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**AB-2956 Transportation.** (2021-2022)

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**Assembly Bill No. 2956**

**CHAPTER 295**

An act to amend Section 2381 of the Streets and Highways Code, and to amend Sections 2400, 2800, 2810.1, 2813, 3008, 3069.1, 11102.5, 11617, 11721, 12505, 12509, 16020, 16028, 16560, 26710, 27150.2, 27151, 27903, 34501, 34505.6, 34507.5, 34601, 34603, and 34622 of, and to add Section 34501.19 to, the Vehicle Code, relating to transportation.

[ Approved by Governor September 13, 2022. Filed with Secretary of State September 13, 2022. ]

**LEGISLATIVE COUNSEL'S DIGEST**

AB 2956, Committee on Transportation. Transportation.

(1) Existing law establishes the Active Transportation Program in the Department of Transportation for the purpose of encouraging increased use of active modes of transportation, such as biking and walking. Existing law requires the program to be funded by state and federal funds from appropriations in the annual Budget Act to the Department of Transportation, for allocation to the California Transportation Commission. Under existing law, the amount of these appropriations include 100% of federal Transportation Alternative Program funds, except as specified.

This bill would revise those provisions to specify the federal statutory source for the Transportation Alternative Program and would make a related technical change.

(2) Existing law requires a driving school operator to meet specified requirements, including having worked for an established licensed California driving school as a driving instructor for a period of not less than 2,000 hours of actual behind-the-wheel teaching, as specified. In lieu of those requirements, existing law authorizes the operator, including an owner who is also the operator, of a driving school that exclusively teaches motorcycle driving to have worked for an established licensed California driving school as a motorcycle driving instructor for not less than 300 hours of motorcycle range and street teaching, and have taught 300 hours of actual motorcycle range and street instruction under the guidance of the Motorcycle Safety Foundation.

This bill, instead, would require the motorcycle range and street instruction for an operator that exclusively teaches motorcycle driving to be under the guidance of the California Motorcyclist Safety Program.

(3) Existing law specifies standards and requirements for the equipment of motor vehicles, including vehicular exhaust systems. Under those provisions, compliance with state requirements is determined by testing performed in accordance with Society of Automotive Engineers Standard J1492 October 2008.

This bill would update those references to require the testing of vehicular exhaust systems under those provisions to be performed in accordance with the most current SAE International standard.

(4) Existing law, the Household Movers Act, renamed household goods carriers “household movers” and transferred regulatory authority for those carriers from the Public Utilities Commission to the Division of Household Movers within the Bureau of Electronic and Appliance Repair, Home Furnishings, and Thermal Insulation in the Department of Consumer Affairs.

This bill would delete obsolete references to “household goods carriers” and the Public Utilities Commission and replace them with “household movers” and the Department of Consumer Affairs, in accordance with the act.

(5) Under existing law, the Department of Motor Vehicles regulates and issues licenses to lessor-retailers, manufacturers, manufacturer branches, remanufacturers, remanufacturer branches, distributors, distributor branches, transporters, and dealers. The California Constitution provides for the establishment of the State Board of Equalization, which, until 2017, had primary responsibility for most of the state’s duties, powers, and responsibilities regarding the administration of taxes and fees. In 2017, the California Department of Tax and Fee Administration was established, and existing law transferred many of the tax and fee administration duties, powers, and responsibilities of the board to the department. Existing law provides that the licenses issued by the Department of Motor Vehicles shall be automatically canceled if the licensee’s seller’s permit is suspended or revoked by the State Board of Equalization.

This bill would instead require that the license issued by the Department of Motor Vehicles be automatically canceled if the licensee’s seller’s permit is suspended, revoked, or canceled by the California Department of Tax and Fee Administration pursuant to specified provisions.

(6) Existing law authorizes the Department of Motor Vehicles to issue an instruction permit to a physically and mentally qualified person who is, among other criteria, over 17 years and 6 months of age. Existing law allows a person with a valid permit to operate a motor vehicle, as specified.

This bill would clarify that a person, who is over 17 years and 6 months of age and possesses a valid permit, may operate a motor vehicle under supervision, as specified.

(7) Existing law requires the Department of Motor Vehicles to develop a method for peace officers to electronically verify that an insurance policy or bond has been issued for a motor vehicle. Existing law, upon the demand of a peace officer or traffic collision investigator, requires a person who drives a motor vehicle upon a highway to provide evidence of financial responsibility for the vehicle. Existing law requires a peace officer, when issuing a notice to appear for a violation, as specified, to write the driver’s evidence of financial responsibility on the notice to appear, except when the peace officer is unable to do so, due to an emergency.

This bill would instead require a peace officer to verify the driver’s evidence of financial responsibility when issuing a notice to appear, as specified, and would remove the exemption in the case of an emergency.

(8) Existing federal law establishes statutory and regulatory requirements for the operation of commercial vehicles, with respect to subjects, including, but not limited to, size and weight enforcement, inspection standards, and equipment safety. Under existing law, the Department of the California Highway Patrol (department or CHP) is responsible for enforcement of the federal requirements and related state law at the state level.

This bill would make various changes to clarify and conform existing law relating to commercial vehicles with federal law and regulation, including, among other provisions, designating the Commissioner of the California Highway Patrol as the certifying official for purposes of enforcing state size and weight laws on specified federal-aid highway systems. The bill would make it unlawful for commercial vehicle driver to fail to comply with vehicle inspection testing and procedures required by an authorized member of the CHP, and would revise the information a commercial vehicle driver is required to submit to inspection at a location where CHP members are conducting tests and inspections of commercial vehicles, as specified. The bill would require vehicles regulated by the CHP to comply with requirements prescribed in federal regulations relating to equipment, including, but not limited to, the vehicle windshield, antilock brake systems, cab and body components, wheels, and suspension systems.

(9) Existing law requires the department to adopt regulations for the transportation of hazardous materials in this state, except the transportation of materials that are subject to other provisions of this code, that the department determines are reasonably necessary to ensure the safety of persons and property using the highways.

This bill would require the department, with respect to vehicles engaged in interstate or intrastate commerce, to establish hazardous materials regulatory requirements that are consistent with specified hazardous materials regulations adopted by the United States Department of Transportation, except as specified. The bill would exclude vehicles operated by a peace officer or public agency under designated circumstances from those regulatory requirements.

(10) The bill would delete other obsolete provisions of the Vehicle Code and make other technical changes.

(11) This bill would incorporate additional changes to Section 27150.2 of the Vehicle Code proposed by AB 2496 to be operative only if this bill and AB 2496 are enacted and this bill is enacted last.

