Code to authorize a peace officer, identically defined, to impound ~~any vehicle~~ *a bus or limousine* of a charter-party carrier of ~~passengers~~ *passengers, except as specified,* for 30 days in those circumstances and authorize a peace officer to impound ~~a vehicle~~ *bus or limousine* belonging to a passenger stage corporation for 30 days if the officer determines (A) the driver was operating the ~~vehicle~~ *bus or limousine* when the passenger stage corporation did not have a required certificate of public convenience and necessity issued by the commission, (B) the driver was operating the ~~vehicle~~ *bus or limousine* when the operating rights or certificate of public convenience and

necessity of a passenger stage corporation was suspended, canceled, or revoked, or (C) the driver was operating the ~~vehicle~~ *bus or limousine* without having a current and valid driver's license of the proper class.

~~The Passenger Charter-party Carriers' Act additionally authorizes certain peace officers, when making an arrest for operating a charter-party carrier of passengers without a valid certificate or permit or when making an arrest for operating a charter-party carrier of passengers as a taxicab in violation of an ordinance or resolution of a city, county, or city and county, to impound and retain possession of the vehicle.~~

~~This bill would limit the authority to impound a vehicle pursuant to this provision to a sheriff, police officer, CHP officer, or airport law enforcement officer.~~

(4) A household goods carrier, as defined, which transports household goods and personal effects over any public highway in the state for compensation, is subject to regulation by the commission pursuant to the Household Goods Carriers Act. The Household Goods Carriers Act requires that a household goods carrier obtain a permit from the commission to transport household goods entirely within the state and obtain a valid operating authority issued by the Federal Motor Carrier Safety Administration to transport household goods and personal effects from this state to another or from another state to this state. The Household Goods Carriers Act additionally requires a household goods carrier to comply with specified vehicle identification requirements and comply with accident liability protection requirements. The Household Goods Carriers Act makes a violation of the requirements of the act a misdemeanor, authorizes the commission to impose fines and penalties for violations of the act, and requires the commission to ensure that the act is enforced and obeyed, that violations are promptly prosecuted and that penalty moneys due to the state are recovered and collected.

~~This bill would authorize peace officers, defined to include sheriffs, police officers, and CHP officers, as defined, to enforce and assist in the enforcement of criminal violations of the Household Goods Carriers Act. The bill would require the commission to coordinate enforcement of the Household Goods Carriers Act with those peace officers through educational outreach and establishing lines of ~~communications~~ *communication* that ensure that the commission is notified if an action is commenced so that the commission may take appropriate action to enforce the fine and penalty provisions of the Household Goods Carriers Act.~~

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

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

1 SECTION 1. (a) The Transportation Enforcement Branch of
2 the Safety and Enforcement Division of the state’s Public Utilities
3 Commission has regulatory oversight of various for-hire
4 transportation carriers, including limousines, airport shuttles,
5 charter buses, and moving companies. The Transportation
6 Enforcement Branch administers licensing, enforces state law, and
7 manages consumer complaints to ensure the reliable and safe
8 transport of passengers and goods within the state.

9 (b) The California State Auditor’s Report 2013-130 concluded
10 that the Transportation Enforcement Branch does not adequately
11 ensure that passenger carriers operate safely. Among the numerous
12 problems cited by the California State Auditor are that the branch
13 does not have formal policies for dealing with complaints against
14 carriers, it does not resolve complaints in a timely manner, it does
15 not have adequate investigatory techniques, and it fails to properly
16 account for fees paid by carriers. In addition, the California State
17 Auditor concluded that without major improvements to its
18 management processes, the branch has little ability to resolve its
19 deficiencies.

20 (c) While the commission is undertaking an internal process to
21 implement the California State Auditor’s recommendations, it is
22 in the public interest for the Legislature to further ensure that the
23 Transportation Enforcement Branch improves its performance to
24 ensure passenger safety.

25 SEC. 2. Section 1046 is added to the Public Utilities Code, to
26 read:

27 1046. (a) For purposes of this section, ~~“peace officer” means~~
28 ~~all of the following:~~ *the following terms have the following*
29 *meanings:*

30 ~~(1) Any sheriff, undersheriff, or deputy sheriff, employed in~~
31 ~~that capacity, of a county; any chief of police of a city or chief,~~
32 ~~director, or chief executive officer of a consolidated municipal~~
33 ~~public safety agency that performs police functions; and any police~~
34 ~~officer, employed in that capacity and appointed by the chief of~~

1 ~~police or chief, director, or chief executive of a public safety~~
2 ~~agency, of a city.~~

