

AMENDED IN ASSEMBLY AUGUST 31, 2015

AMENDED IN ASSEMBLY AUGUST 17, 2015

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, 5359, and 5387 of, to add Sections 1046 and 5417.5 to, and to add and repeal Sections 918.1 and 918.2 of, 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, 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 peace officers through educational outreach and establishing lines of communication ~~that ensure~~ so 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, as defined, to impound a bus or limousine, as defined, of a charter-party carrier of 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 a bus or limousine of a charter-party carrier of passengers, except as specified, for 30 days in those circumstances and authorize a peace officer to impound a bus or limousine belonging to a passenger stage corporation for 30 days if the officer determines (A) the driver was operating the 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 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 bus or limousine without having a current and valid driver's license of the proper class.

(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, 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 peace officers through educational outreach and establishing lines of communication ~~that ensure that the commission is notified so that peace officers can notify the commission~~ 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

1 manages consumer complaints to ensure the reliable and safe
2 transport of passengers and goods within the state.

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

14 (c) While the commission is undertaking an internal process to
15 implement the California State Auditor’s recommendations, it is
16 in the public interest for the Legislature to further ensure that the
17 Transportation Enforcement Branch improves its performance to
18 ensure passenger safety.

19 SEC. 2. Section 918.1 is added to the Public Utilities Code, to
20 read:

21 918.1. (a) The commission shall assess its capabilities to carry
22 out the activities specified in subdivision (b) of Section 5102 and
23 shall report to the Legislature no later than January 1, 2017. The
24 report shall contain an analysis of current capabilities and
25 deficiencies, and recommendations to overcome any deficiencies
26 identified.

27 (b) The report shall be submitted in compliance with Section
28 9795 of the Government Code.

29 (c) Pursuant to Section 10231.5 of the Government Code, this
30 section shall remain in effect only until January 1, 2021, and as of
31 that date is repealed, unless a later enacted statute, that is enacted
32 before January 1, 2021, deletes or extends that date.

33 SEC. 3. Section 918.2 is added to the Public Utilities Code, to
34 read:

35 918.2. (a) The commission shall assess its capabilities to carry
36 out the activities specified in subdivision (b) of Section 5352 and
37 shall report to the Legislature no later than January 1, 2017. The
38 report shall contain an analysis of current capabilities and
39 deficiencies, and recommendations to overcome any deficiencies
40 identified.

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

3 (c) Pursuant to Section 10231.5 of the Government Code, this
4 section shall remain in effect only until January 1, 2021, and as of
5 that date is repealed, unless a later enacted statute, that is enacted
6 before January 1, 2021, deletes or extends that date.

7 (d) The commission may combine the information required to
8 be reported by this section with the report prepared pursuant to
9 Section 918.1.

10 SEC. 4. Section 1046 is added to the Public Utilities Code, to
11 read:

12 1046. (a) For purposes of this section, the following terms
13 have the following meanings:

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

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

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

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

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

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

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

14 (3) The driver was operating the bus or limousine without having
15 a current and valid driver's license of the proper class.

16 (d) The commission shall coordinate enforcement of this section
17 with those peace officers likely to be involved in enforcing this
18 section, including undertaking both of the following:

19 (1) Educational outreach to ~~ensure that those peace officers are~~
20 ~~aware of~~ *promote awareness among those peace officers about*
21 the requirements of Sections 1031, 1034.5, 1041, 1045, 2110,
22 2112, and 2119.

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

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

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

38 SEC. 5. Section 5102 of the Public Utilities Code is amended
39 to read:

1 5102. (a) The use of the public highways for the transportation
2 of used household goods and personal effects for compensation is
3 a business affected with a public interest. It is the purpose of this
4 chapter to preserve for the public the full benefit and use of public
5 highways consistent with the needs of commerce without
6 unnecessary congestion or wear and tear upon those highways; to
7 secure to the people just, reasonable, and nondiscriminatory rates
8 for transportation by carriers operating upon the highways; to
9 secure full and unrestricted flow of traffic by motor carriers over
10 the highways that will adequately meet reasonable public demands
11 by providing for the regulation of rates of all carriers so that
12 adequate and dependable service by all necessary carriers shall be
13 maintained and the full use of the highways preserved to the public;
14 and to promote fair dealing and ethical conduct in the rendition of
15 services involving or incident to the transportation of household
16 goods and personal effects.

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

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

21 (2) Enable electronic filing of applications, reports, and fee
22 payments.

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

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

26 (5) Implement electronic case tracking of complaints and their
27 disposition.