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

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

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## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 2381 of the Streets and Highways Code is amended to read:

**2381.** (a) The Active Transportation Program shall be funded by state and federal funds from appropriations in the annual Budget Act. Funds for the program shall be appropriated to the department, for allocation by the commission. The amount to be appropriated shall include 100 percent of the federal Transportation Alternative Program funds described in Section 133(h) of Title 23 of the United States Code, except for any federal funds for recreational trails projects described in Section 133(h)(5) of Title 23 of the United States Code appropriated to the Department of Parks and Recreation; twenty-one million dollars (\$21,000,000) of federal Highway Safety Improvement funds or other federal funds; and State Highway Account funds. Future funding may be augmented if state or federal funds increase, or if other funding sources are identified. Funds appropriated for the Active Transportation Program shall be distributed as follows:

(1) Forty percent to metropolitan planning organizations in urban areas with populations greater than 200,000, in proportion to their relative share of population. Funds allocated under this paragraph shall be obligated for eligible projects selected through a competitive process by the metropolitan planning organizations in consultation with the department and the commission and in accordance with guidelines established pursuant to this chapter.

(2) Ten percent to small urban and rural regions with populations of 200,000 or less, with projects competitively awarded by the commission to projects in those regions.

(3) Fifty percent to projects competitively awarded by the commission on a statewide basis.

(b) For the purpose of paragraph (1) of subdivision (a), the following shall apply in the region served by the multicounty designated transportation planning agency described in Section 130004 of the Public Utilities Code:

(1) The multicounty designated transportation planning agency shall consult with the county transportation commissions created pursuant to Sections 130050, 130050.1, and 132800 of the Public Utilities Code, the commission, and the department in the development of competitive selection criteria to be adopted by the multicounty designated transportation planning agency, which should include consideration of geographic equity, consistent with program objectives.

(2) The multicounty designated transportation planning agency shall place priority on projects that are consistent with plans adopted by local and regional governments within the county where the project is located.

(3) The multicounty designated transportation planning agency shall obtain concurrence from the county transportation commissions, adopt the projects selected in a comprehensive program of projects, and make funds available to selected project recipients.

(c) The Legislature finds and declares that the program described in this chapter constitutes a highway purpose under Article XIX of the California Constitution and justifies the expenditure of highway funds therefor, and all expenditures of Article XIX funds under this program shall be consistent with Article XIX.

**SEC. 2.** Section 2400 of the Vehicle Code is amended to read:

**2400.** (a) The commissioner shall administer Chapter 4 (commencing with Section 10850) of Division 4, Article 3 (commencing with Section 17300) of Chapter 1 of Division 9, Division 10 (commencing with Section 20000), Division 11 (commencing with Section 21000) except Chapter 11 (commencing with Section 22950), Division 12 (commencing with Section 24000), Division 13 (commencing with Section 29000), Division 14 (commencing with Section 31600), Division 14.1 (commencing with Section 32000), Division 14.5 (commencing with Section 33000), Division 14.7 (commencing with Section 34000), Division 14.8 (commencing with Section 34500), Division 15 (commencing with Section 35000), Division 16 (commencing with Section 36000)

except Chapter 2 (commencing with Section 36100) and Chapter 3 (commencing with Section 36300), and Division 16.5 (commencing with Section 38000) except Chapter 2 (commencing with Section 38010).

(b) The commissioner shall enforce all laws regulating the operation of vehicles and the use of the highways except that, on ways or places to which Section 592 makes reference, the commissioner shall not be required to provide patrol or enforce any provisions of this code other than those provisions applicable to private property.

(c) The commissioner shall not be required to provide patrol for or enforce Division 16.5 (commencing with Section 38000).

(d) The commissioner shall have full responsibility and primary jurisdiction for the administration and enforcement of the laws, and for the investigation of traffic accidents, on all toll highways and state highways constructed as freeways, including transit-related facilities located on or along the rights-of-way of those toll highways or freeways, except facilities of the San Francisco Bay Area Rapid Transit District. However, city police officers while engaged primarily in general law enforcement duties may incidentally enforce state and local traffic laws and ordinances on toll highways and state freeways within incorporated areas of the state. In any city having either a population in excess of 2,000,000 or an area of more than 300 square miles, city police officers shall have full responsibility and primary jurisdiction for the administration and enforcement of those laws and ordinances, unless the city council of the city by resolution requests administration and enforcement of those laws by the commissioner.

(e) The commissioner shall have full responsibility and primary jurisdiction for the administration and enforcement of the laws, and for the investigation of traffic accidents, on all highways within a city and county with a population of less than 25,000, if, at the time the city and county government is established, the county contains no municipal corporations.

(f) The commissioner may enter into any interagency agreement with the State Board of Equalization for the purpose of enforcement of statutes requiring commercial vehicles from foreign jurisdictions to have a diesel fuel tax permit and to make payments to the board as required.

(g) The commissioner shall assume those duties and responsibilities of providing protection to state property and employees actually being performed by the California State Police Division on and before July 11, 1995.

(h) The commissioner may provide for the physical security of any current or former constitutional officer of the state and current or former legislator of the state.

(i) Upon request of the Chief Justice of the California Supreme Court, the commissioner may provide appropriate protective services to any current or former member of the State Court of Appeal or the California Supreme Court.

(j) The commissioner shall have full responsibility as the certifying official of the Annual State of California Size and Weight Certification for the enforcement of all state size and weight laws on the federal-aid interstate, primary urban, and secondary systems in accordance with Sections 657.13 and 657.15 of Title 23 of the Code of Federal Regulations.

**SEC. 3.** Section 2800 of the Vehicle Code is amended to read:

**2800.** (a) It is unlawful to willfully fail or refuse to comply with a lawful order, signal, or direction of a peace officer, as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code, when that peace officer is in uniform and is performing duties pursuant to any of the provisions of this code, or to refuse to submit to a lawful inspection pursuant to this code.

(b) (1) Except as authorized pursuant to Section 24004, it is unlawful to fail or refuse to comply with a lawful out-of-service order issued by an authorized employee of the Department of the California Highway Patrol or by an authorized enforcement officer as described in subdivision (d).

(2) It is unlawful for a driver transporting hazardous materials in a commercial motor vehicle that is required to display a placard pursuant to Section 27903 to violate paragraph (1).

(3) It is unlawful for a driver of a vehicle designed to transport 16 or more passengers, including the driver, to violate paragraph (1).

(c) It is unlawful to fail or refuse to comply with a lawful out-of-service order issued by the United States Secretary of the Department of Transportation.

(d) "Out-of-Service order" means a declaration by an authorized enforcement officer of a federal, state, Canadian, Mexican, or local jurisdiction that a driver, a commercial motor vehicle, or a motor carrier operation is out-of-service pursuant to Section 386.72, 392.5, 392.9a, 395.13, or 396.9 of Title 49 of the Code of Federal Regulations, state law, or the North American Standard Out-of-Service Criteria.

(e) It is unlawful for a driver of a commercial vehicle subject to inspection under this code to fail to comply with any vehicle inspection testing and associated procedures as required by an authorized member of the California Highway Patrol.

**SEC. 4.** Section 2810.1 of the Vehicle Code is amended to read:

**2810.1.** (a) Any traffic officer may stop any commercial vehicle, as defined in Section 260, that is a rental vehicle and inspect the bills of lading, shipping, delivery papers, or other evidence to determine whether the driver is transporting household goods in violation of the Household Movers Act (Chapter 3.1 (commencing with Section 19225)) of Division 8 of the Business and Professions Code. The officer may only stop and inspect where the officer has probable cause to believe that the vehicle is being operated in violation of that act.

