

AMENDED IN SENATE JULY 14, 2015

AMENDED IN ASSEMBLY APRIL 20, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 828

**Introduced by Assembly Members Low and Chang
(Coauthor: Assembly Member Bonilla)**

February 26, 2015

An act to *add and repeal Section 315.5 of the Public Utilities Code, and to amend, repeal, and add Section 260 of the Vehicle Code, relating to vehicles.*

LEGISLATIVE COUNSEL'S DIGEST

AB 828, as amended, Low. Vehicles: transportation—~~network companies~~. services.

Existing law establishes the Public Utilities Commission and designates the duties of the commission, including regulating specified transportation carriers.

This bill would require the commission to conduct an investigation to consider whether existing statutes and regulations relating to transportation services serve the public interest, encourage innovation, and create a fair and competitive transportation market between companies that provide regulated transportation services. The bill would require the commission to complete the investigation and report its conclusions and recommendations to the Legislature on or before January 1, 2017.

Existing law defines “commercial vehicle,” for the purposes of the Vehicle Code, as a motor vehicle of a type required to be registered under that code that is used or maintained for the transportation of

persons for hire, compensation, or profit or designed, used, or maintained primarily for the transportation of property. Existing law, the Passenger Charter-party Carriers’ Act, provides for the regulation of transportation network companies by the Public Utilities Commission. Existing law defines a “transportation network company” to mean an organization, including, but not limited to, a corporation, limited liability company, partnership, sole proprietor, or any other entity, operating in California that provides prearranged transportation services for compensation using an online-enabled application or platform to connect passengers with drivers using a personal vehicle.

This bill, *until January 1, 2018*, would exclude from the definition of “commercial vehicle,” for purposes of the Vehicle Code, any motor vehicle operated in connection with a transportation network company, if specified conditions are satisfied.

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

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

- 1 SECTION 1. Section 315.5 is added to the Public Utilities
- 2 Code, to read:
- 3 315.5. (a) *The Public Utilities Commission shall conduct an*
- 4 *investigation to consider whether existing statutes and regulations*
- 5 *relating to transportation services serve the public interest,*
- 6 *encourage innovation, and create a fair and competitive*
- 7 *transportation market between companies that provide regulated*
- 8 *transportation services, including, but not limited to, taxi services,*
- 9 *transportation network companies, other charter-party carriers*
- 10 *of passengers, and passenger stages. The commission shall consult*
- 11 *with the Department of Motor Vehicles, local governments, and*
- 12 *other entities responsible for the regulation of transportation*
- 13 *services, as the commission deems necessary. The commission*
- 14 *shall complete the investigation and report its conclusions and*
- 15 *recommendations to the Legislature on or before January 1, 2017.*
- 16 (b) *The report required by this section shall be submitted in*
- 17 *compliance with Section 9795 of the Government Code.*
- 18 (c) *This section shall remain in effect only until January 1, 2018,*
- 19 *and as of that date is repealed, unless a later enacted statute, that*
- 20 *is enacted before January 1, 2018, deletes or extends that date.*

1 SECTION 1.

2 SEC. 2. Section 260 of the Vehicle Code is amended to read:

3 260. (a) A “commercial vehicle” is a motor vehicle of a type
4 required to be registered under this code used or maintained for
5 the transportation of persons for hire, compensation, or profit or
6 designed, used, or maintained primarily for the transportation of
7 property.

8 (b) Passenger vehicles and house cars that are not used for the
9 transportation of persons for hire, compensation, or profit are not
10 commercial vehicles. This subdivision does not apply to Chapter
11 4 (commencing with Section 6700) of Division 3.

12 (c) A vanpool vehicle is not a commercial vehicle.

13 (d) (1) A motor vehicle operated in connection with a
14 transportation network company, as defined in Section 5431 of
15 the Public Utilities Code, is not a commercial vehicle if all of the
16 following conditions are satisfied:

17 (A) The vehicle is operated for passenger service only and is a
18 passenger vehicle limited to seven passengers, not including the
19 driver.

20 (B) The vehicle is operated exclusively by the person to whom
21 the vehicle is registered or insured.

22 (C) The vehicle is not a paratransit vehicle.

23 (D) The vehicle is not operated for public transit services.

24 (E) The vehicle is not operated for school bus services.

25 (2) This subdivision does not change the insurance requirements
26 established under Section 5433 of the Public Utilities Code for a
27 transportation network company and any participating driver. This
28 subdivision does not change the insurance limitations set forth in
29 Section 5434 of the Public Utilities Code.

30 (e) The definition of a commercial vehicle in this section does
31 not apply to Chapter 7 (commencing with Section 15200) of
32 Division 6.

33 (f) *This section shall remain in effect only until January 1, 2018,*
34 *and as of that date is repealed, unless a later enacted statute, that*
35 *is enacted before January 1, 2018, deletes or extends that date.*

36 SEC. 3. Section 260 is added to the Vehicle Code, to read:

37 260. (a) A “commercial vehicle” is a motor vehicle of a type
38 required to be registered under this code used or maintained for
39 the transportation of persons for hire, compensation, or profit or

1 *designed, used, or maintained primarily for the transportation of*
2 *property.*

3 *(b) Passenger vehicles and house cars that are not used for the*
4 *transportation of persons for hire, compensation, or profit are not*
5 *commercial vehicles. This subdivision shall not apply to Chapter*
6 *4 (commencing with Section 6700) of Division 3.*

7 *(c) Any vanpool vehicle is not a commercial vehicle.*

8 *(d) The definition of a commercial vehicle in this section does*
9 *not apply to Chapter 7 (commencing with Section 15200) of*
10 *Division 6.*