

Date of Hearing: April 24, 2017

ASSEMBLY COMMITTEE ON TRANSPORTATION

Jim Frazier, Chair

AB 458 (Frazier) – As Amended April 18, 2017

SUBJECT: Vehicle registration: fleet vehicles

SUMMARY: Reduces the minimum fleet size required to participate in the Department of Motor Vehicles' (DMV) Permanent Fleet Registration Program (PFR) from 50 to 5 for individual fleets, and 250 to 25 for combinations of fleets registered by an association, with each no smaller than vehicles instead of 25, and deletes the requirement that vehicles registered under the PFR display a company's name or logo, as specified in existing law.

EXISTING LAW:

- 1) Authorizes the registered owner or lessee of a fleet of vehicles consisting of commercial vehicles base plated in the state or passenger automobiles to apply to DMV for license plates, permanent decals, and registration cards under the PFR program.
- 2) Requires fleets to consist of at least 50 motor vehicles to qualify for this program, except for associations providing combinations of fleets of motor vehicles of 250 or more vehicles, with no individual fleet of fewer than 25 motor vehicles.
- 3) Requires an association submitting an application for the PFR program to provide a listing identifying the registered owner of each fleet and the motor vehicles within each fleet.
- 4) Prohibits any motor vehicles registered outside California from participating in the PFR program.
- 5) Requires vehicles registered under the PFR program to display in a conspicuous place on both the right and the left side of each motor vehicle the name, trademark, or logo of the company, as specified.
- 6) Authorizes a motor vehicle under 6,000 pounds unladen weight that is owned or leased by a public utility to be registered under the PFR program by displaying the permanent fleet registration number on both the right and left side or on the front and rear of the motor vehicle, as specified.
- 7) Requires DMV to issue a distinguishing license plate or decal indicating that a vehicle has been registered under the PFR program, and provides that the distinguishing license plate or decal and registration card shall constitute prima facie evidence that the vehicle is currently registered.

FISCAL EFFECT: Unknown

COMMENTS: DMV's PFR program allows the department to handle registration transactions for large fleets of commercial vehicles simply and efficiently. When registered by a fleet owner or fleet-managing association, each vehicle receives a permanent registration decal, reducing the need to re-register each vehicle individually, year after year. Each vehicle must also conspicuously display the owning company's name or logo on the left and ride sides of the

vehicle. Under existing law, an individual fleet must consist of at least 50 vehicles, and a combination of fleets managed by an association must total at least 250 vehicles, with each individual fleet comprising at least 25 vehicles.

According to the author, this program has been successful for large fleets, but smaller fleets that could benefit from the streamlined registration process are left out due to the minimum fleet size requirements.

This bill would reduce that minimum fleet size requirement from 50 vehicles to 5 vehicles for individual fleets, and from 250 vehicles to 25 vehicles to association-managed combinations of fleets, with each individual fleet comprising 5 vehicles instead of 25. This reduction would include many smaller fleets that are excluded from the current PFR program.

This bill would also delete the requirement that participating vehicles display identifying information. According to the author, this requirement is undesirable for the fleet owners, and prevents them from using the PFR program.

Because existing law requires fleet owners and fleet-managing associations to submit information regarding each vehicle's owner when applying under the PFR program, it will still be possible to identify a vehicle's owner, based on the permanent registration decal and the vehicle's license plate number.

REGISTERED SUPPORT / OPPOSITION:**Support**

California Trucking Association
Motor Vehicle Software Corporation

Opposition

None on file

Analysis Prepared by: Justin Behrens / TRANS. /