(b) It is a public offense, for which an officer may issue a citation, for a driver to unlawfully transport household goods in violation of the Household Movers Act. That public offense is punishable as prescribed in Article 8 (commencing with Section 19277) of Chapter 3.1 of Division 3 of the Business and Professions Code. It is an infraction to refuse to submit to an inspection as authorized by subdivision (a).

(c) A copy of the citation for any offense described in subdivision (b) shall be sent by the department that employs the traffic officer to the Chief of the Bureau of Household Goods and Services. A copy of a citation shall be removed from any record of the bureau upon a showing that the person was not convicted of the offense or that bail was not forfeited for that offense. A person for whom a copy of a citation has been sent to the bureau and is on file with the bureau may request the bureau for an administrative hearing on that matter.

**SEC. 5.** Section 2813 of the Vehicle Code is amended to read:

**2813.** Every driver of a commercial vehicle shall stop and submit the vehicle to an inspection of the vehicle's size, weight, equipment, loading, and smoke emissions, as well as the driver's license, medical qualifications, and hours-of-service compliance of a driver of the vehicle at any location where members of the California Highway Patrol are conducting tests and inspections of commercial vehicles and when signs are displayed requiring the stop. Every driver who fails or refuses to stop and submit the vehicle to an inspection when signs are displayed requiring that stop is guilty of a misdemeanor.

**SEC. 6.** Section 3008 of the Vehicle Code is amended to read:

**3008.** All meetings of the board shall be open and public, and all persons shall be permitted to attend any meeting of the board, except that the board may hold executive sessions to deliberate on the decision to be reached upon the evidence introduced in a proceeding conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

**SEC. 7.** Section 3069.1 of the Vehicle Code is amended to read:

**3069.1.** Sections 3060 to 3065.4, inclusive, do not apply to a franchise authorizing a dealership, as defined in subdivision (d) of Section 3072.

**SEC. 8.** Section 11102.5 of the Vehicle Code is amended to read:

**11102.5.** (a) A driving school operator shall meet all of the following requirements:

(1) Within three attempts, pass an examination that the department requires on traffic laws, safe driving practices, operation of motor vehicles, teaching methods and techniques, driving school statutes and regulations, and office procedures and recordkeeping.

(2) Pay the department a fee of one hundred dollars (\$100), which shall entitle the applicant to three examinations.

(3) Be 21 years of age or older.

(4) Have worked for an established licensed California driving school as a driving instructor for a period of not less than 2,000 hours of actual behind-the-wheel teaching and, on and after July 1, 1973, have satisfactorily completed a course in the teaching of driver education and driver training acceptable to the department, except that the operator, including an owner who is also the operator, of a driving school that exclusively teaches motorcycle driving may, in lieu of the behind-the-wheel teaching requirement, have worked for an established licensed California driving school as a motorcycle driving instructor for not less than 300 hours of actual motorcycle range and street teaching, have taught 300 hours of actual motorcycle range and street instruction under the guidance of the California Motorcyclist Safety Program, or have given comparable training instruction that is acceptable to the department. This paragraph does not apply to any person who is certified by the State Department of Education as fully qualified to teach driver education and driver training and has taught those subjects in the public school system for not less than 1,000 hours.

(b) The qualifying requirements referred to in this section shall be met within one year from the date of application for a license, or a new application, examination, and a fee shall be required.

**SEC. 9.** Section 11617 of the Vehicle Code is amended to read:

**11617.** (a) The license provided for in this chapter shall be automatically canceled upon the happening of any of the following:

(1) The abandonment of the principal place of business of the lessor-retailer or the change thereof without notice to the department as provided in Section 11610.

(2) The failure of the licensee to maintain an adequate bond or to procure and file another bond as required by Section 11612 prior to the effective date of the termination by the surety of any existing bond.

(3) The voluntary or involuntary surrender for any cause by the licensee of the license, except that a surrender of the license, or cessation of business by the licensee, or the suspension or revocation of the corporate status of the licensee, does not preclude the filing of an accusation for revocation or suspension of the surrendered license as provided in Section 11613, and does not affect the department's decision to suspend or revoke the license. The department's determination to suspend or revoke the license may be considered in issuing or refusing to issue any subsequent license authorized by this division to that licensee or any business representative of that licensee.

(4) Notification to the department that the person designated as licensee has changed.

(5) The suspension or cancellation of the corporate status of the licensee.

(6) The suspension, revocation, or cancellation of the seller's permit of the licensee by the California Department of Tax and Fee Administration pursuant to Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code.

(b) The branch office location license provided for in this chapter shall be automatically canceled upon the abandonment of the branch office location of the lessor-retailer or the change of that branch office without notice to the department as provided in Section 11610.

**SEC. 10.** Section 11721 of the Vehicle Code is amended to read:

**11721.** The special plates and licenses provided for in this article shall be automatically canceled upon the happening of any of the following:

(a) The abandonment of the established place of business of the dealer or the change thereof without notice to the department as provided in Section 11712.

(b) The failure of the licensee to maintain an adequate bond or to procure and file another bond as provided in Section 11710 prior to the effective date of the termination by the surety of any existing bond.

(c) The voluntary or involuntary surrender for any cause by the licensee of the special plates and license, except that the surrender of the special plates and license, the cessation of business by the licensee, or the suspension or revocation of the corporate status of the licensee, does not preclude the filing of an accusation for revocation or suspension of the surrendered license as provided in Section 11705, does not affect the department's decision to suspend or revoke the license. The department's determination to suspend or revoke the license may be considered in issuing or refusing to issue any subsequent license authorized by this division to that licensee or to a business representative of that prior licensee.

(d) Notification to the department that the person designated as licensee has changed, except that the special plates issued to the original licensee may be transferred and the newly designated licensee as transferee shall succeed to the privileges evidenced by the plates until their expiration.

(e) The suspension or revocation of the corporate status of the licensee.

(f) The suspension, revocation, or cancellation of the seller's permit of the licensee by the California Department of Tax and Fee Administration pursuant to Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code.

**SEC. 11.** Section 12505 of the Vehicle Code is amended to read:

**12505.** (a) (1) For purposes of this division only and notwithstanding Section 516, residency shall be determined as a person's state of domicile. "State of domicile" means the state where a person has their true, fixed, and permanent home and principal residence and to which the person has manifested the intention of returning whenever they are absent.

Prima facie evidence of residency for driver's licensing purposes includes, but is not limited to, the following:

(A) Address where registered to vote.

(B) Payment of resident tuition at a public institution of higher education.

(C) Filing a homeowner's property tax exemption.

(D) Other acts, occurrences, or events that indicate presence in the state is more than temporary or transient.

(2) California residency is required of a person in order to be issued a commercial driver's license under this code.

(b) The presumption of residency in this state may be rebutted by satisfactory evidence that the licensee's primary residence is in another state.

(c) A person entitled to an exemption under Section 12502, 12503, or 12504 may operate a motor vehicle in this state for not to exceed 10 days from the date the person establishes residence in this state, except that a person shall not operate a motor vehicle for employment in this state after establishing residency without first obtaining a license from the department.

