

MOTOR CARRIER OF PROPERTY PERMIT FREQUENTLY ASKED QUESTIONS

What is a motor carrier of property permit?

A motor carrier of property permit (MCP) is a permit issued by the Department of Motor Vehicles (DMV) to a motor carrier of property for the operation of a commercial motor vehicle (CMV) as defined in Section 34601(c) of the California Vehicle Code (CVC). The MCP is a means to ensure a motor carrier of property, as defined in Section 34601(a) and (b) CVC, is in compliance with liability and workers compensation insurance requirements as well as in compliance with the Employer Pull Notice (EPN) Program and controlled substance and alcohol testing (CSAT) requirements, if applicable.

What is a motor carrier of property?

A motor carrier of property is any person who operates a CMV as defined in Section 34601(c) CVC. A private motor carrier of property transports their own property, goods, or products, even if a fee is charged for such delivery (Section 34601[a] and [d] CVC). A for-hire motor carrier of property, as defined in Section 34601(b) CVC, transports other persons' property for hire or compensation.

NOTE: The transportation of property in a CMV is not necessary to meet the definition of a motor carrier of property. The definition only requires the operation of the CMV upon a highway.

What is a CMV?

Section 34601(c) CVC defines the following motor vehicles as a CMV for MCP purposes:

- A motortruck, as defined in Section 410 CVC, having three or more axles with a gross vehicle weight rating (GVWR) of more than 10,000 pounds (Section 34500[a] CVC).
- A truck tractor (Section 34500[b] CVC).
- A motortruck in combination with a vehicle or vehicles identified in Section 34500(e) CVC, which includes a trailer, semitrailer, pole or pipe dolly, auxiliary dolly, and logging dolly, when the combination exceeds 40 feet in length (Section 34500[f] CVC).
- A vehicle or combination of vehicles transporting any hazardous material, as defined in Section 353 CVC (Section 34500[g] CVC).
- A commercial motor vehicle with a GVWR of more than 26,000 pounds or a commercial motor vehicle of any GVWR towing a trailer, semitrailer, pole or pipe dolly, auxiliary dolly, or logging dolly with a GVWR of more than 10,000 pounds. Does not include a camp trailer, trailer coach, or utility trailer (Section 34500[k] CVC).
- A motortruck having two or more axles with a GVWR of more than 10,000 pounds (Section 34601[c] CVC). Pursuant to Section 471 CVC, a pickup truck is a motortruck.
- Any motor vehicle, regardless of type or size, used in a for-hire motor carrier of property operation (Section 34601[c] CVC).

NOTE: *This definition of a CMV is for MCP purposes only.* It is not applicable for vehicle registration or driver licensing.

Are there exceptions to the definition of a CMV?

Pursuant to Section 34601(c)(2) CVC, the following motor vehicles are not defined as a CMV:

- A motortruck in combination with a vehicle identified in Section 34500(e) CVC, which includes a trailer, semitrailer, pole or pipe dolly, auxiliary dolly, and logging dolly, when the combination exceeds 40 feet in length (Section 34500[f] CVC) and the GVWR of the motortruck is 10,000 pounds or less. This exception does not apply if the combination is defined in Section 34500(k) CVC or used in a for-hire motor carrier of property operation.
- A vehicle or combination of vehicles transporting a hazardous material (Section 34500[g] CVC), if the transportation does not require the display of placards on the vehicle, a hazardous materials transportation license pursuant to Section 32000.5 CVC, a hazardous waste transporter registration under Section 25163 of the California Health and Safety Code (HSC), *and the vehicle is not operated commercially.*
- A pickup truck, as defined in Section 471 CVC, when *all* of following conditions are met:
 - The pickup truck is in combination with a vehicle identified in Section 34500(e) CVC, which includes a trailer, semitrailer, pole or pipe dolly, auxiliary dolly, and logging dolly, when the combination exceeds 40 feet in length (Section 34500[f] CVC) and the GVWR of the pickup truck is 10,000 pounds or less; *and*
 - The pickup truck is transporting a hazardous material (Section 34500[g] CVC), which does not require the display of placards on the vehicle, a hazardous materials transportation license pursuant to Section 32000.5 CVC, a

MOTOR CARRIER OF PROPERTY PERMIT FREQUENTLY ASKED QUESTIONS

hazardous waste transporter registration under Section 25163 HSC; **and**

- The pickup truck **is not operated commercially**.
- Two-axle daily rental trucks with a GVWR of 26,000 pounds or less, not operated commercially.
- Vehicles **NEVER** operated in commercial use.

