Date of Hearing: April 28, 2025

ASSEMBLY COMMITTEE ON TRANSPORTATION Lori D. Wilson, Chair AB 525 (Lackey) – As Introduced February 10, 2025

SUBJECT: Basic Inspection of Terminals program: agricultural vehicles

SUMMARY: Excludes agricultural vehicles from being subject to the Basic Inspection of Terminals (BIT) program indefinitely.

EXISTING LAW:

- 1) Defines an agricultural vehicle as a vehicle or combination of vehicles with a gross combination weight rating or a gross vehicle weight rating of 26,000 pounds or less if all of the following conditions are met:
 - a) Is operated by a farmer, an employee of a farmer, or an instructor credentialed in agriculture as part of an instructional program in agriculture at the high school, community college, or university level;
 - b) Is used exclusively in the conduct of agricultural operations when operating in commerce;
 - c) Is not used in the capacity of a for-hire carrier or for compensation;
 - d) The towing vehicle has a gross weight rating of 16,000 pounds or less; and,
 - e) Is used solely in intrastate commerce. (Vehicle Code Section (VEH) 34500.6)
- 2) Requires the California Highway Patrol (CHP), in consultation with the Department of Motor Vehicles (DMV), to report to the Governor and the Legislature, on or before January 1, 2022, regarding the impact of excluding an agricultural vehicle from the BIT program, including information about collisions involving excluded vehicles and any traffic safety issues associated with excluded vehicles. (VEH 34500.6)
- 3) Establishes the BIT Program, which regulates the safe operation of regulated vehicles by motor carriers. BIT requires the California Highway Patrol (CHP) to inspect terminals on a performance-based inspection selection system. (VEH 34501.12)
- 4) Requires the CHP to establish rules and regulations for motor carrier selection and inspection of motor carriers at terminals, and conduct inspections in order to regulate compliance with Motor Carrier Safety regulations. (VEH 34501.12)
- 5) Specifies the BIT performance-oriented inspection cycle does not apply to nonspecified vehicles, also known as "j-trucks." (VEH 34501.12)
- 6) Requires carriers to ensure each regulated vehicle is inspected at least every 90 days, or more often if necessary to ensure safe operation. (VEH 34505.5)
- 7) Defines terminal as any place a motor carrier is regularly garaged, maintained, operated or dispatched, including a private business or residence. (VEH 34515)

8) Requires motor carriers to identify to the CHP, all terminals from which regulated vehicles are operated. (VEH 34515)

FISCAL EFFECT: Unknown

COMMENTS: The CHP has conducted terminal inspections since 1965 as a tool 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 that all maintenance and driver records are prepared and retained as required by law.

AB 2706 (Katz), Statutes of 1988 established a Basic Inspection of Terminals (BIT) program that CHP administers, requiring commercial trucking fleets to subject their vehicles, maintenance records, and driving records to CHP inspection at specified intervals. AB 529 (Lowenthal), Chapter 500, Statutes of 2013 expanded the BIT program to apply to a broader class of commercial vehicles. The BIT program helps to ensure the safe operation of regulated vehicles by motor carriers. Primarily, the intent of this program is to ensure CHP inspects truck terminals on a performance-based inspection selection system.

CHP also regulates safe operation of any other vehicles not specified in statute, but that are regulated by the DMV, the Department of Consumer Affairs or the U.S. DOT (VEH 34500(j)); these vehicles are known as "j-trucks". J-trucks, which were previously subject to driver hours-of-service inspection requirements were included under the six-year inspection cycle established by AB 529. Since implementation of AB 529 in 2016, CHP states that most of the j-truck terminals selected for BIT inspections resulted from not having any available safety data.

Effective January, 1, 2016, the terminal inspection requirements changed from a time-based inspection system to a performance-based inspection selection system. Terminals selected for inspection are based on the California Performance Safety Score (CPSS). The CPSS is derived from the Federal Motor Carrier Safety Administration Safety Measurement System Behavior Analysis and Safety Improvement Category (BASIC) percentiles. Generally, carriers with a BASIC percentile at or above the Federal alert level will have all California terminals selected for inspection. Additionally, the prioritized inspection of terminals includes those never before inspected and those from which hazardous materials are transported.

The following vehicles are not subject to the BIT Program: Vehicles that display special identification plates; historical vehicles; implements of husbandry; farm vehicles; vehicles used only incidentally on the highway; motor vehicles not designed, used, or maintained primarily for the transportation of property; firefighting apparatus; and vehicles owned or operated by an agency of the federal government.

