

Date of Hearing: April 22, 2024

ASSEMBLY COMMITTEE ON TRANSPORTATION

Lori D. Wilson, Chair

AB 3151 (Gipson) – As Amended March 18, 2024

**SUBJECT:** Intermodal roadability inspection program

**SUMMARY:** Requires, rather than permits, a port terminal to conduct the intermodal roadability inspection program and expands the chassis inspection requirements. Specifically, **this bill:**

- 1) Expands the definition of port terminal to include an ocean marine terminal or other terminal within a port master plan area.
- 2) Expands the port terminal's intermodal roadability inspection program (IRIP) to consist of:
  - a) Whether a chassis is leased on a short-term or long-term basis, owned, or otherwise rented; and,
  - b) Inspection of steering, container connecting devices, mud flaps, frame damage, verification that the state 90-day Basic Inspection of Terminals (BIT) inspection and the Federal Motor Carrier Safety Administration (FMCSA) annual inspection are both current.
- 3) Requires defects to intermodal chassis to be repaired within 10 days after the inspection and before the intermodal chassis is released from the terminal. Failure to do so results in a misdemeanor.
- 4) Prevents a vehicle from being released from the port terminal to a motor carrier or operated on the highway other than to a place of repair until all defects listed during the inspection conducted have been corrected and attested to by the signature of the operator's authorized representative.
- 5) Requires the California Highway Patrol (CHP) to conduct inspections at 30-day intervals until it is determined that the port terminal is in full compliance with the inspection requirements.

**EXISTING LAW:**

- 1) Allows an ocean marine terminal to conduct the IRIP if the terminal meets all of the following conditions:
  - a) More than 1,000 chassis are based at the ocean marine terminal.
  - b) The ocean marine terminal has received satisfactory compliance ratings.
  - c) Each intermodal chassis exiting the ocean marine terminal has a current decal and supporting documentation in accordance with federal law. (Vehicle Code (VEH) Section 34505.9)

- 2) Defines an ocean marine terminal's IRIP to consist of all of the following:
  - a) Includes inspection of, but is not limited to, brake adjustment, brake system components and leaks, suspension systems, tires and wheels, vehicle connecting devices, and lights and electrical system;
  - b) Requires each inspection to be recorded on a daily roadability inspection report; and,
  - c) Requires a green tag on attached to a chassis that has passed inspection and a red tag to a chassis that has failed inspection. (VEH Section 34505.9)
- 3) For a failed inspection, requires CHP to reinspect within 120 days. If the terminal fails the reinspection, due to conditions presenting an imminent danger to the public safety or due to the operator's repeated failure to inspect and repair intermodal chassis, requires CHP to immediately forward a recommendation to the Department of Motor Vehicles to suspend the operator's motor carrier property permit. (VEH Section 34505.9)
- 4) Requires every motor carrier operating a vehicle to complete inspection, maintenance, and lubrication services required of all motor carriers, and be inspected at least every 90 days, or more often if necessary to ensure safe operation. This inspection shall include, but not be limited to, all of the following:
  - a) Brake adjustment;
  - b) Brake system components and leaks;
  - c) Steering and suspension systems;
  - d) Tires and wheels; and,
  - e) Vehicle connecting devices. (VEH Section 34505.9)
- 5) Prohibits a vehicle operated by a motor carrier from operating on the highway other than to a place of repair until all defects listed during the inspection have been corrected. (VEH Section 34505.5)
- 6) Establishes a misdemeanor if defects noted on any intermodal chassis inspection are not repaired. (VEH Section 40000.21)

**FISCAL EFFECT:** Unknown

**COMMENTS:** Since 1965 and under current law, the CHP has conducted terminal inspections to determine if motor carriers are complying with Motor Carrier Safety regulations, particularly with regard to the legal requirement to maintain commercial motor vehicles according to a scheduled maintenance (preventive maintenance) program. The CHP's role is to determine whether carriers' selected maintenance schedules are adequate to prevent collisions or mechanical breakdowns involving the vehicles, and if all required maintenance and driver records are prepared and retained as required by law. Primarily, the intent of this program is to ensure truck terminals are inspected by the CHP on a performance-based inspection selection system. The prioritized inspection of terminals includes those never before inspected and those from which hazardous materials are transported.

Ocean marine terminals that receive and dispatch intermodal trailer chassis, that demonstrate two consecutive satisfactory BIT inspections are authorized to engage in a variation of the 90-day interval inspection program, the IRIP. An "intermodal chassis" is the steel undercarriage that is

attached to a truck tractor and is designed to hold and transport the large metal containers that are used to carry cargo materials. The IRIP was established on a demonstration basis in 1994 and made a permanent program in 1998. The IRIP is intended to supplement BIT inspections, and streamline safe chassis use at the port terminal, before the vehicle is on a road.