NOTE: Section 34601(c)(2) CVC excludes vehicles operated by a household goods carrier operating under a household goods carrier permit from the definition of a CMV. However, this statute does not reflect a change occurring in July 2018 when household goods carriers were redefined as household movers and are now regulated under the Business and Professions Code. The term household goods carriers and Section 5137 of the Public Utilities Code (PUC) no longer exist. Therefore, a vehicle operated by a household mover is defined as a CMV and a household mover is statutorily required to comply with MCPP requirements.

What is commercial use?

Black's Law Dictionary (Ninth Edition) defines commercial use as, "A use that is connected with or furthers an ongoing profit-making activity." The same edition of Black's Law Dictionary defines profit as, "The excess of revenues over expenditures in a business transaction." Based upon these definitions, a for-profit as well as a non-profit business is commercial use.

Are there any exceptions from the requirement to obtain an MCPP?

Section 34622 CVC provides an exception for motor vehicles defined as a CMV, pursuant to Section 34601(c)(1) CVC, from the MCPP requirement. Included in this exception are motor vehicles exempt from vehicle registration fees. This includes all publicly owned vehicles (Section 4155 CVC); implements of husbandry and other vehicles described in Division 16 CVC (commencing with Section 36000 CVC); special construction equipment (Section 565 CVC); special mobile equipment (Section 575 CVC); and any other vehicle not required to be registered pursuant to Section 4000(a)(1) CVC. Additionally, historical vehicles identified in Section 5004 CVC are included in the exception.

A motor carrier of property **solely** engaged in **interstate** or foreign transportation of property is not subject to the MCPP requirement (Section 7232[g] of the Revenue and Taxation Code). An **interstate** motor carrier of property, who wishes to engage in **intrastate** commerce must obtain an MCPP. A motor carrier of property is considered to be engaged in **interstate** commerce immediately **upon dispatch** to transport interstate freight, or when the driver's intended route involves crossing state lines or national boundaries, whether the vehicle is loaded or empty. Additionally, a motor carrier of property engaged in **interstate** commerce remains in **interstate** commerce until **transporting** property in **intrastate** commerce. Once transporting property in **intrastate** commerce, the MCPP requirement remains until the motor carrier of property is **dispatched** for an operation meeting the definition of **interstate** commerce.

What is interstate and intrastate commerce?

- **Interstate** commerce is trade, traffic, or transportation involving the crossing of a state boundary. Either the vehicle or cargo must cross a state boundary, or there must be the intent to cross a state boundary to be considered an interstate carrier.
- **Intrastate** commerce is trade, traffic, or transportation within a single state.

What is the difference between the MCPP and the Basic Inspection of Terminals (BIT) Program?

The BIT Program is 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 (FMCSA) Safety Measurement System Behavior Analysis and Safety Improvement Category percentiles and has nothing to do with the MCPP administered by the DMV. There are many motor carriers of property who are subject to the MCPP requirements, but not subject to the BIT Program due to the types of vehicles they operate. There are also many motor carriers of property who are subject to the BIT Program but not subject to the MCPP requirements, such as carriers who engage solely in interstate commerce and state or local government agencies. Many CMV operators are subject to both programs.

How are the requirements of the MCPP enforced?

Section 34623 CVC states the Department of the California Highway Patrol (CHP) has exclusive jurisdiction for the regulation of safety of operation of motor carriers of property. The DMV will take appropriate action upon the CHP's recommendation, including the suspension or revocation of a permit, for violations related to highway safety. The DMV will also take appropriate action independently, including the suspension or revocation of a permit, for violations such as insurance lapses or failure by the carrier to provide required information. The CHP will actively enforce provisions of the MCPP. It is a misdemeanor violation for a motor carrier of property to operate without a valid MCPP when one is required. Additionally, vehicles operated by a motor

MOTOR CARRIER OF PROPERTY PERMIT FREQUENTLY ASKED QUESTIONS

carrier of property in violation may be impounded.