(d) If the State of California is decertified by the federal government and prohibited from issuing an initial, renewal, or upgraded commercial driver's license pursuant to Section 384.405 of Title 49 of the Code of Federal Regulations, the following applies:

(1) An existing commercial driver's license issued pursuant to this code prior to the date that the state is notified of its decertification shall remain valid until its expiration date.

(2) A person who is a resident of this state may obtain a nondomiciled commercial learner's permit or commercial driver's license from any state that elects to issue a nondomiciled commercial learner's permit or commercial driver's license and that complies with the testing and licensing standards contained in subparts F, G, and H of Part 383 of Title 49 of the Code of Federal Regulations.

(3) For the purposes of this subdivision, a nondomiciled commercial learner's permit or commercial driver's license is a commercial learner's permit or commercial driver's license issued by a state to an individual domiciled in a foreign country or in another state.

(e) The department may issue a nondomiciled commercial learner's permit or nondomiciled commercial driver's license to a person who is domiciled in a state or jurisdiction that has been decertified by the federal government or not determined to be in compliance with the testing and licensing standards contained in subparts F, G, and H of Part 383 of Title 49 of the Code of Federal Regulations.

(f) Subject to Section 12504, a person over the age of 16 years who is a resident of a foreign jurisdiction other than a state, territory, or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or Canada, having a valid driver's license issued to the person by any other foreign jurisdiction may operate a motor vehicle in this state without obtaining a license from the department, unless the department determines that the foreign jurisdiction does not meet the licensing standards imposed by this code.

(g) A person who is 18 years of age or older and in possession of a valid commercial learner's permit or commercial driver's license issued by a foreign jurisdiction that meets the licensing standards contained in subparts F, G, and H of Part 383 of Title 49 of the Code of Federal Regulations shall be granted reciprocity to operate vehicles of the appropriate class on the highways of this state.

(h) A person from a foreign jurisdiction that does not meet the licensing standards contained in subparts F, G, and H of Part 383 of Title 49 of the Code of Federal Regulations shall obtain a commercial learner's permit or commercial driver's license from the department before operating on the highways a motor vehicle for which a commercial driver's license is required, as described in Section 12804.9. The medical examination form required for issuance of a commercial driver's license shall be completed by a health care professional, as defined in paragraph (2) of subdivision (a) of Section 12804.9, who is licensed, certified, or registered to perform physical examinations in the United States of America. This subdivision does not apply to (1) drivers of schoolbuses operated in California on a trip for educational purposes or (2) drivers of vehicles used to provide the services of a local public agency.

(i) This section does not authorize the employment of a person in violation of Section 12515.

**SEC. 12.** Section 12509 of the Vehicle Code is amended to read:

**12509.** (a) Except as otherwise provided in subdivision (f) of Section 12514, the department, for good cause, may issue an instruction permit to a physically and mentally qualified person who meets one of the following requirements and who applies to the department for an instruction permit:

(1) Is 15 years and 6 months of age or older, and has successfully completed approved courses in automobile driver education and driver training as provided in paragraph (3) of subdivision (a) of Section 12814.6.

(2) Is 15 years and 6 months of age or older, and has successfully completed an approved course in automobile driver education and is taking driver training as provided in paragraph (3) of subdivision (a) of Section 12814.6.

(3) Is 15 years and 6 months of age and enrolled and participating in an integrated automobile driver education and training program as provided in subparagraph (B) of paragraph (3) of subdivision (a) of Section 12814.6.

(4) Is over 16 years of age and is applying for a restricted driver's license pursuant to Section 12814.7.

(5) Is over 17 years and 6 months of age.

(b) The applicant shall qualify for, and be issued, an instruction permit within 12 months from the date of the application.

(c) An instruction permit issued pursuant to subdivision (a) shall entitle the applicant to operate a vehicle, subject to the limitations imposed by this section and any other provisions of law, upon the highways for a period not exceeding 24 months from the date of the application.

(d) Except as provided in Section 12814.6, a person, while having in their immediate possession a valid permit issued pursuant to paragraphs (1) to (3), inclusive, of, and paragraph (5) of, subdivision (a), may operate a motor vehicle, other than a motorcycle, motorized scooter, or a motorized bicycle, when accompanied by, and under the immediate supervision of, a California-licensed driver with a valid license of the appropriate class who is 18 years of age or over and whose driving privilege is not subject to probation. An accompanying licensed driver at all times shall occupy a position within the driver's compartment that would enable the accompanying licensed driver to assist the person in controlling the vehicle as may be necessary to avoid a collision and to provide immediate guidance in the safe operation of the vehicle.

(e) A person, while having in their immediate possession a valid permit issued pursuant to paragraph (4) of subdivision (a), may only operate a government-owned motor vehicle, other than a motorcycle, motorized scooter, or a motorized bicycle, when taking driver training instruction administered by the California National Guard.

(f) The department may also issue an instruction permit to a person who has been issued a valid driver's license to authorize the person to obtain driver training instruction and to practice that instruction in order to obtain another class of driver's license or an endorsement.

(g) The department may further restrict permits issued under subdivision (a) as it may determine to be appropriate to ensure the safe operation of a motor vehicle by the permittee.

**SEC. 13.** Section 16020 of the Vehicle Code is amended to read:

**16020.** (a) All drivers and all owners of a motor vehicle shall at all times be able to establish financial responsibility pursuant to Section 16021, and shall at all times carry in the vehicle evidence of the form of financial responsibility in effect for the vehicle.

(b) "Evidence of financial responsibility" means any of the following:

(1) A form issued by an insurance company or charitable risk pool, as specified by the department pursuant to Section 4000.37.

(2) If the owner is a self-insurer, as provided in Section 16052 or a depositor, as provided in Section 16054.2, the certificate of self-insurance or the assignment of deposit letter issued by the department.

(3) An insurance covering note or binder pursuant to Section 382 or 382.5 of the Insurance Code.

(4) A showing that the vehicle is owned or leased by, or under the direction of, the United States or a public entity, as defined in Section 811.2 of the Government Code.

(c) For purposes of this section, "evidence of financial responsibility" also may be obtained by a law enforcement officer and court personnel from an electronic reporting system when that system becomes available for use by law enforcement officers.

(d) For purposes of this section, "evidence of financial responsibility" also includes any of the following:

(1) The name of the insurance company and the number of an insurance policy or surety bond that was in effect at the time of the accident or at the time that evidence of financial responsibility is required to be provided pursuant to Section 16028, if that information is contained in the vehicle registration records of the department.

(2) The identifying motor carrier of property permit number issued by the Department of the California Highway Patrol to the motor carrier of property as defined in Section 34601, and displayed on the motor vehicle in the manner specified by the



(3) The identifying number issued to the household mover by the Bureau of Household Goods and Services and displayed on the motor vehicle in the manner specified by the bureau or an identifying number issued to the passenger stage carrier or transportation charter party carrier by the Public Utilities Commission and displayed on the motor vehicle in the manner specified by the commission.