Under the IRIP, each time an intermodal chassis is loaded with a cargo container and dispatched from the marine terminal, a safety inspection is conducted by a terminal operator, not CHP. This inspection includes: brakes and suspension systems, tires and wheels, vehicle connecting devices, and lights and electrical system. All inspections are recorded on a daily roadability inspection report, which includes the following: positive identification of the intermodal chassis, date and time of each inspection, and signature of the marine terminal operator or representative. Records of each inspection are required to be retained for 90 days at the terminal facility. Vehicles determined to have any safety defects are prohibited from operating on the roadway until those defects are corrected. The CHP is authorized to have complete access to any vehicle equipment records. In addition, port facilities are required to comply with a federal inspection program which provides for one annual inspection of the marine terminal by federal officials.

*Safety in Freight.* Safety is the state's top priority across all state transportation plans. The state's 2023 Freight Mobility Plan outlines a "Safe System" approach, which acknowledges that safety is proactive, rather than waiting for crashes to occur and reacting afterwards.

Each port in the state maintains a safety plan. Some ports use a customized mapping and monitoring system that includes live feeds from security sensors, cameras, and alarms; geospatial maps; pipeline and other infrastructure location data; weather conditions; and social media reports to coordinate and deploy response teams for incidents and in conducting post-incident investigations.

According to the author, "AB 3151 is a common sense measure that would improve the safety standards of chassis operating in, and around, the ports by ensuring that trucks carrying shipping containers are compliant with inspections to vital systems including breaks, container connecting devices, and mud flaps. The legislature, administration, and industry stakeholders have made great strides in improving the safety protocols surrounding the ports and their workers in recent years. The safety of California Port workers, and the communities surrounding the port, is absolutely critical in our ability to transport goods and fuel our economy. This bill would additionally increase the frequency of these inspections and how long terminals need to keep records of these inspections to ensure that every truck operating in ports are as safe as they can be."

In support, the International Longshore and Warehouse Union (ILWU) Locals 13, 63, and 94 write, "AB 3151's requirements for comprehensive inspection and repair of chassis before leaving port terminals represent a pragmatic approach to mitigating these risks. By enforcing consistent and thorough inspections, and ensuring that all defects are repaired promptly, this bill will significantly reduce the likelihood of chassis-related accidents on our highways and public roads."

In opposition, the California Trucking Association writes, "This new program is far afield from the original intention of Roadability to promote safety and maintenance practices by incentivizing port terminals to maintain satisfactory BIT ratings. While the safety benefit of this

new proposed program is debatable, let us state the obvious. Enacting a law which allows the sponsors to detain and hold for repair any chassis, regardless of ownership status or existence of a maintenance contract with them, would primarily benefit the sponsors.”

*Committee comments.* This bill proposes major changes and expands the IRIP, without providing clear evidence of a problem. This bill expands the definition of a port terminal, expands the types of truck equipment that is required to be inspected, adds a 10 day time limit on when a chassis must be repaired, requires the chassis be detained until the repairs are complete, and creates a misdemeanor if the repairs are not complete within 10 days.

*Ownership of intermodal chassis have changed.* When the IRIP was created, port terminals were responsible for the inspection and maintenance recordkeeping requirements of the BIT Program. At that time, Ocean Carriers owned intermodal chassis and port terminals or contracted with them.

IRIP was created as an “incentive program for participants in the BIT program providing for exemptions from inspections for terminals with consistent satisfactory ratings” by authorizing port terminals with over 1,000 intermodal chassis based at its location and two consecutive satisfactory BIT ratings to perform “outgate inspections”. “Outgate inspections” as allowed in IRIP would allow a visual inspection of chassis as they left the port terminal in lieu of standard 90 day BIT inspections.

Chassis leasing companies, otherwise known in the industry as “intermodal equipment providers” (IEPs) have become the dominant provider of intermodal chassis. Motor carriers and beneficial cargo owners have also begun acquiring chassis. As intermodal chassis owners and lessors, IEPs, motor carriers and beneficial cargo owners, not port terminals, are now the entities responsible for inspection and maintenance under BIT.

This bill significantly changes the IRIP, which was meant to allow outgate inspections in lieu of standard 90 day physical inspections required by BIT. Instead, this bill authorizes non-law enforcement personnel to detain drivers and perform an outgate inspection on equipment which is no longer subject to the port terminal’s BIT and provides the authority for them to seize and repair motor carrier, IEP and beneficial cargo owner property without authorization or notification. In doing so, this bill removes the incentive to maintain satisfactory BIT ratings, and the ability for CHP to revoke the IRIP with unsatisfactory BIT ratings.