BIT program for agriculture vehicles: The BIT program was particularly problematic for agricultural producers for several reasons. Trucks and trailers commonly used by farmers and ranchers are also their personal vehicles – and those same vehicles are otherwise exempt from BIT when used solely for personal and recreational purposes. BIT inspections are time-consuming for agricultural producers, and even minor violations could restrict a farmer or rancher from operating a vehicle critical to their operation. Finally, the BIT program discourages

farmers and ranchers from purchasing new vehicles and trailers which would subject those producers to BIT based on the vehicles' weight and configuration, frustrating safety and emission reduction policies which would be advanced by the purchase of newer equipment.

AB 1960 (Lackey), Chapter 748, Statutes of 2016 exempted agricultural vehicles from the BIT program. To assess "the safety impact of this exemption," AB 1960 directed the CHP to "report to the Governor and the Legislature [by January 1, 2022] about the impact of excluding an agricultural vehicle" from BIT, including "information about collisions involving excluded vehicles and any traffic safety issues associated with excluded vehicles" and included a sunset date of January 1, 2023 for the exemption.

The report concluded that "there is no reliable data available to analyze the safety impacts resulting from the exemption of agricultural vehicles from the BIT Program" because "Agricultural vehicles are not specifically required to be designated by special indicia or identifiers."

However, the report also notes that CHP typically prioritizes BIT inspections for "schoolbus, passenger transportation, and…hazardous-material carrier[s]" as well as "Controlled Substance and Alcohol Testing (CSAT) inspections," and that as a result of these priorities and "time-consuming…legislatively-mandated threshold inspections...motor carrier inspection personnel may not have the capacity to conduct non-threshold inspections of general commercial truck fleets." Because state law requires CHP to prioritize BIT inspections for "those motor carrier terminals never previously inspected by the department" (CVC § 34501.12(c)(2)), and because agricultural vehicles have never been subjected to BIT inspection previously, allowing the current agricultural vehicle exemption to sunset may impact CHP's ability to appropriately prioritize inspections for passenger vehicles, hazardous material haulers, and others.

The agricultural exemption to the BIT program is set to sunset on January 1, 2026. This bill extends the BIT exemption for agricultural vehicles indefinitely. As far as the committee is aware, there have been no reported unintended consequences or safety concerns as a result of agricultural vehicles being exempt from the BIT program.

According to the author, "AB 525 addresses an unfair burden placed on California's farmers and ranchers by permanently exempting their agricultural vehicles from the Basic Inspection of Terminals (BIT) program. Small family farmers using pickup trucks and trailers to haul equipment, feed, or livestock—not for commercial hire—should not face the same costly and time-consuming regulations as large trucking fleets. The BIT program's fees and inspections threaten their livelihoods, while identical vehicles used for personal purposes (including hauling large campers or RVs) remain exempt. This bill recognizes the unique needs of rural agricultural communities. By making this exemption permanent, AB 525 keeps our farmers safe and productive, allowing them to upgrade to newer, safer vehicles without fear of unnecessary oversight."

In support, the California Cattlemen's Association writes, "AB 525 merely preserves the status quo – extending an existing exemption from the Basic Inspection of Terminals program for agricultural vehicles which have never been subject to the regulatory program to date. By doing so, AB 525 avoids costs and disruption to family-owned agricultural operations while ensuring that CHP properly prioritizes BIT inspections for classes of vehicles with the greatest public safety risk. Importantly, other existing state and federal regulations ensure that agricultural vehicles will remain safe to operate on California roadways despite the exemption from the BIT Program."

Previous legislation. AB 3278 (Committee on Transportation), Chapter 226, Statutes of 2024 revises BIT requirements for the CHP to remove the requirement for a six-year inspection cycle after a terminal receives a satisfactory compliance rating, removes a requirement for CHP to promulgate regulations for performance-oriented inspection separate from, but with consideration for, Federal Motor Carrier Safety Administration (FMCSA) guidelines. Also removes the requirement for CHP to apply the BIT performance-oriented inspection cycle to nonspecified vehicles, also known as "j-trucks.

AB 2415 (Lackey), Chapter 209, Statutes of 2022 extends the exemption for agricultural vehicles from the BIT program until January 1, 2026.

AB 1960 (Lackey), Chapter 748, Statutes of 2016 excludes an agricultural vehicle, as defined, from the BIT program conducted by the CHP until January 1, 2023.

AB 995 (Bigelow of 2016) would have directed the CHP and the Department of Motor Vehicles to establish a pilot program exempting certain farm vehicles from vehicle registration requirements, as specified. *This bill was vetoed by the Governor on September 28, 2016.*

AB 529 (Lowenthal), Chapter 500, Statutes of 2013 revises the BIT program as administered by the CHP.

AB 2706 (Katz) Statues of 1988 establishes CHP's biennial truck terminal inspection BIT program.

REGISTERED SUPPORT / OPPOSITION:

Support

California Cattlemen's Association California Farm Bureau Federation Western United Dairies

Opposition

None on file

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