3 ~~(2) An officer of the Department of the California Highway~~
4 ~~Patrol.~~

5 ~~(3) Any person regularly employed as an airport law~~
6 ~~enforcement officer by a city, county, or district operating the~~
7 ~~airport or by a joint powers agency, created pursuant to Article 1~~
8 ~~(commencing with Section 6500) of Chapter 5 of Division 7 of~~
9 ~~Title 1 of the Government Code, operating the airport, if the~~
10 ~~primary duty of the person is the enforcement of the law in or~~
11 ~~about properties owned, operated, and administered by the~~
12 ~~employing agency or when performing necessary duties with~~
13 ~~respect to patrons, employees, and properties of the employing~~
14 ~~agency, in or about the properties owned, operated, and~~
15 ~~administered by the employing agency.~~

16 ~~(1) “Bus” means a vehicle designed, used, or maintained for~~
17 ~~carrying more than 10 persons, including the driver, which is used~~
18 ~~to transport persons for compensation or profit.~~

19 ~~(2) “Limousine” means any sedan or sport utility vehicle, of~~
20 ~~either standard or extended length, with a seating capacity of not~~
21 ~~more than 10 passengers including the driver, used in the~~
22 ~~transportation of passengers for hire on a prearranged basis within~~
23 ~~this state, and includes a modified limousine as defined in Section~~
24 ~~1042.1.~~

25 ~~(3) “Peace officer” means a person who is designated as a~~
26 ~~peace officer pursuant to Chapter 4.5 (commencing with Section~~
27 ~~830) of Title 3 of Part 2 of the Penal Code.~~

28 ~~(b) A peace officer may, with respect to a passenger stage~~
29 ~~corporation, enforce and assist in the enforcement of Sections 2110~~
30 ~~and 2112, resulting from a violation of Section 1031, 1041, or~~
31 ~~1045, or more than one of those sections. A peace officer may~~
32 ~~additionally enforce and assist in the enforcement of Sections~~
33 ~~1034.5 and 2119. In any case in which an arrest authorized by this~~
34 ~~subdivision is made for an offense declared to be a misdemeanor,~~
35 ~~and the person arrested does not demand to be taken before a~~
36 ~~magistrate, the arresting peace officer may, instead of taking such~~
37 ~~person before a magistrate, follow the procedure prescribed by~~
38 ~~Chapter 5C (commencing with Section 853.5) of Title 3 of Part 2~~
39 ~~of the Penal Code. The provisions of that chapter shall thereafter~~

1 apply with reference to any proceeding based upon the issuance
2 of a citation pursuant to this authority.

3 (c) A peace officer may impound a ~~vehicle~~ *bus or limousine*
4 operated by a passenger stage corporation pursuant to Section
5 14602.9 of the Vehicle Code if the peace officer determines that
6 any of the following violations occurred while the driver was
7 operating the vehicle:

8 (1) The driver was operating the ~~vehicle~~ *bus or limousine* when
9 the passenger stage corporation did not have a certificate of public
10 convenience and necessity issued by the commission as required
11 pursuant to this article.

12 (2) The driver was operating the ~~vehicle~~ *bus or limousine* when
13 the operating rights or certificate of public convenience and
14 necessity of a passenger stage corporation was suspended, canceled,
15 or revoked pursuant to Section 1033.5, 1033.7, or 1045.

16 (3) The driver was operating the ~~vehicle~~ *bus or limousine*
17 without having a current and valid driver's license of the proper
18 class.

19 (d) The commission shall coordinate enforcement of this section
20 with those peace officers ~~described in subdivision (a)~~, *likely to be*
21 *involved in enforcing this section*, including undertaking both of
22 the following:

23 (1) Educational outreach to ensure that those peace officers are
24 aware of the requirements of Sections 1031, 1034.5, 1041, 1045,
25 2110, 2112, and 2119.

26 (2) Establishing lines of communication to ensure that the
27 commission is notified if an action is commenced to enforce the
28 requirements of those sections specified in subdivision (b), so that
29 the commission may take appropriate action to enforce the fine
30 and penalty provisions of Chapter 11 (commencing with Section
31 2100).

32 (e) The Legislature finds and declares that this section is
33 intended to facilitate and enhance the commission's performance
34 of its functions pursuant to Section 2101 and not diminish the
35 commission's authority or responsibility pursuant to that section.

36 (f) *This section does not authorize the impoundment of privately*
37 *owned personal vehicles nor the impoundment of vehicles used in*
38 *transportation for compensation by charter-party carriers of*
39 *passengers that are not required to carry individual permits.*

1 SEC. 3. Section 5102 of the Public Utilities Code is amended
2 to read:

3 5102. (a) The use of the public highways for the transportation
4 of used household goods and personal effects for compensation is
5 a business affected with a public interest. It is the purpose of this
6 chapter to preserve for the public the full benefit and use of public
7 highways consistent with the needs of commerce without
8 unnecessary congestion or wear and tear upon those highways; to
9 secure to the people just, reasonable, and nondiscriminatory rates
10 for transportation by carriers operating upon the highways; to
11 secure full and unrestricted flow of traffic by motor carriers over
12 the highways that will adequately meet reasonable public demands
13 by providing for the regulation of rates of all carriers so that
14 adequate and dependable service by all necessary carriers shall be
15 maintained and the full use of the highways preserved to the public;
16 and to promote fair dealing and ethical conduct in the rendition of
17 services involving or incident to the transportation of household
18 goods and personal effects.