*Unclear what problem this bill is fixing.* The sponsors state the safety of intermodal chassis at the port has declined as a result of increased goods movement that started during the COVID-19 pandemic and has continued. However, a very similar bill was introduced in 2019 (AB 1575 O’Donnell), before the pandemic. That bill was not set for a hearing in this committee. Additionally, the fatalities as a result of unsafe chassis cited by the sponsors, while tragic, also occurred before the pandemic and data indicates a recent decline in unsafe incidents. Specifically, additional information from the Federal Motor Carrier Safety Administration indicates that the number of intermodal container chassis involved in all crash events in California has decreased by over 100 incidents between 2019 and 2023.

If reform of the IRIP is warranted to ensure chassis safety, it would be important for the sponsors of this bill to work collaboratively with the CHP to update the program. The CHP is the technical and practical expert in roadway safety of intermodal chassis. However, the sponsors of this bill have just begun conversations with the CHP.

The California Assembly Select Committee on Ports and Goods Movement has been conducting hearings in each port across the state. The committee has stated there is a forthcoming whitepaper outlining recommendations for efficient port operation and safety. Safety of intermodal chassis and inspections could be a focus of this whitepaper, or a hearing, and it would be valuable to consider any recommendations from that paper that are applicable to the IRIP.

*Delays at the port.* It is estimated the additional inspection requirements this bill creates will add eight to ten minutes per trucker to each “turn time,” which is the time it takes a truck at a port terminal to drop off and/or pick up a container and then leave the terminal. This depends on a variety of factors including the size of the terminal, number of gates, level of automation, amount of time waiting for chassis to be provided, inspections, and other variables. It is estimated this bill could increase the turn time by 20-25%.

*Repairing the chassis.* Existing law creates a misdemeanor for chassis that are not repaired under the IRIP. This bill adds a variety of chassis equipment to the inspection requirements of the IRIP, and requires the chassis be repaired within 10 days. By significantly expanding the inspection requirements of the IRIP, this bill significantly expands the potential for a misdemeanor charge for chassis operator, determined by non-law enforcement personnel. Finally, this bill does not address who pays for the repairs. In practice, port terminals may look to profit from making repairs which could result in added costs for chassis owners.

*Previous legislation.* SB 1507 (Romero) Chapter 897, Statutes of 2002 imposed additional reporting responsibilities and potential new legal liabilities on marine terminal operators relating to the inspection and maintenance of intermodal chassis, and enact various legal and employment protections for the drivers of these vehicles.

AB 1575 (O’Donnell of 2019) would have required an ocean marine terminal to conduct the intermodal roadability inspection program, require a chassis to be inspected whether it is leased, owned, or rented, require defects noted on the chassis to be repaired within 10 days after the inspection and prior to leaving the terminal.

AB 529 (Lowenthal) Chapter 500, Statutes of 2013 altered the existing regulation for BIT inspections, once known as “Biennial Inspection of Terminals” to change the names to “Basic Inspection of Terminals” and allowed CHP to inspect any terminal at any time they chose instead of every other year.

AB 3151 (Karnette), Chapter 58, Statutes of 1994 created the Intermodal Roadability Inspection Program as an “incentive program for participants in the (BIT) program providing for exemptions from inspections for terminals with consistent satisfactory ratings by authorizing port terminals with over 1,000 intermodal chassis based at its location and two consecutive satisfactory BIT ratings to perform “outgate inspections”. Outgate inspections as allowed in Roadability would allow a visual inspection of chassis as they left the port terminal in lieu of standard 90 day BIT inspections.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

Big Nicks Pizza  
Boys & Girls Clubs of the Los Angeles Harbor  
California Teamsters Public Affairs Council  
City of Los Angeles  
City of Los Angeles Councilmember, Tim McOsker  
DC Design + Build Consultants  
Harbor Industrial  
Innovative Terminal Services  
International Longshore & Warehouse Union  
International Longshore & Warehouse Union Local 13  
International Longshore & Warehouse Union Local 63  
International Longshore & Warehouse Union Local 94  
Los Angeles Latino Equity and Diversity Initiative  
Los Angeles Port Police Association  
Office of Vice Mayor Cindy Allen of Long Beach  
Pacific Harbor Line  
Port of Long Beach  
Port of Los Angeles  
Supervisor Janice Hahn

**Opposition**

California Trucking Association  
Harbor Trucking Association  
Pacific Merchant Shipping Association

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