(e) Evidence of financial responsibility does not include an identification number in paragraph (1), (2), or (3) of subdivision (d) if the carrier is currently suspended by the issuing agency for lack or lapse of insurance or other form of financial responsibility.

**SEC. 14.** Section 16028 of the Vehicle Code is amended to read:

**16028.** (a) Upon the demand of a peace officer pursuant to subdivision (b) or upon the demand of a peace officer or traffic collision investigator pursuant to subdivision (c), every person who drives a motor vehicle upon a highway shall provide evidence of financial responsibility for the vehicle that is in effect at the time the demand is made. The evidence of financial responsibility may be provided using a mobile electronic device. However, a peace officer shall not stop a vehicle for the sole purpose of determining whether the vehicle is being driven in violation of this subdivision.

(b) If a notice to appear is issued for any alleged violation of this code, except a violation specified in Chapter 9 (commencing with Section 22500) of Division 11 or any local ordinance adopted pursuant to that chapter, the cited driver shall furnish written evidence of financial responsibility or may provide electronic verification of evidence of financial responsibility using a mobile electronic device upon request of the peace officer issuing the citation. The peace officer shall request and verify the driver's evidence of financial responsibility, as specified in Section 16020. If the driver fails to provide evidence of financial responsibility at the time the notice to appear is issued, the peace officer may issue the driver a notice to appear for violation of subdivision (a). The notice to appear for violation of subdivision (a) shall be written on the same citation form as the original violation.

(c) If a peace officer, or a regularly employed and salaried employee of a city or county who has been trained as a traffic collision investigator, is summoned to the scene of an accident described in Section 16000, the driver of a motor vehicle that is in any manner involved in the accident shall furnish written evidence of financial responsibility or may provide electronic verification of evidence of financial responsibility using a mobile electronic device upon the request of the peace officer or traffic collision investigator. If the driver fails to provide evidence of financial responsibility when requested, the peace officer may issue the driver a notice to appear for violation of subdivision (a). A traffic collision investigator may cause a notice to appear to be issued for a violation of subdivision (a), upon review of that citation by a peace officer.

(d) (1) If, at the time a notice to appear for a violation of subdivision (a) is issued, the person is driving a motor vehicle owned or leased by the driver's employer, and the vehicle is being driven with the permission of the employer, this section shall apply to the employer rather than the driver. In that case, a notice to appear shall be issued to the employer rather than the driver, and the driver may sign the notice on behalf of the employer.

(2) The driver shall notify the employer of the receipt of the notice issued pursuant to paragraph (1) not later than five days after receipt.

(e) A person issued a notice to appear for a violation of subdivision (a) may personally appear before the clerk of the court, as designated in the notice to appear, and provide written evidence of financial responsibility in a form consistent with Section 16020, showing that the driver was in compliance with that section at the time the notice to appear for violating subdivision (a) was issued. In lieu of the personal appearance, the person may submit by mail to the court written evidence of having had financial responsibility at the time the notice to appear was issued. Upon receipt by the clerk of that written evidence of financial responsibility in a form consistent with Section 16020, further proceedings on the notice to appear for the violation of subdivision (a) shall be dismissed.

(f) For the purposes of this section, "mobile electronic device" means a portable computing and communication device that has a display screen with touch input or a miniature keyboard.

(g) For the purposes of this section, when a person provides evidence of financial responsibility using a mobile electronic device to a peace officer, the peace officer shall only view the evidence of financial responsibility and is prohibited from viewing any other content on the mobile electronic device.

(h) If a person presents a mobile electronic device pursuant to this section, that person assumes all liability for any damage to the mobile electronic device.

**SEC. 15.** Section 16560 of the Vehicle Code is amended to read:

**16560.** (a) Any person or corporation who operates or causes to be operated on the highways of this state any motor vehicle in the interstate or foreign transportation of property, other than household goods, for compensation without having first complied with the requirements of paragraph (1) of subdivision (g) of Section 7232 of the Revenue and Taxation Code is guilty of a misdemeanor, and is punishable by a fine of not more than one thousand dollars (\$1,000), or by imprisonment in the county jail for not more than three months, or by both that fine and imprisonment.

(b) Any person or corporation who operates or causes to be operated on the highways of this state any motor vehicle in the interstate or foreign transportation of household goods for compensation without having first complied with the requirements of Chapter 3.1 (commencing with Section 19225) of Division 8 of the Business and Professions Code or passengers for compensation without having first complied with the requirements of Chapter 1 (commencing with Section 3901) of Division 2 of the Public Utilities Code is guilty of a misdemeanor, and is punishable by a fine of not more than one thousand dollars (\$1,000), or by imprisonment in the county jail for not more than three months, or both that fine and imprisonment.

**SEC. 16.** Section 26710 of the Vehicle Code is amended to read:

**26710.** (a) It is unlawful to operate any motor vehicle upon a highway when the windshield or rear window is in such a defective condition as to impair the driver's vision either to the front or rear.

(b) Notwithstanding subdivision (a), it is unlawful to operate any motor vehicle described in Section 34500 upon a highway when the condition of the windshield is other than described in Section 393.60(c) of Title 49 of the Code of Federal Regulations.

(c) In the event any windshield or rear window fails to comply with this code the officer making the inspection shall direct the driver to make the windshield and rear window conform to the requirements of this code within 48 hours. The officer may also arrest the driver and give them notice to appear and further require the driver or the owner of the vehicle to produce in court satisfactory evidence that the windshield or rear window has been made to conform to the requirements of this code.

**SEC. 17.** Section 27150.2 of the Vehicle Code is amended to read:

**27150.2.** (a) Stations providing referee functions pursuant to Section 44036 of the Health and Safety Code shall provide for the testing of vehicular exhaust systems and the issuance of certificates of compliance only for those vehicles that have received a citation for a violation of Section 27150 or 27151.

(b) A certificate of compliance for a vehicular exhaust system shall be issued pursuant to subdivision (a) if the vehicle complies with Sections 27150 and 27151. Exhaust systems installed on motor vehicles, other than motorcycles, with a manufacturer's gross vehicle weight rating of less than 6,000 pounds comply with Sections 27150 and 27151 if they emit no more than 95 dbA when tested in accordance with the most current SAE International standard.

(c) An exhaust system certificate of compliance issued pursuant to subdivision (a) shall identify, to the extent possible, the make, model, year, license number, and vehicle identification number of the vehicle tested, and the make and model of the exhaust system installed on the vehicle.

(d) The station shall charge a fee for the exhaust system certificate of compliance issued pursuant to subdivision (a). The fee charged shall be calculated to recover the costs incurred by the Department of Consumer Affairs to implement this section. The fees charged by the station shall be deposited in the Vehicle Inspection and Repair Fund established by Section 44062 of the Health and Safety Code.

(e) Vehicular exhaust systems are exempt from the requirements of Sections 27150 and 27151 if compliance with those sections, or the regulations adopted pursuant thereto, would cause an unreasonable hardship without resulting in a sufficient corresponding benefit with respect to noise level control.