19 (b) To achieve the purposes of subdivision (a) the commission
20 shall do all of the following:

21 (1) Prioritize the timely processing of applications and hold
22 “application workshops” for potential applicants around the state.

23 (2) Enable electronic filing of applications, reports, and fee
24 payments.

25 (3) Dedicate staff to answering telephone calls, mailings, and
26 electronic inquiries from carriers.

27 (4) Prioritize the timely processing of consumer complaints.

28 (5) Implement electronic case tracking of complaints and their
29 disposition.

30 (6) Implement a process for appropriate and timely enforcement
31 against illegally operating carriers, including by performing
32 staff-driven investigations and performing enforcement through
33 sting operations and other forms of presence in the field.

34 (7) Maintain relationships with, and implement outreach and
35 education programs to, local law enforcement, district attorneys,
36 and airports.

37 (8) Meet with carrier trade associations at least annually.

38 (9) Implement a consolidated case tracking system that integrates
39 each of the transportation program core functions and data

1 collection, administrative compliance details, complaints, and
2 investigations.

3 (c) (1) The commission shall assess its capabilities to carry out
4 the activities in subdivision (b) and report to the Legislature no
5 later than January 1, 2017. The report shall contain an analysis of
6 current capabilities and deficiencies, and recommendations to
7 overcome any deficiencies identified.

8 (2) The report shall be submitted in compliance with Section
9 9795 of the Government Code.

10 (3) Pursuant to Section 10231.5 of the Government Code, this
11 subdivision is inoperative on January 1, 2021.

12 SEC. 4. Section 5317.5 of the Public Utilities Code is amended
13 to read:

14 5317.5. (a) The commission shall ensure that this chapter is
15 enforced and obeyed, and that violations thereof are promptly
16 prosecuted and that penalty moneys due to the state are recovered
17 and collected, and to this end it may sue in the name of the people
18 of the State of California. Upon the request of the commission,
19 the Attorney General or the district attorney of the proper county
20 or city and county may aid in any investigation, hearing, or trial
21 had under this chapter.

22 (b) For purposes of this section, “peace officer” means ~~all of~~
23 ~~the following:~~ *a person designated as a peace officer pursuant to*
24 *Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of*
25 *the Penal Code.*

26 ~~(1) Any sheriff, undersheriff, or deputy sheriff, employed in~~
27 ~~that capacity, of a county; any chief of police of a city or chief,~~
28 ~~director, or chief executive officer of a consolidated municipal~~
29 ~~public safety agency that performs police functions; and any police~~
30 ~~officer, employed in that capacity and appointed by the chief of~~
31 ~~police or chief, director, or chief executive of a public safety~~
32 ~~agency, of a city.~~

33 ~~(2) An officer of the Department of the California Highway~~
34 ~~Patrol.~~

35 (c) A peace officer may enforce and assist in the enforcement
36 of Sections 5311 and 5312, resulting from a violation of Section
37 5132, 5133, 5140, or 5286, or more than one of those sections. A
38 peace officer may additionally enforce and assist in the enforcement
39 of Sections 5311.3 and 5314.5. In any case in which an arrest
40 authorized by this subdivision is made for an offense declared to

1 be a misdemeanor, and the person arrested does not demand to be
2 taken before a magistrate, the arresting peace officer may, instead
3 of taking such person before a magistrate, follow the procedure
4 prescribed by Chapter 5C (commencing with Section 853.5) of
5 Title 3 of Part 2 of the Penal Code. The provisions of that chapter
6 shall thereafter apply with reference to any proceeding based upon
7 the issuance of a citation pursuant to this authority.

8 (d) The commission shall coordinate enforcement of this section
9 with those peace officers ~~described in subdivision (a)~~, *likely to be*
10 *involved in enforcing this section*, including undertaking both of
11 the following:

12 (1) Educational outreach to ensure that those peace officers are
13 aware of the requirements of Sections 5132, 5133, 5140, 5286,
14 5311, 5311.3, 5312, and 5314.5.

15 (2) Establishing lines of communication to ensure that the
16 commission is notified if an action is commenced to enforce the
17 requirements of those sections specified in subdivision (c), so that
18 the commission may take appropriate action to enforce the fine
19 and penalty provisions of this article.