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

32 (7) Maintain relationships with, and implement outreach and
33 education programs to, local law enforcement, district attorneys,
34 and ~~airports~~ *airports, and coordinate with law enforcement*
35 *agencies pursuant to subdivision (d) of Section 1046, subdivision*
36 *(d) of Section 5317.5, and subdivision (d) of Section 5417.5.*

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 SEC. 6. Section 5317.5 of the Public Utilities Code is amended
4 to read:

5 5317.5. (a) The commission shall ensure that this chapter is
6 enforced and obeyed, and that violations thereof are promptly
7 prosecuted and that penalty moneys due to the state are recovered
8 and collected, and to this end it may sue in the name of the people
9 of the State of California. Upon the request of the commission,
10 the Attorney General or the district attorney of the proper county
11 or city and county may aid in any investigation, hearing, or trial
12 had under this chapter.

13 (b) For purposes of this section, “peace officer” means a person
14 designated as a peace officer pursuant to Chapter 4.5 (commencing
15 with Section 830) of Title 3 of Part 2 of the Penal Code.

16 (c) A peace officer may enforce and assist in the enforcement
17 of Sections 5311 and 5312, resulting from a violation of Section
18 5132, 5133, 5140, or 5286, or more than one of those sections. A
19 peace officer may additionally enforce and assist in the enforcement
20 of Sections 5311.3 and 5314.5. In any case in which an arrest
21 authorized by this subdivision is made for an offense declared to
22 be a misdemeanor, and the person arrested does not demand to be
23 taken before a magistrate, the arresting peace officer may, instead
24 of taking such person before a magistrate, follow the procedure
25 prescribed by Chapter 5C (commencing with Section 853.5) of
26 Title 3 of Part 2 of the Penal Code. The provisions of that chapter
27 shall thereafter apply with reference to any proceeding based upon
28 the issuance of a citation pursuant to this authority.

29 (d) The commission shall coordinate enforcement of this section
30 with those peace officers likely to be involved in enforcing this
31 section, including undertaking both of the following:

32 (1) Educational outreach to ~~ensure that those peace officers are~~
33 ~~aware of~~ *promote awareness among those peace officers about*
34 the requirements of Sections 5132, 5133, 5140, 5286, 5311, 5311.3,
35 5312, and 5314.5.

36 (2) Establishing lines of communication to ~~ensure~~ so that the
37 commission is notified if an action is commenced to enforce the
38 requirements of those sections specified in subdivision (c), so that
39 the commission may take appropriate action to enforce the fine
40 and penalty provisions of this article.

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

6 SEC. 7. Section 5352 of the Public Utilities Code is amended
7 to read:

8 5352. (a) The use of the public highways for the transportation
9 of passengers for compensation is a business affected with a public
10 interest. It is the purpose of this chapter to preserve for the public
11 full benefit and use of public highways consistent with the needs
12 of commerce without unnecessary congestion or wear and tear
13 upon the highways; to secure to the people adequate and
14 dependable transportation by carriers operating upon the highways;
15 to secure full and unrestricted flow of traffic by motor carriers
16 over the highways which will adequately meet reasonable public
17 demands by providing for the regulation of all transportation
18 agencies with respect to accident indemnity so that adequate and
19 dependable service by all necessary transportation agencies shall
20 be maintained and the full use of the highways preserved to the
21 public; and to promote carrier and public safety through its safety
22 enforcement regulations.

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

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

27 (2) Enable electronic filing of applications, reports, and fee
28 payments.

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

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

32 (5) Implement electronic case tracking of complaints and their
33 disposition.

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

38 (7) Maintain relationships with, and implement outreach and
39 education programs to, local law enforcement, district attorneys,
40 and ~~airports~~. *airports, and coordinate with law enforcement*

1 agencies pursuant to subdivision (d) of Section 1046, subdivision
2 (d) of Section 5317.5, and subdivision (d) of Section 5417.5.

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

4 (9) Implement a consolidated case tracking system that integrates
5 each of the transportation program core functions and data
6 collection, administrative compliance details, complaints, and
7 investigations.

8 SEC. 8. Section 5359 of the Public Utilities Code is amended
9 to read:

10 5359. (a) “Motor vehicle” means a vehicle which is
11 self-propelled.

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

15 (c) “Limousine” means any sedan or sport utility vehicle, of
16 either standard or extended length, with a seating capacity of not
17 more than 10 passengers including the driver, used in the
18 transportation of passengers for hire on a prearranged basis within
19 this state, and includes a modified limousine as defined in
20 subdivision (d) of Section 1042.