**SEC. 17.5.** Section 27150.2 of the Vehicle Code is amended to read:

**27150.2.** (a) Stations providing referee functions pursuant to Section 44036 of the Health and Safety Code shall provide for the testing of vehicular exhaust systems and the issuance of certificates of compliance only for those vehicles that have received a citation for a violation of Section 27150 or 27151.

(b) A certificate of compliance for a vehicular exhaust system shall be issued pursuant to subdivision (a) if the vehicle complies with Sections 27150 and 27151. Exhaust systems installed on motor vehicles, other than motorcycles, with a manufacturer's gross vehicle weight rating of less than 6,000 pounds comply with Sections 27150 and 27151 if they emit no more than 95 dbA when tested in accordance with the most current SAE International standard.

(c) An exhaust system certificate of compliance issued pursuant to subdivision (a) shall identify, to the extent possible, the make, model, year, license number, and vehicle identification number of the vehicle tested, and the make and model of the exhaust

system installed on the vehicle.

(d) The station shall charge a fee for the exhaust system certificate of compliance issued pursuant to subdivision (a). The fee charged shall be calculated to recover the costs incurred by the Department of Consumer Affairs to implement this section. The fees charged by the station shall be deposited in the Vehicle Inspection and Repair Fund established by Section 44062 of the Health and Safety Code.

(e) Vehicular exhaust systems are exempt from the requirements of Sections 27150 and 27151 if compliance with those sections, or the regulations adopted pursuant thereto, would cause an unreasonable hardship without resulting in a sufficient corresponding benefit with respect to noise level control.

(f) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

**SEC. 18.** Section 27151 of the Vehicle Code is amended to read:

**27151.** (a) A person shall not modify the exhaust system of a motor vehicle in a manner which will amplify or increase the noise emitted by the motor of the vehicle so that the vehicle is not in compliance with the provisions of Section 27150 or exceeds the noise limits established for the type of vehicle in Article 2.5 (commencing with Section 27200). A person shall not operate a motor vehicle with an exhaust system so modified.

(b) For the purposes of exhaust systems installed on motor vehicles with a manufacturer's gross vehicle weight rating of less than 6,000 pounds, other than motorcycles, a sound level of 95 dbA or less, when tested in accordance with the most current SAE International standard, complies with this section. Motor vehicle exhaust systems or parts thereof include, but are not limited to, nonoriginal exhaust equipment.

**SEC. 19.** Section 27903 of the Vehicle Code is amended to read:

**27903.** (a) Subject to Section 114765 of the Health and Safety Code, a vehicle transporting an explosive, blasting agent, flammable liquid, flammable solid, oxidizing material, corrosive, compressed gas, poison, radioactive material, or other hazardous materials, of the type and in quantities that require the display of placards or markings on the vehicle exterior by the United States Department of Transportation pursuant to Parts 172, 173, and 177 of Title 49 of the Code of Federal Regulations shall display those placards and markings in the manner and under conditions prescribed by those regulations.

(b) Notwithstanding subdivision (a), a vehicle shall not display hazardous materials placards or markings unless permitted or required by Subparts D and F of Part 172 of Title 49 of the Code of Federal Regulations.

(c) This section does not apply to any of the following:

(1) A vehicle transporting not more than 20 pounds of smokeless powder or not more than five pounds of black sporting powder or any combination thereof.

(2) The operation of a vehicle excepted by subdivision (b) of Section 34501.

**SEC. 20.** Section 34501 of the Vehicle Code is amended to read:

**34501.** (a) (1) The department shall adopt reasonable rules and regulations that, in the judgment of the department, are designed to promote the safe operation of vehicles described in Section 34500, regarding, but not limited to, controlled substances and alcohol testing of drivers by motor carriers, hours of service of drivers, equipment, fuel containers, fueling operations, inspection, maintenance, recordkeeping, accident reports, and drawbridges. The rules and regulations shall not, however, be applicable to schoolbuses, which shall be subject to rules and regulations adopted pursuant to Section 34501.5.

The rules and regulations shall exempt local law enforcement agencies, within a single county, engaged in the transportation of inmates or prisoners when those agencies maintain other motor vehicle operations records which furnish hours of service information on drivers which are in substantial compliance with the rules and regulations. This exemption does not apply to any local law enforcement agency engaged in the transportation of inmates or prisoners outside the county in which the agency is located, if that agency would otherwise be required, by existing law, to maintain driving logs.

(2) The department may adopt rules and regulations relating to commercial vehicle safety inspection and out-of-service criteria. In adopting the rules and regulations, the commissioner may consider the commercial vehicle safety inspection and out-of-service criteria adopted by organizations such as the Commercial Vehicle Safety Alliance, other intergovernmental safety group, or the United States Department of Transportation. The commissioner may provide departmental representatives to that alliance or other organization for the purpose of promoting the continued improvement and refinement of compatible nationwide commercial vehicle safety inspection and out-of-service criteria.

(3) The commissioner shall appoint a committee of 15 members, consisting of representatives of industry subject to the regulations to be adopted pursuant to this section, to act in an advisory capacity to the department, and the department shall cooperate and confer with the advisory committee so appointed. The commissioner shall appoint a separate committee to advise the department on rules and regulations concerning wheelchair lifts for installation and use on buses, consisting of persons who use the wheelchair lifts, representatives of transit districts, representatives of designers or manufacturers of wheelchairs and wheelchair lifts, and representatives of the Department of Transportation.

(4) The department may inspect any vehicles in maintenance facilities or terminals, as well as any records relating to the dispatch of vehicles or drivers, and the pay of drivers, to ensure compliance with this code and regulations adopted pursuant to this section.

(b) (1) The department, using the definitions adopted pursuant to Section 2402.7, shall adopt regulations for the transportation of hazardous materials in this state, except the transportation of materials that are subject to other provisions of this code, that the department determines are reasonably necessary to ensure the safety of persons and property using the highways. The regulations may include provisions governing the filling, marking, packing, labeling, and assembly of, and containers that may be used for, hazardous materials shipments, and the manner by which the shipper attests that the shipments are correctly identified and in proper condition for transport.

(2) (A) The regulations adopted under this section for vehicles engaged in interstate or intrastate commerce shall establish hazardous materials requirements that are consistent with the hazardous materials regulations adopted by the United States Department of Transportation in Chapter I of, and Part 397 of Subchapter B of Chapter III of, Subtitle B of Title 49 of the Code of Federal Regulations.

(B) If a carrier not subject to federal jurisdiction finds a regulation adopted pursuant to this section to be unnecessarily burdensome or impracticable, the carrier may apply to the department, at no cost, for an alternate method of compliance.

(3) Regulations adopted pursuant to this subdivision do not apply to the following:

(A) The transportation of explosives in an authorized emergency vehicle, as defined in paragraph (1) of subdivision (b) of Section 165, when operated by a peace officer, as defined in Sections 830.1 and 830.2 of the Penal Code, under the following conditions:

(i) The transportation is necessary for tactical operations or explosives detection or removal duties.

