



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

Code: Section:

[Up^](#) [Add To My Favorites](#)

HEALTH AND SAFETY CODE - HSC

DIVISION 26. AIR RESOURCES [39000 - 44475.3] (*Division 26 repealed and added by Stats. 1975, Ch. 957.*)

PART 2. STATE AIR RESOURCES BOARD [39500 - 39944] (*Part 2 added by Stats. 1975, Ch. 957.*)

CHAPTER 3.6. Labor Standards [39680 - 39693] (*Chapter 3.6 added by Stats. 2021, Ch. 748, Sec. 4.*)

ARTICLE 2. Fleet Purchaser Labor Standards [39690 - 39693] (*Article 2 added by Stats. 2021, Ch. 748, Sec. 4.*)

39690. (a) Beginning with the 2022–23 fiscal year, and each fiscal year thereafter, a fleet purchaser of new drayage and short-haul trucks is eligible to participate in an incentive program subject to this chapter if it can demonstrate that it does not have any applicable law violation at the time of applying for the incentive, is not on the list maintained by the Division of Labor Standards Enforcement under Section 2810.4 of the Labor Code, and attests it will retain direct control over the manner and means for performance of any individual using or driving the vehicle.

(b) In order to comply with subdivision (a), a fleet purchaser shall attest in writing to all of the following:

(1) That it does not have any applicable law violations at the time of applying for the incentive.

(2) That it will maintain compliance with applicable laws for at least three years from the date of application for incentives or the duration of the incentive agreement, whichever is longer.

(3) That it will retain direct control over the manner and means for performance of any individual using or driving the vehicle for at least three years from the date of application for incentives or the duration of the incentive agreement, whichever is longer.

(c) A fleet purchaser that receives an incentive as a grant, loan, or other form of agreement shall, on a yearly basis, for the life of the contract entered into pursuant to Section 39687, disclose or provide to the state board all of the following:

(1) An attestation in writing that it has done both of the following:

(A) Maintained compliance with applicable laws and does not have any applicable law violations.

(B) Maintained direct control of the individuals operating the vehicle, and maintained full ownership and operational control of the vehicle.

(2) A copy of any judgments, rulings, citations, decisions, orders, or awards finding that the fleet purchaser or any parent company or subsidiary or other commonly controlled entity has applicable law violations as of the date of the disclosure made pursuant to this subdivision.

(3) A list of all operating authorities under which the vehicle purchased will be or was operated.

(4) A certification that the fleet purchaser has completed all required maintenance and upkeep on the vehicle purchased with the incentive.

(d) A fleet purchaser that is on the list maintained by the Division of Labor Standards Enforcement under Section 2810.4 of the Labor Code is not eligible to participate in an incentive program subject to this chapter.

(*Added by Stats. 2021, Ch. 748, Sec. 4. (AB 794) Effective January 1, 2022.*)

39691. (a) A third party may report to the state board that a purchaser or entity operating a drayage truck has failed to provide a truthful attestation as required by Section 39690 or has failed to maintain compliance with the applicable laws required for the time

period specified in Section 39690. The third party shall provide documentation to substantiate their allegation before the state board considers it. The state board shall collaborate with relevant agencies to evaluate the report.

(b) The state board shall retain attestations and disclosures made pursuant to Section 39690 for the full ownership period required by the incentive contract.

(Added by Stats. 2021, Ch. 748, Sec. 4. (AB 794) Effective January 1, 2022.)

39692. A fleet purchaser shall be in breach of any contract entered into pursuant to Section 39687 that is in effect and shall be out of compliance with this section if, during the term of the contract, the fleet purchaser uses a vehicle in its operations for which it has previously received an incentive and the vehicle is not under the full ownership and operational control of the fleet purchaser.

(Amended by Stats. 2022, Ch. 28, Sec. 96. (SB 1380) Effective January 1, 2023.)

39693. (a) For purposes of this chapter, a fleet purchaser excludes a rental or leasing entity.

(b) A lessee of a vehicle that was purchased using an incentive subject to this chapter shall comply with the requirements applicable to a fleet purchaser pursuant to Section 39690.

(c) A rental or leasing entity that purchases vehicles for use in fleet operations using an incentive program subject to this chapter shall notify lessees of these vehicles with lease terms of greater than one year that the lessee is required to comply with the requirements applicable to fleet purchasers pursuant to Section 39690.

(d) An agreement to lease a vehicle purchased using an incentive subject to this chapter is equivalent to the attestations described in subdivisions (a) and (b) of Section 39690.

(e) A lessee of a vehicle that was purchased using an incentive subject to this chapter shall, for the life of the lease, comply with requirements applicable to a fleet purchaser pursuant to subdivision (c) of Section 39690 and shall provide to the state board all information and disclosures required by that section.

(f) If the state board determines, upon investigation, that a fleet purchaser and rental or leasing entity entered into a rental agreement of less than one year for the express purpose of circumventing this chapter, the fleet purchaser and rental or leasing entity are subject to penalties as described in subdivision (a) of Section 39688.

(g) (1) A lessee of a vehicle that was purchased using an incentive subject to this chapter is in violation of this chapter if, at any time during the term of the operative lease, any of the following apply to the lessee:

(A) The lessee has been in violation of any applicable law.

(B) The lessee appears on the list maintained by the Division of Labor Standards Enforcement pursuant to Section 2810.4 of the Labor Code.

(C) The lessee fails to retain direct control over the manner and means for performance of any individual using or driving the vehicle.

(D) The lessee fails to make accurate and truthful attestations as required under Section 39690 and this section.

(2) A lessee who is in violation of this chapter is subject to a civil penalty in the amount of any incentive received by the rental or leasing entity related to the vehicle leased, prorated to the term of that lease.

(Added by Stats. 2022, Ch. 213, Sec. 2. (AB 2737) Effective January 1, 2023.)