21 SEC. 9. Section 5387 of the Public Utilities Code is amended
22 to read:

23 5387. (a) It is unlawful for the owner of a charter-party carrier
24 of passengers to permit the operation of a vehicle upon a public
25 highway for compensation without (1) having obtained from the
26 commission a certificate or permit pursuant to this chapter, (2)
27 having complied with the vehicle identification requirements of
28 Section 5385 or 5385.5, and (3) having complied with the accident
29 liability protection requirements of Section 5391.

30 (b) A person who drives a bus for a charter-party carrier without
31 having a current and valid driver’s license of the proper class, a
32 passenger vehicle endorsement, or the required certificate shall be
33 suspended from driving a bus of any kind, including, but not
34 limited to, a bus, schoolbus, school pupil activity bus, or transit
35 bus, with passengers for a period of five years pursuant to Section
36 13369 of the Vehicle Code.

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

- 1 (A) Operates a bus without having been issued a permit or
2 certificate from the commission.
 - 3 (B) Operates a bus with a permit that was suspended by the
4 commission pursuant to Section 5378.5.
 - 5 (C) Commits three or more liability insurance violations within
6 a two-year period for which it has been cited.
 - 7 (D) Operates a bus with a permit that was suspended by the
8 commission during a period that the charter-party carrier's liability
9 insurance lapsed for which it has been cited.
 - 10 (E) Knowingly employs a busdriver who does not have a current
11 and valid driver's license of the proper class, a passenger vehicle
12 endorsement, or the required certificate to drive a bus.
 - 13 (F) Has one or more buses improperly registered with the
14 Department of Motor Vehicles.
- 15 (2) The commission shall not issue a new permit or certificate
16 to operate as a charter-party carrier if any officer, director, or owner
17 of that charter-party carrier was an officer, director, or owner of
18 a charter-party carrier that had its authority to operate as a
19 charter-party carrier permanently revoked by the commission or
20 that was permanently barred from receiving a permit or certificate
21 from the commission pursuant to this subdivision.
- 22 (d) A peace officer, as designated pursuant to Chapter 4.5
23 (commencing with Section 830) of Title 3 of Part 2 of the Penal
24 Code, may impound a bus or limousine of a charter-party carrier
25 of passengers for 30 days pursuant to Section 14602.9 of the
26 Vehicle Code if the peace officer determines that any of the
27 following violations occurred while the driver was operating the
28 bus or limousine of the charter-party carrier:
- 29 (1) The driver was operating the bus or limousine of a
30 charter-party carrier of passengers when the charter-party carrier
31 of passengers did not have a permit or certificate issued by the
32 commission.
 - 33 (2) The driver was operating the bus or limousine of a
34 charter-party carrier of passengers when the charter-party carrier
35 of passengers was operating with a suspended permit or certificate
36 from the commission.
 - 37 (3) The driver was operating the bus or limousine of a
38 charter-party carrier of passengers without having a current and
39 valid driver's license of the proper class, a passenger vehicle
40 endorsement, or the required certificate.

1 (e) This section does not authorize the impoundment of privately
2 owned personal vehicles that are not common carriers nor the
3 impoundment of vehicles used in transportation for compensation
4 by charter-party carriers of passengers that are not required to carry
5 individual permits.

6 SEC. 10. Section 5417.5 is added to the Public Utilities Code,
7 to read:

8 5417.5. (a) The commission shall ensure that this chapter is
9 enforced and obeyed, and that violations thereof are promptly
10 prosecuted and that penalty moneys due to the state are recovered
11 and collected, and to this end it may sue in the name of the people
12 of the State of California. Upon the request of the commission,
13 the Attorney General or the district attorney of the proper county
14 or city and county may aid in any investigation, hearing, or trial
15 under this chapter. The Attorney General, a district attorney of the
16 proper county or city and county, or a city attorney may institute
17 and prosecute actions or proceedings for the violation of any law
18 committed in connection with, or arising from, a transaction
19 involving a charter-party carrier of passengers.

20 (b) For purposes of this section, “peace officer” means a person
21 designated as a peace officer pursuant to Chapter 4.5 (commencing
22 with Section 830) of Title 3 of Part 2 of the Penal Code.