(ii) Storage and security is in compliance with the applicable provisions of "ATV Federal Explosives Laws and Regulations," published by the Bureau of Alcohol, Tobacco, Firearms, and Explosives.

(B) The transportation of seized fireworks by a public agency as authorized by Part 2 (commencing with Section 12500) of Division 11 of the Health and Safety Code.

(c) (1) At least once every 13 months, the department shall inspect every maintenance facility or terminal of any person who at any time operates any bus. If the bus operation includes more than 100 buses, the inspection shall be without prior notice.

(2) This subdivision does not preclude the department from conducting inspections of tour bus operations with fewer than 100 buses without prior notice. To the extent possible, the department shall conduct inspections without prior notice of any tour bus operation, including tour bus operations that have a history of noncompliance with safety laws or regulations, that have received unsatisfactory ratings, or that have had buses ordered out of service for safety violations.

(3) If a tour bus operator receives an unsatisfactory rating, the department shall conduct a followup inspection between 30 and 90 days after the initial inspection during which the unsatisfactory rating was received.

(d) The commissioner shall adopt and enforce regulations which will make the public or private users of any bus aware of the operator's last safety rating.

(e) It is unlawful and constitutes a misdemeanor for any person to operate any bus without the inspections specified in subdivision (c) having been conducted.

(f) The department may adopt regulations restricting or prohibiting the movement of any vehicle from a maintenance facility or terminal if the vehicle is found in violation of this code or regulations adopted pursuant to this section.

**SEC. 21.** Section 34501.19 is added to the Vehicle Code, to read:

**34501.19.** A vehicle described in Section 34500 shall comply with the equipment requirements specified in Part 393 of Title 49 of the Code of Federal Regulations, relating to automatic brake adjusters and brake adjustment indicators, antilock brake systems, frames, cab and body components, wheels, suspension systems, and steering wheel systems. In the application of this section to

a vehicle, "commercial motor vehicle" and "motor vehicle" have the same meanings as those terms are defined in Section 390.5 of Title 49 of the Code of Federal Regulations.

**SEC. 22.** Section 34505.6 of the Vehicle Code is amended to read:

**34505.6.** (a) Upon determining that a motor carrier of property, as defined in Section 34601, either is subject to paragraph (1) or (2), or has been issued an out-of-service order for either an imminent hazard or an unsatisfactory or unfit rating by the United States Secretary of Transportation, the department shall recommend that the Department of Motor Vehicles suspend or revoke the carrier's motor carrier permit, or, for interstate operators, the department shall recommend to the Federal Motor Carrier Safety Administration that appropriate administrative action be taken against the carrier.

(1) The motor carrier of property has failed to maintain any vehicle of a type described above in a safe operating condition or to comply with the Vehicle Code or with regulations contained in Title 13 of the California Code of Regulations relative to motor carrier safety, and, in the department's opinion, that failure presents an imminent danger to public safety or constitutes a consistent failure so as to justify a recommendation to the Department of Motor Vehicles.

(2) The motor carrier of property has failed to enroll all drivers in the pull-notice system as required by Section 1808.1.

(b) Upon determining that a household mover, or a household mover transporting used office, store, or institution furniture and fixtures under its household mover permit issued under Section 19241 of the Business and Professions Code, either is subject to paragraph (1) or (2), or has been issued an out-of-service order for either an imminent hazard or an unsatisfactory or unfit rating by the United States Secretary of Transportation, the department shall recommend that the Department of Consumer Affairs deny, suspend, or revoke the carrier's household mover permit, or, for interstate operators, the department shall recommend to the Federal Motor Carrier Safety Administration that appropriate administrative action be taken against the household mover.

(1) The motor carrier of property has failed to maintain any vehicle of the carrier in a safe operating condition or to comply with the Vehicle Code or with regulations contained in Title 13 of the California Code of Regulations relative to motor carrier safety, and, in the department's opinion, that failure presents an imminent danger to public safety or constitutes a consistent failure so as to justify a recommendation to the Department of Consumer Affairs.

(2) The motor carrier of property has failed to enroll all drivers in the pull-notice system as required by Section 1808.1.

(c) For purposes of this section, two consecutive unsatisfactory compliance ratings for an inspected terminal assigned because the motor carrier failed to comply with the periodic report requirements of Section 1808.1 or the cancellation of the carrier's enrollment by the Department of Motor Vehicles for the nonpayment of required fees is a consistent failure. The department shall retain a record, by operator, of every recommendation made pursuant to this section.

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

(1) That the department has determined that the carrier's safety record or compliance with Section 1808.1 is unsatisfactory, furnishing a copy of any documentation or summary of any other evidence supporting the determination.

(2) That the determination may result in a suspension, revocation, or denial of the carrier's motor carrier permit by the Department of Motor Vehicles, suspension, revocation, or denial of the carrier's household mover permit suspended, revoked, or denied, by the Department of Consumer Affairs, or administrative action by the Federal Motor Carrier Safety Administration.

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

(e) Upon receipt of a written recommendation from the department that a motor carrier permit or household mover permit be suspended, revoked, or denied, the Department of Motor Vehicles or Department of Consumer Affairs, as appropriate, shall, pending a hearing in the matter pursuant to Section 34623 or appropriate Department of Consumer Affairs authority, suspend the motor carrier permit or household mover permit. The written recommendation shall specifically indicate compliance with subdivision (d).

**SEC. 23.** Section 34507.5 of the Vehicle Code is amended to read:

**34507.5.** (a) A motor carrier, as defined in Section 408, whose principal place of business is in this state, who operates from a terminal in this state, or who is required to be licensed pursuant to Section 32000.5, a motor carrier of property, and a for-hire motor carrier of property, as defined in Section 34601, shall obtain a carrier identification number from the department. Application for a carrier identification number shall be on a form furnished by the department. The department may furnish the form online and require the form to be completed and submitted electronically via the department's internet website. Information provided in

connection with an application for a carrier identification number shall be true and accurate. Information relating to a carrier identification number shall be updated by a motor carrier upon request from the department and within 15 days of a change of information, or the cessation or resumption of regulated activity at any of the motor carrier's terminals.

(1) A motor carrier required to obtain a carrier identification number shall first obtain a United States Department of Transportation number from the Federal Motor Carrier Safety Administration and provide that number on the application for a carrier identification number. The department shall not assign a carrier identification number unless the application includes the United States Department of Transportation number assigned to, and properly identifying, the motor carrier.

(2) A motor carrier shall ensure information associated with the United States Department of Transportation number assigned to the motor carrier is true and accurate. The information shall be updated as required by Section 390.19T of Title 49 of the Code of Federal Regulations, before the motor carrier operates a commercial motor vehicle, at least once every two calendar years, and within 15 days of any change of information, or cessation or resumption of regulated activity.

(b) The carrier identification number assigned to the motor carrier under whose operating authority or motor carrier permit the vehicle or combination of vehicles is being operated shall be displayed on both sides of each vehicle, or on both sides of at least one motor vehicle in each combination of the following vehicles:

(1) Each vehicle set forth in Section 34500.

(2) A motortruck of two or more axles that is more than 10,000 pounds gross vehicle weight rating.

