

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 06/25/2012  
POSITION: Neutral

BILL NUMBER: AB 2188  
AUTHOR: Lowenthal, Bonnie

**BILL SUMMARY: Commercial motor vehicles: commercial driver's license program: federal compliance.**

This bill would conform state to federal law related to commercial driver licenses.

**FISCAL SUMMARY**

The Department of Motor Vehicles (DMV) estimates one-time programming costs of \$260,000 in 2012-13, which it would have to prioritize within existing information technology expenditures.

**SUMMARY OF CHANGES**

Amendments to this bill since our analysis of the March 27, 2012 version are minor and do not alter our position. The amendment simply rewords the prohibition against using drivers without the proper class of license.

**COMMENTS**

Finance is neutral on this bill because it would conform state to federal law related to commercial driver licenses to ensure continued compliance with federal requirements. Failure to conform to federal requirements could potentially result in federal sanctions including the decertification of California's commercial driver license program and potential loss of federal-aid highway funds and Federal Motor Carrier Safety Assistance Program grant funds.

**ANALYSIS**

1. Programmatic Analysis

**Existing law:**

- Provides standards for the safety of commercial motor vehicles and truck drivers.
- Declares the intent of the Legislature to adopt those standards required of drivers by the Federal Highway Administration.
- Establishes standards for the issuance of commercial driver licenses.
- Disqualifies a driver from operating a commercial motor vehicle if the driver is convicted of a serious traffic violation involving a commercial or noncommercial motor vehicle.

|                                     |      |   |   |
|-------------------------------------|------|---|---|
| Analyst/Principal<br>(0744) K.Amann | Date | Program Budget Manager<br>Kristin Shelton | Date  |
| Department Deputy Director          |      | Date                                      |   |
| Governor's Office:                  | By:  | Date:                                     | Position Approved _____<br>Position Disapproved _____ |
| BILL ANALYSIS                       |      |   | Form DF-43 (Rev 03/95 Buff)                           |

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**ANALYSIS** (continued)**This bill would:**

- Delineate specific out-of-service order violations that occur either while transporting hazardous materials or while in a vehicle designated to carry 16 or more passengers, including the driver.
- Remove the requirement for a licensee to have a valid medical certificate in his or her possession, effective January 30, 2014. Clarify that the DMV, rather than the Federal Motor Carrier Safety Administration (FMCSA), is authorized to approve the medical examination and certificate form for drivers of school buses, paratransit vehicles, farm labor vehicle, and other buses as specified.
- Allow a commercial driver license holder to downgrade to a class C or a class M license for purposes of obtaining a restricted driver's license following an arrest for driving under the influence (first offense). Clarifies that a commercial driver license holder is not eligible for a restricted commercial driver's license when suspended for a violation while driving in a non-commercial motor vehicle.
- Add texting while operating a commercial vehicle to the list of serious offenses that can result in the suspension of the commercial driving privilege.
- Clarify that it is illegal for persons to operate commercial vehicles unless they possess the commercial driver license of the appropriate class of vehicle.
- Identify which branches or personnel of the military are exempt from the requirements to possess a commercial driver license when operating a commercial motor vehicle while on active duty, full-time National Guard duty, training or for National Guard military technicians required to wear a uniform.
- Require the DMV to impose commercial driver license suspensions, revocations, or disqualification actions when an administrative action or conviction occurs in another jurisdiction upon notification.

**Discussion:** This bill would make minor changes to bring California's commercial driver license program into compliance with federal mandates and would resolve federal compliance review findings. A federal audit of California's commercial driver license program found that minor amendments are needed to bring California law into compliance with federal mandates. If the FMCSA determines during the audit process that a state is not in substantial compliance with the federal regulations, the state is at risk of being "decertified." Decertification by the FMCSA would prohibit the state from issuing, renewing, or upgrading a non-commercial driver license to a commercial driver license, and California would be at risk of losing federal-aid highway funds and FMCSA grant funds.

## 2. Fiscal Analysis

The DMV estimates one-time programming costs of \$260,000 in 2012-13, which it would have to prioritize within existing information technology expenditures.

**BILL ANALYSIS--(CONTINUED)****Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

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| Code/Department<br>Agency or Revenue<br>Type | SO                         | (Fiscal Impact by Fiscal Year) |    |           |    |           |    | Fund<br>Code |
|--|----------------------------|--------------------------------|----|-----------|----|-----------|----|--------------|
|  | LA                         | (Dollars in Thousands)         |    |           |    |           |    |              |
|  | CO                         | PROP                           |    |           |    |           |    |              |
|  | RV                         | 98                             | FC | 2011-2012 | FC | 2012-2013 | FC | 2013-2014    |
| 2740/DMV                                     | SO                         | No                             | A  | --        | B  | 260       | A  | -- 0044      |
| <u>Fund Code</u>                             | <u>Title</u>               |                                |    |           |    |           |    |              |
| 0044   | Motor Vehicle Account, STF |                                |    |           |    |           |    |              |