23 (c) A peace officer may enforce and assist in the enforcement
24 of Sections 5411 and 5412 resulting from a violation of Section
25 5371, 5379, 5385, 5385.7, or 5387, or more than one of those
26 sections. A peace officer may additionally enforce and assist in
27 the enforcement of Sections 5411.3 and 5414.5. In any case in
28 which an arrest authorized by this subdivision is made for an
29 offense declared to be a misdemeanor, and the person arrested
30 does not demand to be taken before a magistrate, the arresting
31 peace officer may, instead of taking such person before a
32 magistrate, follow the procedure prescribed by Chapter 5C
33 (commencing with Section 853.5) of Title 3 of Part 2 of the Penal
34 Code. The provisions of that chapter shall thereafter apply with
35 reference to any proceeding based upon the issuance of a citation
36 pursuant to this authority.

37 (d) The commission shall coordinate enforcement of this section
38 with those peace officers likely to be involved in enforcing this
39 section, including undertaking both of the following:

1 (1) Educational outreach to ~~ensure that those peace officers are~~
 2 ~~aware of~~ *promote awareness among those peace officers about*
 3 the requirements of Sections 5371, 5379, 5385, 5385.7, 5387,
 4 5411, 5411.3, 5412, and 5414.5.

5 (2) Establishing lines of communication to ~~ensure~~ so that the
 6 commission is notified if an action is commenced to enforce the
 7 requirements of those sections specified in subdivision (c), so that
 8 the commission may take appropriate action to enforce the fine
 9 and penalty provisions of this article.

10 (e) The Attorney General, a district attorney of the proper county
 11 or city and county, or a city attorney may institute and prosecute
 12 actions or proceedings for the violation of any law committed in
 13 connection with, or arising from, a transaction involving the
 14 transportation of passengers by a charter-party carrier of
 15 passengers.

16 SEC. 11. Section 14602.9 of the Vehicle Code is amended to
 17 read:

18 14602.9. (a) For purposes of this section, “peace officer” means
 19 a person designated as a peace officer pursuant to Chapter 4.5
 20 (commencing with Section 830) of Title 3 of Part 2 of the Penal
 21 Code.

22 (b) A peace officer may impound a bus or limousine of a
 23 charter-party carrier for 30 days if the officer determines that any
 24 of the following violations occurred while the driver was operating
 25 the bus or limousine of the charter-party carrier:

26 (1) The driver was operating the bus or limousine of a
 27 charter-party carrier when the charter-party carrier did not have a
 28 permit or certificate issued by the Public Utilities Commission,
 29 pursuant to Section 5375 of the Public Utilities Code.

30 (2) The driver was operating the bus or limousine of a
 31 charter-party carrier when the charter-party carrier was operating
 32 with a suspended permit or certificate from the Public Utilities
 33 Commission.

34 (3) The driver was operating the bus or limousine of a
 35 charter-party carrier without having a current and valid driver’s
 36 license of the proper class, a passenger vehicle endorsement, or
 37 the required certificate.

38 (c) A peace officer may impound a bus or limousine belonging
 39 to a passenger stage corporation for 30 days if the officer

1 determines any of the following violations occurred while the
2 driver was operating the bus or limousine:

3 (1) The driver was operating the bus or limousine when the
4 passenger stage corporation did not have a certificate of public
5 convenience and necessity issued by the Public Utilities
6 Commission as required pursuant to Article 2 (commencing with
7 Section 1031) of Chapter 5 of Part 1 of Division 1 of the Public
8 Utilities Code.

9 (2) The driver was operating the bus or limousine when the
10 operating rights or certificate of public convenience and necessity
11 of a passenger stage corporation was suspended, canceled, or
12 revoked pursuant to Section 1033.5, 1033.7, or 1045 of the Public
13 Utilities Code.

14 (3) The driver was operating the bus or limousine without having
15 a current and valid driver's license of the proper class.

16 (d) Within two working days after impoundment, the
17 impounding agency shall send a notice by certified mail, return
18 receipt requested, to the legal owner of the vehicle, at the address
19 obtained from the department, informing the owner that the vehicle
20 has been impounded. Failure to notify the legal owner within two
21 working days shall prohibit the impounding agency from charging
22 for more than 15 day's impoundment when the legal owner
23 redeems the impounded vehicle. The impounding agency shall
24 maintain a published telephone number that provides information
25 24 hours a day regarding the impoundment of vehicles and the
26 rights of a registered owner to request a hearing.

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

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

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

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

39 (C) When, for a charter-party carrier of passengers, the driver
40 of the vehicle is not the sole registered owner of the vehicle and

1 the vehicle is being released to another registered owner of the
2 vehicle who agrees not to allow the driver to use the vehicle until
3 after the end of the impoundment period and the charter-party
4 carrier has been issued a valid permit from the Public Utilities
5 Commission, pursuant to Section 5375 of the Public Utilities Code.