Are there vehicle markings which must be displayed on a vehicle subject to the MCPP?

A motor carrier of property who is required to obtain an MCPP must obtain and display a carrier identification (CA) number on their vehicles in the manner prescribed by Section 34507.5 CVC. The CA number, which is issued by the CHP, is utilized by the DMV as the identifier to issue the MCPP. A motor carrier of property may display their valid United States Department of Transportation (USDOT), Public Utilities Commission, or Cal-T number in place of the CA number. A motor carrier of property engaged in *inter*state commerce must display a USDOT number.

If I rent a CMV for commercial use, do I have to display my company name and carrier identification number on that vehicle?

If the rental period is for 30 days or less, you are not required to display your company name or carrier identification number on the CMV as long as the lessor's name and valid carrier identification number are displayed on the CMV and the rental agreement, with your valid carrier identification number shown on it, remains in the vehicle. After 30 days, your company name and carrier identification number are required to be displayed in compliance with Sections 27900 and 34507.5 CVC.

I have a CA number and MCPP for my corporation. I am changing my operation to a limited liability company (LLC). Can I use the same CA number and MCPP?

No. You must obtain a new CA number and MCPP. Pursuant to Title 13 of the California Code of Regulations, Section 1235.4, the CA number is nontransferable when a change of legal entities occurs. The LLC would be considered a different motor carrier of property. As the MCPP uses the CA number assigned to the motor carrier of property as the permit number, a new MCPP is also required.

The following examples assume *intrastate* operation.

I use my pickup truck which has a GVWR of 11,000 pounds exclusively for personal use. Am I required to obtain an MCPP?

No. Pursuant to Section 34601(c)(2)(G) CVC, vehicles never operated in commercial use are excluded from the definition of a CMV for MCPP purposes and, therefore, no MCPP is required. Should this pickup truck be used for any commercial purpose, an MCPP is required.

My construction company owns a pickup truck (GVWR of 10,500 pounds) that is operated in combination with a trailer (GVWR of 8,500 pounds), having an overall length of 45 feet. Section 34507.5(e)(1) CVC states this combination, which is identified in Section 34500(f) CVC, is excepted from the requirement to obtain and display a CA number. Am I required to obtain an MCPP?

Yes. An MCPP is required for the pickup truck in this combination. Although the combination of vehicles is excepted from the CA number requirements pursuant to Section 34507.5(e)(1) CVC, this combination of vehicles does not meet the exception from the definition of a CMV, pursuant to Section 34601(c)(2)(A) CVC, because the GVWR of the pickup truck is more than 10,000 pounds. As explained previously in this document, a CA number is required to be obtained by a motor carrier of property before the MCPP is issued by the DMV. Additionally, the pickup truck itself is defined as a CMV, pursuant to Section 34601(c)(1) CVC, as it is a two axle motortruck with a GVWR exceeding 10,000 pounds.

I operate a motortruck with a GVWR of 15,000 pounds, meeting the definition of an agricultural vehicle as defined in Section 34500.6 CVC. Pursuant to Section 34501.12(a) CVC, my vehicle is not subject to the BIT Program. Am I required obtain an MCPP?

Yes. Although this vehicle is excepted from the BIT Program, it is not excepted from the definition of a CMV.

I own a rental company renting motortrucks with a GVWR between 10,001 and 26,000 pounds. Am I required to obtain an MCPP even though I only rent my trucks to customers for noncommercial use?

Customers renting your trucks for noncommercial use are not subject to the MCPP requirement pursuant to Section 34601(c)(2)(F) CVC. However, you are a motor carrier of property and subject to the MCPP requirement if you operate your trucks upon a highway, either loaded or empty, for any purpose, such as fueling, maintenance, relocation, or other reasons. This is commercial use as the operation of the trucks are in the furtherance of your business.