(3) Any other motortruck or motor vehicle used to transport property for compensation.

(c) The carrier identification number of a motor carrier operating a vehicle or combination of vehicles listed in subdivision (b) under a rental agreement with a term of not more than 30 calendar days need not be displayed if all of the following requirements are met:

(1) The name or trademark of the lessor are displayed on both sides of each vehicle or on both sides of one of the vehicles in each combination of vehicles.

(2) Any of the following numbers issued to the lessor are displayed on both sides of each vehicle or on both sides of one of the vehicles in each combination of vehicles:

(A) The carrier identification number issued by the United States Department of Transportation.

(B) A valid operating authority number.

(C) A valid motor carrier of property number.

(3) (A) A copy of the rental agreement entered into by the lessor and the vehicle operator is in the vehicle or combination of vehicles.

(B) The rental agreement shall be available for inspection immediately upon the request of an authorized employee of the department, a regularly employed and salaried police officer or deputy sheriff, or a reserve police officer or reserve deputy sheriff listed pursuant to Section 830.6 of the Penal Code.

(C) If the rented vehicle or combination of vehicles is operated in conjunction with a commercial enterprise, the rental agreement shall include the operator's carrier identification number or motor carrier of property permit number.

(d) A vehicle or combination of vehicles that is in compliance with Section 390.21T of Title 49 of the Code of Federal Regulations shall be deemed to be in compliance with subdivision (c).

(e) This section does not apply to any of the following vehicles:

(1) A vehicle described in subdivision (f) of Section 34500, that is operated by a private carrier as defined in subdivision (d) of Section 34601, if the gross vehicle weight rating of the towing vehicle is 10,000 pounds or less, or the towing vehicle is a pickup truck, as defined in Section 471. This exception does not apply to a vehicle combination described in subdivision (k) of Section 34500.

(2) A vehicle described in subdivision (g) of Section 34500, that is operated by a private carrier as defined in subdivision (d) of Section 34601, if the hazardous material transportation does not require the display of placards pursuant to Section 27903, a license pursuant to Section 32000.5, or hazardous waste hauler registration pursuant to Section 25163 of the Health and Safety Code.

(3) A historical vehicle, as described in Section 5004, and a vehicle that displays special identification plates in accordance with Section 5011.

(4) An implement of husbandry as defined in Chapter 1 (commencing with Section 36000) of Division 16.

(5) A vehicle owned or operated by an agency of the federal government.

(6) A pickup truck, as defined in Section 471, and a two-axle daily rental truck with a gross vehicle weight rating of less than 26,001 pounds, when operated in noncommercial use.

(f) Subdivision (b) does not apply to the following:

(1) A vehicle that displays a valid identification number assigned by the United States Secretary of the Department of Transportation.

(2) A vehicle that is regulated by, and that displays a valid operating authority number issued by, the Bureau of Household Goods and Services, including a household mover as defined in Section 19225.5 of the Business and Professions Code.

(3) A for-hire motor carrier of passengers.

(g) The display of the carrier identification number shall be in sharp contrast to the background, and shall be of a size, shape, and color that it is readily legible during daylight hours from a distance of 50 feet.

(h) The carrier identification number for a company no longer in business, no longer operating with the same name, or no longer operating under the same operating authority, identification number, or motor carrier permit shall be removed before sale, transfer, or other disposal of a vehicle marked pursuant to this section.

**SEC. 24.** Section 34601 of the Vehicle Code is amended to read:

**34601.** (a) As used in this division, "motor carrier of property" means any person who operates any commercial motor vehicle as defined in subdivision (c). "Motor carrier of property" does not include a household mover, as defined in Section 19225.5 of the Business and Professions Code, a household mover transporting used office, store, and institution furniture and fixtures under its household mover permit pursuant to Section 19237 of the Business and Professions Code, persons providing only transportation of passengers, or a passenger stage corporation transporting baggage and express upon a passenger vehicle incidental to the transportation of passengers.

(b) As used in this division, "for-hire motor carrier of property" means a motor carrier of property as defined in subdivision (a) who transports property for compensation.

(c) (1) As used in this division, except as provided in paragraph (2), a "commercial motor vehicle" means any self-propelled vehicle listed in subdivisions (a), (b), (f), (g), and (k) of Section 34500, any motortruck of two or more axles that is more than 10,000 pounds gross vehicle weight rating, and any other motor vehicle used to transport property for compensation.

(2) As used in this division, "commercial motor vehicle" does not include any of the following:

(A) Vehicles identified in subdivision (f) of Section 34500, if the gross vehicle weight rating of the towing vehicle is 10,000 pounds or less.

(B) Vehicles identified in subdivision (g) of Section 34500, if the hazardous material transportation does not require the display of placards under Section 27903, a license under Section 32000.5, or a hazardous waste transporter registration under Section 25163 of the Health and Safety Code, and the vehicle is not operated in commercial use.

(C) Vehicles operated by a household mover, as defined in Section 19225.5 of the Business and Professions Code, under the household mover permit pursuant to Section 19237 of that code.

(D) Vehicles operated by a household mover to transport used office, store, and institution furniture and fixtures under its household mover permit pursuant to Section 19237 of the Business and Professions Code.

(E) Pickup trucks as defined in Section 471, if the conditions in subparagraphs (A) and (B) are also met.

(F) Two-axle daily rental trucks with a gross vehicle weight rating of less than 26,001 pounds, when operated in noncommercial use.

(G) Vehicles never operated in commercial use, including motortrucks or two-axle truck tractors, with a gross vehicle weight rating of less than 26,001 pounds, when operated singly, or, when used to tow a camp trailer, trailer coach, fifth-wheel travel

trailer, trailer designed to transport watercraft, or a utility trailer, never operated in commercial use. Vehicle combinations described in this subparagraph are not subject to Section 27900, 34501.12, or 34507.5.

(d) For purposes of this chapter, "private carrier" means a motor carrier of property, who transports only their own property, including, but not limited to, the delivery of goods sold by that carrier.

(e) This section shall become operative on January 1, 2016.

**SEC. 25.** Section 34603 of the Vehicle Code is amended to read:

**34603.** The Department of the California Highway Patrol, the Public Utilities Commission, the Bureau of Household Goods and Services, and the State Board of Equalization shall furnish, upon request, whatever information from their records may be required to assist the department in the effective development and enforcement of this division.

**SEC. 26.** Section 34622 of the Vehicle Code is amended to read:

**34622.** This chapter does not apply to any of the following:

(a) Vehicles described in Section 5004 or 5011, and those that are exempt from vehicle registration fees.

(b) A household mover transporting used office, store, and institution furniture and fixtures under its household mover permit pursuant to Section 19241 of the Business and Professions Code.

**SEC. 27.** Section 17.5 of this bill incorporates amendments to Section 27150.2 of the Vehicle Code proposed by both this bill and Assembly Bill 2496. That section shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2023, (2) each bill amends Section 27150.2 of the Vehicle Code, and (3) this bill is enacted after Assembly Bill 2496, in which case Section 17 of this bill shall not become operative.

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