20 (e) The Attorney General, a district attorney of the proper county
21 or city and county, or a city attorney may institute and prosecute
22 actions or proceedings for the violation of any law committed in
23 connection with, or arising from, a transaction involving the
24 transportation of household goods and personal effects.

25 SEC. 5. Section 5352 of the Public Utilities Code is amended
26 to read:

27 5352. (a) The use of the public highways for the transportation
28 of passengers for compensation is a business affected with a public
29 interest. It is the purpose of this chapter to preserve for the public
30 full benefit and use of public highways consistent with the needs
31 of commerce without unnecessary congestion or wear and tear
32 upon the highways; to secure to the people adequate and
33 dependable transportation by carriers operating upon the highways;
34 to secure full and unrestricted flow of traffic by motor carriers
35 over the highways which will adequately meet reasonable public
36 demands by providing for the regulation of all transportation
37 agencies with respect to accident indemnity so that adequate and
38 dependable service by all necessary transportation agencies shall
39 be maintained and the full use of the highways preserved to the

1 public; and to promote carrier and public safety through its safety
2 enforcement regulations.

3 (b) To achieve the purposes of subdivision (a) the commission
4 shall do all of the following:

5 (1) Prioritize the timely processing of applications and hold
6 “application workshops” for potential applicants around the state.

7 (2) Enable electronic filing of applications, reports, and fee
8 payments.

9 (3) Dedicate staff to answering telephone calls, mailings, and
10 electronic inquiries from carriers.

11 (4) Prioritize the timely processing of consumer complaints.

12 (5) Implement electronic case tracking of complaints and their
13 disposition.

14 (6) Implement a process for appropriate and timely enforcement
15 against illegally operating carriers, including by performing
16 staff-driven investigations and performing enforcement through
17 sting operations and other forms of presence in the field.

18 (7) Maintain relationships with, and implement outreach and
19 education programs to, local law enforcement, district attorneys,
20 and airports.

21 (8) Meet with carrier trade associations at least annually.

22 (9) Implement a consolidated case tracking system that integrates
23 each of the transportation program core functions and data
24 collection, administrative compliance details, complaints, and
25 investigations.

26 (c) (1) The commission shall assess its capabilities to carry out
27 the activities in subdivision (b) and report to the Legislature no
28 later than January 1, 2017. The report shall contain an analysis of
29 current capabilities and deficiencies, and recommendations to
30 overcome any deficiencies identified.

31 (2) The report shall be submitted in compliance with Section
32 9795 of the Government Code.

33 (3) Pursuant to Section 10231.5 of the Government Code, this
34 subdivision is inoperative on January 1, 2021.

35 *SEC. 6. Section 5359 of the Public Utilities Code is amended*
36 *to read:*

37 5359. (a) “Motor vehicle” means a vehicle which is
38 self-propelled.

1 (b) “Bus” means a vehicle designed, used, or maintained for
2 carrying more than 10 persons, including the driver, which is used
3 to transport persons for compensation or profit.

4 (c) “Limousine” means any sedan or sport utility vehicle, of
5 either standard or extended length, with a seating capacity of not
6 more than 10 passengers including the driver, used in the
7 transportation of passengers for hire on a prearranged basis within
8 this state, and includes a modified limousine as defined in Section
9 1042.1.

10 ~~SEC. 6.~~

11 ~~SEC. 7.~~ Section 5387 of the Public Utilities Code is amended
12 to read:

13 5387. (a) It is unlawful for the owner of a charter-party carrier
14 of passengers to permit the operation of a vehicle upon a public
15 highway for compensation without (1) having obtained from the
16 commission a certificate or permit pursuant to this chapter, (2)
17 having complied with the vehicle identification requirements of
18 Section 5385 or 5385.5, and (3) having complied with the accident
19 liability protection requirements of Section 5391.

20 (b) A person who drives a bus for a charter-party carrier without
21 having a current and valid driver’s license of the proper class, a
22 passenger vehicle endorsement, or the required certificate shall be
23 suspended from driving a bus of any kind, including, but not
24 limited to, a bus, schoolbus, school pupil activity bus, or transit
25 bus, with passengers for a period of five years pursuant to Section
26 13369 of the Vehicle Code.

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

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

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

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

37 (D) Operates a bus with a permit that was suspended by the
38 commission during a period that the charter-party carrier’s liability
39 insurance lapsed for which it has been cited.

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

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

6 (2) The commission shall not issue a new permit or certificate
7 to operate as a charter-party carrier if any officer, director, or owner
8 of that charter-party carrier was an officer, director, or owner of
9 a charter-party carrier that had its authority to operate as a
10 charter-party carrier permanently revoked by the commission or
11 that was permanently barred from receiving a permit or certificate
12 from the commission pursuant to this subdivision.