6 (D) When, for a passenger stage corporation, the driver of the
7 vehicle is not the sole registered owner of the vehicle and the
8 vehicle is being released to another registered owner of the vehicle
9 who agrees not to allow the driver to use the vehicle until after the
10 end of the impoundment period and the passenger stage corporation
11 has been issued a valid certificate of public convenience and
12 necessity by the Public Utilities Commission, pursuant to Article
13 2 (commencing with Section 1031) of Chapter 5 of Part 1 of
14 Division 1 of the Public Utilities Code.

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

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

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

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

30 (2) The legal owner or the legal owner's agent pays all towing
31 and storage fees related to the seizure of the vehicle. A lien sale
32 processing fee shall not be charged to the legal owner who redeems
33 the vehicle prior to the 10th day of impoundment. The impounding
34 authority or any person having possession of the vehicle shall not
35 collect from the legal owner of the type specified in paragraph (1),
36 or the legal owner's agent, any administrative charges imposed
37 pursuant to Section 22850.5 unless the legal owner voluntarily
38 requested a poststorage hearing.

39 (3) (A) The legal owner or the legal owner's agent presents
40 either lawful foreclosure documents or an affidavit of repossession

1 for the vehicle, and a security agreement or title showing proof of
2 legal ownership for the vehicle. All presented documents may be
3 originals, photocopies, or facsimile copies, or may be transmitted
4 electronically. The impounding agency shall not require a
5 document to be notarized. The impounding agency may require
6 the agent of the legal owner to produce a photocopy or facsimile
7 copy of its repossession agency license or registration issued
8 pursuant to Chapter 11 (commencing with Section 7500) of
9 Division 3 of the Business and Professions Code, or to demonstrate,
10 to the satisfaction of the impounding agency, that the agent is
11 exempt from licensure pursuant to Section 7500.2 or 7500.3 of the
12 Business and Professions Code.

13 (B) Administrative costs authorized under subdivision (a) of
14 Section 22850.5 shall not be charged to the legal owner of the type
15 specified in paragraph (1), who redeems the vehicle unless the
16 legal owner voluntarily requests a poststorage hearing. A city,
17 county, or state agency shall not require a legal owner or a legal
18 owner's agent to request a poststorage hearing as a requirement
19 for release of the vehicle to the legal owner or the legal owner's
20 agent. The impounding agency shall not require any documents
21 other than those specified in this paragraph. The impounding
22 agency shall not require any documents to be notarized.

23 (C) As used in this paragraph, "foreclosure documents" means
24 an "assignment" as that term is defined in subdivision (b) of
25 Section 7500.1 of the Business and Professions Code.

26 (i) (1) A legal owner or the legal owner's agent who obtains
27 release of the vehicle pursuant to subdivision (h) may not release
28 the vehicle to the registered owner of the vehicle or any agents of
29 the registered owner, unless the registered owner is a rental car
30 agency, until after the termination of the impoundment period.

31 (2) The legal owner or the legal owner's agent shall not
32 relinquish the vehicle to the registered owner until the registered
33 owner or that owner's agent presents his or her valid driver's
34 license or valid temporary driver's license to the legal owner or
35 the legal owner's agent. The legal owner or the legal owner's agent
36 shall make every reasonable effort to ensure that the license
37 presented is valid.

38 (3) Prior to relinquishing the vehicle, the legal owner may
39 require the registered owner to pay all towing and storage charges
40 related to the impoundment and any administrative charges

1 authorized under Section 22850.5 that were incurred by the legal
2 owner in connection with obtaining custody of the vehicle.

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

8 (2) The owner of a rental vehicle that was seized under this
9 section may continue to rent the vehicle upon recovery of the
10 vehicle. However, the rental agency shall not rent another vehicle
11 to the driver of the vehicle that was seized until the impoundment
12 period has expired.

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

18 (k) Notwithstanding any other provision of this section, the
19 registered owner, and not the legal owner, shall remain responsible
20 for any towing and storage charges related to the impoundment,
21 any administrative charges authorized under Section 22850.5, and
22 any parking fines, penalties, and administrative fees incurred by
23 the registered owner.

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

27 (m) This section does not authorize the impoundment of
28 privately owned personal vehicles that are not common carriers
29 nor the impoundment of vehicles used in transportation for
30 compensation by charter-party carriers that are not required to
31 carry individual permits.

32 (n) For the purposes of this section, a "charter-party carrier"
33 means a charter-party carrier of passengers as defined by Section
34 5360 of the Public Utilities Code.

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

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