MOTOR CARRIER OF PROPERTY PERMIT FREQUENTLY ASKED QUESTIONS

I purchased some products to sell in my convenience store and want to borrow my friend's motortruck, which has a GVWR of 15,000 pounds, to transport them from the place of purchase to my store. Am I required to obtain an MCPP?

Yes. Whether you borrow, rent, or lease a CMV used for a commercial purpose, you are a motor carrier of property.

I operate a three-axle, self-propelled concrete pumping truck which has a GVWR of 33,000 pounds. Am I required to obtain an MCPP?

Yes. Although this motor vehicle is not a three-axle motortruck identified in Section 34500(a) CVC, this vehicle is a CMV, as it is identified in Section 34500(k) CVC.

I have a business where I am paid to transport corrective lenses (glasses) from the manufacturer to retail stores. I use my compact passenger vehicle for the transportation. Am I required to obtain an MCPP?

Yes. You are a for-hire motor carrier of property as defined in Section 34601(b) CVC. Therefore, any motor vehicle regardless of type or size, including your compact passenger vehicle, is defined as a CMV.

I transport intermodal cargo containers to and from a port. Am I required to obtain an MCPP?

The transportation of intermodal cargo containers, including the repositioning of containers, is generally *interstate* or foreign commerce, not requiring an MCPP. However, if the intermodal cargo containers are used to transport an *intrastate* load, an MCPP is required.

I have a swimming pool maintenance business. I transport chlorine, muriatic acid, and other pool chemicals in a pickup truck with a GVWR of 8,200 pounds. Am I required to obtain an MCPP?

Yes. Although, the GVWR of your pickup truck is less than 10,001 pounds, you are transporting hazardous materials, as defined in Section 353 CVC, in the vehicle. Your vehicle is defined as a CMV as it is identified in Section 34500(g) CVC, and it is being used commercially.

I have owner-operators that occasionally transport intrastate freight for me, and I have a valid MCPP. Can these owner-operators transport freight under my MCPP?

No. The MCPP is a safety and insurance regulatory program, not economic regulation. Therefore, there is no provision for one carrier to operate under the identification of another. All motor carriers of property must obtain their own MCPP prior to operating *intrastate*, either privately or for another motor carrier of property. Additionally, a motor carrier shall not contract with another motor carrier of property unless that other motor carrier holds a valid MCPP. Section 34620(b) CVC requires the contracted motor carrier to provide the contracting motor carrier with a certificate attesting to the possession of a valid MCPP. This certificate is to be accompanied by a copy of that permit. The CHP 809, Motor Carrier Certification of Compliance, can be found at: <https://www.chp.ca.gov/Programs-Services/Programs/Commercial-Vehicle-Section>.

What level of insurance is a tow truck operator required to carry?

A tow truck operator is required to maintain a combined single limit of \$750,000 when performing an *emergency move*, as defined in Section 34631.5 CVC, regardless of the commodity being transported by the towed vehicle. Any subsequent or secondary movement would require the minimum level of insurance commensurate with the commodity being transported in or upon the towed vehicle.

What are the steps to obtain an MCPP?

Step 1: Obtain a USDOT number issued by the Federal Motor Carrier Safety Administration (FMCSA). The online application can be found at: <https://www.fmcsa.dot.gov/registration/getting-started>.

The FMCSA regulates interstate commerce. When using the Web site to determine if a USDOT number is required, it may indicate a USDOT number is not required for intrastate commerce unless you are transporting hazardous materials in a quantity requiring the display of placards. Even though you may not be engaged in interstate commerce or transporting hazardous materials, you are required by Section 34507.5(a)(1) CVC to obtain a USDOT number before obtaining a CA number.

Step 2: Obtain a CA number. Submit a CHP 362, Motor Carrier Profile, to a local CHP Motor Carrier Safety Unit located on page 3 of the application. Be sure to include your USDOT number on the application as a CA number cannot be issued without this information. The CHP 362 can be found at: <https://www.chp.ca.gov/Programs-Services/Programs/Commercial-Vehicle-Section>.