13 (d) A peace officer, as ~~defined in Section 5417.5~~, *designated*
14 *pursuant to Chapter 4.5 (commencing with Section 830) of Title*
15 *3 of Part 2 of the Penal Code*, may impound a ~~vehicle bus or~~
16 *limousine* of a charter-party carrier of passengers for 30 days
17 pursuant to Section 14602.9 of the Vehicle Code if the peace officer
18 determines that any of the following violations occurred while the
19 driver was operating the ~~vehicle bus or limousine of~~ *a the*
20 charter-party carrier:

21 (1) The driver was operating the ~~vehicle bus or limousine~~ of a
22 charter-party carrier of passengers when the charter-party carrier
23 of passengers did not have a permit or certificate issued by the
24 commission.

25 (2) The driver was operating the ~~vehicle bus or limousine~~ of a
26 charter-party carrier of passengers when the charter-party carrier
27 of passengers was operating with a suspended permit or certificate
28 from the commission.

29 (3) The driver was operating the ~~vehicle bus or limousine~~ of a
30 charter-party carrier of passengers without having a current and
31 valid driver's license of the proper class, a passenger vehicle
32 endorsement, or the required certificate.

33 (e) *This section does not authorize the impoundment of privately*
34 *owned personal vehicles nor the impoundment of vehicles used in*
35 *transportation for compensation by charter-party carriers of*
36 *passengers that are not required to carry individual permits.*

37 ~~SEC. 7. Section 5411.5 of the Public Utilities Code is amended~~
38 ~~to read:~~

39 ~~5411.5. (a) Whenever a peace officer, as defined in Section~~
40 ~~5417.5, arrests a person for operation of a vehicle of a charter-party~~

1 carrier of passengers without a valid certificate or permit, the peace
2 officer may impound and retain possession of the vehicle.

3 ~~(b) Whenever a peace officer, as defined in Section 5417.5,
4 arrests a person for operating a vehicle of a charter-party carrier
5 of passengers as a taxicab in violation of an ordinance or resolution
6 of a city, county, or city and county, the peace officer may impound
7 and retain possession of the vehicle.~~

8 ~~(c) If the vehicle is seized from a person who is not the owner
9 of the vehicle, the impounding authority shall immediately give
10 notice to the owner by first-class mail.~~

11 ~~(d) The vehicle shall immediately be returned to the owner if
12 the infraction or violation is not prosecuted or is dismissed, the
13 owner is found not guilty of the offense, or it is determined that
14 the vehicle was used in violation of Section 5411 without the
15 knowledge and consent of the owner. The vehicle shall be returned
16 to the owner upon payment of any fine ordered by the court. If the
17 vehicle is seized due to a violation of a person other than the owner
18 of the vehicle, the vehicle shall be returned to the owner after all
19 impoundment fees are paid. After the expiration of six weeks from
20 the final disposition of the criminal case, unless the owner is in
21 the process of making payments to the court, the impounding
22 authority may deal with the vehicle as lost or abandoned property
23 under Section 1411 of the Penal Code.~~

24 ~~(e) At any time, a person may make a motion in superior court
25 for the immediate return of the vehicle on the ground that there
26 was no probable cause to seize it or that there is some other good
27 cause, as determined by the court, for the return of the vehicle. A
28 proceeding under this section is a limited civil case.~~

29 ~~(f) No peace officer, however, may impound any vehicle owned
30 or operated by a nonprofit organization exempt from taxation
31 pursuant to Section 501(c)(3) of the Internal Revenue Code which
32 serves youth or senior citizens and provides transportation
33 incidental to its programs or services or a rented motor vehicle
34 that is being operated by a hired driver of a charter-party carrier
35 of passengers that is providing hired driver service.~~

36 SEC. 8. Section 5417.5 is added to the Public Utilities Code,
37 to read:

38 5417.5. (a) The commission shall ensure that this chapter is
39 enforced and obeyed, and that violations thereof are promptly
40 prosecuted and that penalty moneys due to the state are recovered

1 and collected, and to this end it may sue in the name of the people
2 of the State of California. Upon the request of the commission,
3 the Attorney General or the district attorney of the proper county
4 or city and county may aid in any investigation, hearing, or trial
5 under this chapter. The Attorney General, a district attorney of the
6 proper county or city and county, or a city attorney may institute
7 and prosecute actions or proceedings for the violation of any law
8 committed in connection with, or arising from, a transaction
9 involving a charter-party carrier of passengers.

