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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution TEA-2 \*\*  
Safety and Enforcement Division

R E S O L U T I O N

ORDER DIRECTING STAFF NOT TO ENFORCE REQUIREMENTS  
PREEMPTED BY FEDERAL LAW, RELATED TO PRICES, ROUTES AND  
SERVICE OF MOTOR CARRIERS OF PROPERTY, EFFECTIVE JANUARY  
1, 1995, AND DIRECTING STAFF TO EFFECT OTHER CHANGES  
PURSUANT TO PUBLIC LAW 103-305.

S U M M A R Y

This resolution recognizes the impact of recent federal legislation on California transportation regulation, which in effect speeds implementation of the Commission's strategic plan. For several years, the Commission has steadily increased price flexibility in transportation markets. At the same time the Commission has shifted its enforcement priorities to ensure that carriers operate safely and maintain sufficient insurance coverage to ensure financial responsibility. The new law explicitly recognizes the power of the states to regulate safety and financial responsibility, while limiting states' ability to regulate trucking rates. By this resolution, the Commission revises its regulatory programs to comply with federal law, while maintaining its core programs regarding safety and insurance.

The federal legislation generally preempts the states from enacting or enforcing laws or regulations related to the price, route or service of motor carriers transporting property and air carriers transporting property by motor vehicle. It is found in Section 601 of Public Law (PL) 103-305 (Federal Law), which amends Title 49 of the United States Code, effective January 1, 1995. The Federal Law does not affect the states' authority to license and regulate the safety and financial responsibility of these carriers, nor does it attempt to preempt the states from regulating any aspect of the transportation of household goods (as defined in federal law).

The Commission acts here to suspend enforcement of rules and regulations that will be clearly preempted by the Federal Law and to let parties and staff know what to expect after it becomes effective. In some cases, the Commission also specifies rules and regulations that remain in force, where rules or regulations are not specified, the Commission intends them to likewise remain in force.

Staff will review written questions, comments and suggested modifications to the implementation plan presented in this resolution. Please mail such comments to:

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PL 103-305 Comments  
Transportation Economics and Analysis Branch  
505 Van Ness Avenue  
San Francisco, CA, 94102

or fax them to (415) 703-2263. Comments seeking to modify the implementation plan before January 1, 1995 should be received by the Commission by December 1, 1994.

At an appropriate time the Commission will propose legislative and administrative changes, eliminating programs not strictly preempted but which will become superfluous or illogical. The Commission will seek legislation to conform state statutes to PL 103-305 and to eliminate activities which no longer make sense under the new regulatory scheme, but which are required by state statute. Those programs falling within Commission discretion will be handled by normal Commission procedures at a later date.

The balance of this resolution addresses:

- o Safety and Insurance Programs
- o The Scope of PL 103-305
- o Effect on Carriers
- o Payment of Fees and Taxes
- o Minimum Rate Tariffs and Distance Tables
- o General Orders
- o Licensing Procedures
- o Rules of Practice and Procedure
- o Proposed Legislation

SAFETY AND INSURANCE PROGRAMS

The Commission will continue its programs protecting the public from unsafe carriers and ensuring all carriers possess adequate financial responsibility (e.g. insurance). PL 103-305 specifically mentions safety and financial responsibility as areas not preempted. For the last few years, these programs have been the primary focus of the Commission's regulation of carriers and will continue to be in the foreseeable future.

The Commission's ability to license carriers gives it a central role in promoting highway safety and financial responsibility. While the California Highway Patrol (CHP) can place a vehicle out-of-service and the Department of Motor Vehicles (DMV) can suspend a driver's license, only the Commission can stop an unsafe company from operating. This process is assisted by the

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Commission's internal system of administrative law judges and public hearings which allow questions of safety and financial responsibility to be resolved fairly and efficiently. In addition, because the Commission regulates carriers, it is able to coordinate and assist other state agencies in carrying out their missions.