MOTOR CARRIER OF PROPERTY PERMIT FREQUENTLY ASKED QUESTIONS

Step 3: Obtain an MCPP using the CA number issued by the CHP. Submit a DMV MC 706 M, Application for Motor Carrier Permit, to the DMV, Motor Carrier Permit Operations Unit. The requirements for the MCPP are explained on the application. The DMV MC 706 M and other information can be found at: <https://www.dmv.ca.gov>.

NOTE: Local DMV offices are not able to process information relating to the MCPP. The DMV, Motor Carrier Permit Operations Unit, processes applications for MCPP. Their telephone number is (916) 657-8153.

I am an owner-operator. Do I need to enroll in the DMV EPN Program?

Private or for-hire owner-operators who are required to obtain an MCPP are not required to enroll in the DMV EPN Program. Instead, the DMV will monitor the driving record of all owner-operators and will suspend the MCPP in the event of a license suspension or revocation.

NOTE: An owner-operator is defined in Section 34624 CVC as any person who:

- Holds a commercial class A, class B, or class C driver license with a hazardous materials endorsement; and
- Owns, leases, or otherwise operates not more than one power unit and not more than three towed vehicles; and
- Is required to obtain an MCPP.

“Person,” in this case, means an “individual (sole proprietor),” not a corporation, LLC, partnership, etc., since only an individual can hold a driver license.

What is Controlled Substances and Alcohol Testing (CSAT)? How do I know if I am subject to CSAT?

Drivers who operate CMVs, as defined in Title 49, Code of Federal Regulation (CFR), Part 382, are subject to CSAT requirements. For the purposes of CSAT, a CMV is a motor truck that:

- Has a GVWR or gross vehicle weight (GVW) of 11,794 or more kilograms (26,001 pounds or more), whichever is greater.
- Has a gross combination weight rating or gross combination weight of 11,794 kilograms or more (26,001 pounds or more), whichever is greater, inclusive of a towed unit(s) with a GVWR or GVW of more than 4,536 kilograms (10,000 pounds), whichever is greater.
- Is of any size and is used in the transportation of hazardous materials that is required to be placarded under Title 49 CFR, Part 172.

Additional information regarding CSAT requirements can be found by reviewing the CHP 800J, What is CSAT? Controlled Substances and Alcohol Testing, at: <https://www.chp.ca.gov/Programs-Services/Programs/Commercial-Vehicle-Section>.

Who do I need to contact regarding motor carrier safety related programs or requirements?

For additional information regarding general motor carrier safety requirements, including the BIT Program, call the CHP, CVS, at (916) 843-3400, or your local CHP Motor Carrier Safety Unit shown on page 6 of this publication.

Local CHP Area offices do not process information relating to the CA number. To obtain a CA number, contact your local CHP Motor Carrier Safety Unit, or if outside of California, call CHP, Commercial Records Unit, at (916) 843-4150.

MOTOR CARRIER OF PROPERTY PERMIT FREQUENTLY ASKED QUESTIONS

CHP MOTOR CARRIER SAFETY UNITS

Questions may be directed to any of the Motor Carrier Safety Units listed below.

Northern Division

2485 Sonoma Street
Redding, CA 96001
(530) 242-4357
(530) 246-1264 Fax

Southern Division

437 North Vermont Avenue
Los Angeles, CA 90004
(323) 644-9557
(323) 953-4827 Fax

Valley Division

2555 First Avenue
Sacramento, CA 95818
(916) 731-6350
(916) 227-0111 Fax

Border Division

9330 Farnham Street
San Diego, CA 92123
(858) 650-3655
(858) 637-7159 Fax

Golden Gate Division

1551 Benicia Road
Vallejo, CA 94591
(707) 917-4400
(707) 649-4766 Fax

Coastal Division

4115 Broad Street, Suite B-10
San Luis Obispo, CA 93401
(805) 549-3261
(805) 541-2871 Fax

Central Division

5435 East Olive Avenue
Fresno, CA 93727
(559) 453-3130
(559) 452-1251 Fax

Inland Division

847 East Brier Drive
San Bernardino, CA 92408
(909) 806-2414
(909) 885-0981 Fax