10 (b) For purposes of this section, “peace officer” means ~~all of~~
11 ~~the following:~~ *a person designated as a peace officer pursuant to*
12 *Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of*
13 *the Penal Code.*

14 ~~(1) Any sheriff, undersheriff, or deputy sheriff, employed in~~
15 ~~that capacity, of a county; any chief of police of a city or chief,~~
16 ~~director, or chief executive officer of a consolidated municipal~~
17 ~~public safety agency that performs police functions; and any police~~
18 ~~officer, employed in that capacity and appointed by the chief of~~
19 ~~police or chief, director, or chief executive of a public safety~~
20 ~~agency, of a city.~~

21 ~~(2) An officer of the Department of the California Highway~~
22 ~~Patrol.~~

23 ~~(3) Any person regularly employed as an airport law~~
24 ~~enforcement officer by a city, county, or district operating the~~
25 ~~airport or by a joint powers agency, created pursuant to Article 1~~
26 ~~(commencing with Section 6500) of Chapter 5 of Division 7 of~~
27 ~~Title 1 of the Government Code, operating the airport, if the~~
28 ~~primary duty of the person is the enforcement of the law in or~~
29 ~~about properties owned, operated, and administered by the~~
30 ~~employing agency or when performing necessary duties with~~
31 ~~respect to patrons, employees, and properties of the employing~~
32 ~~agency, in or about the properties owned, operated, and~~
33 ~~administered by the employing agency.~~

34 (c) A peace officer may enforce and assist in the enforcement
35 of Sections 5411 and 5412 resulting from a violation of Section
36 5371, 5379, 5385, 5385.7, or 5387, or more than one of those
37 sections. A peace officer may additionally enforce and assist in
38 the enforcement of Sections 5411.3 and 5414.5. In any case in
39 which an arrest authorized by this subdivision is made for an
40 offense declared to be a misdemeanor, and the person arrested

1 does not demand to be taken before a magistrate, the arresting
 2 peace officer may, instead of taking such person before a
 3 magistrate, follow the procedure prescribed by Chapter 5C
 4 (commencing with Section 853.5) of Title 3 of Part 2 of the Penal
 5 Code. The provisions of that chapter shall thereafter apply with
 6 reference to any proceeding based upon the issuance of a citation
 7 pursuant to this authority.

8 (d) The commission shall coordinate enforcement of this section
 9 with those peace officers ~~described in subdivision (b)~~, *likely to be*
 10 *involved in enforcing this section*, including undertaking both of
 11 the following:

12 (1) Educational outreach to ensure that those peace officers are
 13 aware of the requirements of Sections 5371, 5379, 5385, 5385.7,
 14 5387, 5411, 5411.3, 5412, and 5414.5.

15 (2) Establishing lines of communication to ensure that the
 16 commission is notified if an action is commenced to enforce the
 17 requirements of those sections specified in subdivision (c), so that
 18 the commission may take appropriate action to enforce the fine
 19 and penalty provisions of this article.

20 (e) The Attorney General, a district attorney of the proper county
 21 or city and county, or a city attorney may institute and prosecute
 22 actions or proceedings for the violation of any law committed in
 23 connection with, or arising from, a transaction involving the
 24 transportation of passengers by a charter-party carrier of
 25 passengers.

26 SEC. 9. Section 14602.9 of the Vehicle Code is amended to
 27 read:

28 14602.9. (a) For purposes of this section, "peace officer" means
 29 ~~all of the following:~~ *a person designated as a peace officer*
 30 *pursuant to Chapter 4.5 (commencing with Section 830) of Title*
 31 *3 of Part 2 of the Penal Code.*

32 ~~(1) An officer of the Department of the California Highway~~
 33 ~~Patrol.~~

34 ~~(2) Any sheriff, undersheriff, or deputy sheriff, employed in~~
 35 ~~that capacity, of a county; any chief of police of a city or chief,~~
 36 ~~director, or chief executive officer of a consolidated municipal~~
 37 ~~public safety agency that performs police functions; and any police~~
 38 ~~officer, employed in that capacity and appointed by the chief of~~
 39 ~~police or chief, director, or chief executive of a public safety~~
 40 ~~agency, of a city.~~

1 ~~(3) Any person regularly employed as an airport law~~
2 ~~enforcement officer by a city, county, or district operating the~~
3 ~~airport or by a joint powers agency, created pursuant to Article 1~~
4 ~~(commencing with Section 6500) of Chapter 5 of Division 7 of~~
5 ~~Title 1 of the Government Code, operating the airport, if the~~
6 ~~primary duty of the person is the enforcement of the law in or~~
7 ~~about properties owned, operated, and administered by the~~
8 ~~employing agency or when performing necessary duties with~~
9 ~~respect to patrons, employees, and properties of the employing~~
10 ~~agency, in or about the properties owned, operated, and~~
11 ~~administered by the employing agency.~~

12 (b) A peace officer may impound a ~~vehicle~~ *bus or limousine* of
13 a charter-party carrier for 30 days if the officer determines that
14 any of the following violations occurred while the driver was
15 operating the ~~vehicle~~ *bus or limousine* of the charter-party carrier:

16 (1) The driver was operating the ~~vehicle~~ *bus or limousine* of a
17 charter-party carrier when the charter-party carrier did not have a
18 permit or certificate issued by the Public Utilities Commission,
19 pursuant to Section 5375 of the Public Utilities Code.

20 (2) The driver was operating the ~~vehicle~~ *bus or limousine* of a
21 charter-party carrier when the charter-party carrier was operating
22 with a suspended permit or certificate from the Public Utilities
23 Commission.

24 (3) The driver was operating the ~~vehicle~~ *bus or limousine* of a
25 charter-party carrier without having a current and valid driver's
26 license of the proper class, a passenger vehicle endorsement, or
27 the required certificate.

28 (c) A peace officer may impound a ~~vehicle~~ *bus or limousine*
29 belonging to a passenger stage corporation for 30 days if the officer
30 determines any of the following violations occurred while the
31 driver was operating the ~~vehicle~~ *bus or limousine*

32 (1) The driver was operating the ~~vehicle~~ *bus or limousine* when
33 the passenger stage corporation did not have a certificate of public
34 convenience and necessity issued by the Public Utilities
35 Commission as required pursuant to Article 2 (commencing with
36 Section 1031) of Chapter 5 of Part 1 of Division 1 of the Public
37 Utilities Code.

38 (2) The driver was operating the ~~vehicle~~ *bus or limousine* when
39 the operating rights or certificate of public convenience and
40 necessity of a passenger stage corporation was suspended, canceled,

1 or revoked pursuant to Section 1033.5, 1033.7, or 1045 of the
2 Public Utilities Code.

3 (3) The driver was operating the ~~vehicle~~ *bus or limousine*
4 without having a current and valid driver's license of the proper
5 class.

6 (d) Within two working days after impoundment, the
7 impounding agency shall send a notice by certified mail, return
8 receipt requested, to the legal owner of the vehicle, at the address
9 obtained from the department, informing the owner that the vehicle
10 has been impounded. Failure to notify the legal owner within two
11 working days shall prohibit the impounding agency from charging
12 for more than 15 day's impoundment when the legal owner
13 redeems the impounded vehicle. The impounding agency shall
14 maintain a published telephone number that provides information
15 24 hours a day regarding the impoundment of vehicles and the
16 rights of a registered owner to request a hearing.

17 (e) The registered and legal owner of a vehicle that is removed
18 and seized under subdivision (b) or (c) or his or her agent shall be
19 provided the opportunity for a storage hearing to determine the
20 validity of, or consider any mitigating circumstances attendant to,
21 the storage, in accordance with Section 22852.

22 (f) (1) The impounding agency shall release the vehicle to the
23 registered owner or his or her agent prior to the end of the
24 impoundment period under any of the following circumstances:

25 (A) When the vehicle is a stolen vehicle.

26 (B) When the vehicle is subject to bailment and is driven by an
27 unlicensed employee of a business establishment, including a
28 parking service or repair garage.

29 (C) When, for a charter-party carrier of passengers, the driver
30 of the vehicle is not the sole registered owner of the vehicle and
31 the vehicle is being released to another registered owner of the
32 vehicle who agrees not to allow the driver to use the vehicle until
33 after the end of the impoundment period and the charter-party
34 carrier has been issued a valid permit from the Public Utilities
35 Commission, pursuant to Section 5375 of the Public Utilities Code.

36 (D) When, for a passenger stage corporation, the driver of the
37 vehicle is not the sole registered owner of the vehicle and the
38 vehicle is being released to another registered owner of the vehicle
39 who agrees not to allow the driver to use the vehicle until after the
40 end of the impoundment period and the passenger stage corporation

1 has been issued a valid certificate of public convenience and
2 necessity by the Public Utilities Commission, pursuant to Article
3 2 (commencing with Section 1031) of Chapter 5 of Part 1 of
4 Division 1 of the Public Utilities Code.

5 (2) A vehicle shall not be released pursuant to this subdivision
6 without presentation of the registered owner's or agent's currently
7 valid driver's license to operate the vehicle and proof of current
8 vehicle registration, or upon order of a court.

9 (g) The registered owner or his or her agent is responsible for
10 all towing and storage charges related to the impoundment, and
11 any administrative charges authorized under Section 22850.5.

12 (h) A vehicle removed and seized under subdivision (b) or (c)
13 shall be released to the legal owner of the vehicle or the legal
14 owner's agent prior to the end of the impoundment period if all of
15 the following conditions are met:

16 (1) The legal owner is a motor vehicle dealer, bank, credit union,
17 acceptance corporation, or other licensed financial institution
18 legally operating in this state, or is another person who is not the
19 registered owner and holds a security interest in the vehicle.

20 (2) The legal owner or the legal owner's agent pays all towing
21 and storage fees related to the seizure of the vehicle. A lien sale
22 processing fee shall not be charged to the legal owner who redeems
23 the vehicle prior to the 10th day of impoundment. The impounding
24 authority or any person having possession of the vehicle shall not
25 collect from the legal owner of the type specified in paragraph (1),
26 or the legal owner's agent, any administrative charges imposed
27 pursuant to Section 22850.5 unless the legal owner voluntarily
28 requested a poststorage hearing.

29 (3) (A) The legal owner or the legal owner's agent presents
30 either lawful foreclosure documents or an affidavit of repossession
31 for the vehicle, and a security agreement or title showing proof of
32 legal ownership for the vehicle. All presented documents may be
33 originals, photocopies, or facsimile copies, or may be transmitted
34 electronically. The impounding agency shall not require a
35 document to be notarized. The impounding agency may require
36 the agent of the legal owner to produce a photocopy or facsimile
37 copy of its repossession agency license or registration issued
38 pursuant to Chapter 11 (commencing with Section 7500) of
39 Division 3 of the Business and Professions Code, or to demonstrate,
40 to the satisfaction of the impounding agency, that the agent is

1 exempt from licensure pursuant to Section 7500.2 or 7500.3 of the
2 Business and Professions Code.

3 (B) Administrative costs authorized under subdivision (a) of
4 Section 22850.5 shall not be charged to the legal owner of the type
5 specified in paragraph (1), who redeems the vehicle unless the
6 legal owner voluntarily requests a poststorage hearing. A city,
7 county, or state agency shall not require a legal owner or a legal
8 owner's agent to request a poststorage hearing as a requirement
9 for release of the vehicle to the legal owner or the legal owner's
10 agent. The impounding agency shall not require any documents
11 other than those specified in this paragraph. The impounding
12 agency shall not require any documents to be notarized.

13 (C) As used in this paragraph, "foreclosure documents" means
14 an "assignment" as that term is defined in subdivision (o) of
15 Section 7500.1 of the Business and Professions Code.

16 (i) (1) A legal owner or the legal owner's agent who obtains
17 release of the vehicle pursuant to subdivision (h) may not release
18 the vehicle to the registered owner of the vehicle or any agents of
19 the registered owner, unless the registered owner is a rental car
20 agency, until after the termination of the impoundment period.

21 (2) The legal owner or the legal owner's agent shall not
22 relinquish the vehicle to the registered owner until the registered
23 owner or that owner's agent presents his or her valid driver's
24 license or valid temporary driver's license to the legal owner or
25 the legal owner's agent. The legal owner or the legal owner's agent
26 shall make every reasonable effort to ensure that the license
27 presented is valid.

28 (3) Prior to relinquishing the vehicle, the legal owner may
29 require the registered owner to pay all towing and storage charges
30 related to the impoundment and any administrative charges
31 authorized under Section 22850.5 that were incurred by the legal
32 owner in connection with obtaining custody of the vehicle.

33 (j) (1) A vehicle removed and seized under subdivision (b) or
34 (c) shall be released to a rental agency prior to the end of the
35 impoundment period if the agency is either the legal owner or
36 registered owner of the vehicle and the agency pays all towing and
37 storage fees related to the seizure of the vehicle.

38 (2) The owner of a rental vehicle that was seized under this
39 section may continue to rent the vehicle upon recovery of the
40 vehicle. However, the rental agency shall not rent another vehicle

1 to the driver of the vehicle that was seized until the impoundment
2 period has expired.

3 (3) The rental agency may require the person to whom the
4 vehicle was rented to pay all towing and storage charges related
5 to the impoundment and any administrative charges authorized
6 under Section 22850.5 that were incurred by the rental agency in
7 connection with obtaining custody of the vehicle.

8 (k) Notwithstanding any other provision of this section, the
9 registered owner, and not the legal owner, shall remain responsible
10 for any towing and storage charges related to the impoundment,
11 any administrative charges authorized under Section 22850.5, and
12 any parking fines, penalties, and administrative fees incurred by
13 the registered owner.

14 (l) The impounding agency is not liable to the registered owner
15 for the improper release of the vehicle to the legal owner or the
16 legal owner's agent provided the release complies with this section.

17 (m) *This section does not authorize the impoundment of privately*
18 *owned personal vehicles nor the impoundment of vehicles used in*
19 *transportation for compensation by charter-party carriers that*
20 *are not required to carry individual permits.*

21 ~~(m)~~

22 (n) For the purposes of this section, a "charter-party carrier"
23 means a charter-party carrier of passengers as defined by Section
24 5360 of the Public Utilities Code.

25 ~~(n)~~

26 (o) For purposes of this section, a "passenger stage corporation"
27 means a passenger stage corporation as defined by Section 226 of
28 the Public Utilities Code.