All Commission safety programs will continue, most notably: carriers, including independent contractors (subhaulers), must hold operating authority<sup>[1]</sup> and must show safety fitness to obtain operating authority, including safety and maintenance programs, participation in the DMV Pull Notice program, and registration with the CHP; staff will investigate illegal and unsafe operations; and the Commission will continue to suspend the operating authority of any carrier identified as unsafe.

The Commission will continue to ensure carriers are financially responsible and able to compensate anyone harmed by their actions. The most significant programs are: carriers must maintain evidence of adequate public liability and property damage coverage on file with the Commission (General Order [GO 100]); carriers must have worker's compensation coverage for their employees; and the Commission will suspend the operating authority of any carrier whose insurance coverage lapses.

### THE SCOPE OF PL 103-305

PL 103-305 prohibits states from enacting or enforcing laws or regulations related to a price, route or service of motor carriers transporting property and air carriers transporting property by motor vehicle, with a few exceptions. To simplify discussion this resolution will refer to both motor carriers transporting property and air carriers transporting property by motor vehicle as motor carriers. The specific types of carriers affected are described below, followed by a description of the types of regulations that are preempted. Regulations not mentioned here as preempted are unchanged.

Before adopting PL 103-305, the US Congress issued House of Representatives Conference Report 103-677 (conference report), explain the intent of the legislation. Although the conference report does not have the full force of law, it can provide useful guidance and this resolution refers to it in determining which regulations the Commission should not enforce.

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1 By operating authority this resolution refers to a license, permit, certificate, or registration authorizing intrastate operations.

What Kinds of Carriage are Economically Deregulated?

PL 103-305 prohibits states from enacting or enforcing laws and regulations related to a price, route or service of motor carriers transporting property, except when transporting household goods. Because PL 103-305 incorporates the federal definitions of motor carrier transporting property and household goods, some anomalies will occur in enforcing state regulation.

Generally the Federal Legislation will deregulate the transportation of general freight, cement, livestock, rock and sand and gravel (by dump truck), motor vehicles in secondary truckaway movement, trailer coaches and campers and recreation vehicles, agricultural products, commodities carried in tank trucks and vacuum tank trucks, and transportation currently exempt from California rate regulation. PL 103-305 also applies to private carriers and integrated intermodal small package (IISP) carriers.

States and local governments may continue to regulate the transportation of household goods, garbage, and refuse. PL 103-305 explicitly exempts household goods carriage, leaving the Commission's ongoing household goods program unchanged. The conference report maintains that "garbage and refuse collectors are unaffected, since the Interstate Commerce Commission (ICC) does not define garbage and refuse as property. In any event, municipalities, not the Commission, regulate carriers of garbage and refuse.

Federal law defines household goods carriage more broadly than California law. Because of this, some transportation that is defined in federal law as household goods is defined in California as general freight. Consequently, this carriage which California defines as general freight is not subject to the federal preemption. It includes 1) property moving from a factory or store which a householder has purchased to use in a dwelling and which is transported at the request of, and transportation charges are paid to the carrier by, the householder; 2) stock-in-trade when transported incidental to moving the establishment (e.g. store inventory); and 3) articles which because of their unusual nature or value require specialized handling and equipment usually employed in moving household goods (e.g. computers and convention exhibits). All three of these categories are transported in California under General Order 147. This resolution does not address whether public interest requires continued regulation of such material only that such regulation is not preempted.

PL 103-305 does not affect the transportation of passengers. However, some passenger stage corporations transport property well as passengers, for example, bus companies that offer parcel express service. According to PL 103-305 and the conference report, the transportation of property by passenger carriers is subject to the federal preemption.



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Motor transportation brokers, freight forwarders and express corporations operating under California law are not motor carriers transporting property under federal law. Since the Federal Legislation refers specifically to motor carriers transporting property, state regulation of these entities is generally not preempted. To the extent that state regulation of these entities relates to prices, routes or services of motor carriers it will not be enforced. For example, currently a motor transportation broker cannot charge less than the carrier's filed rate, but under the Federal Legislation carriers do not have filed rates, so this provision will not be enforced. This resolution does not address whether the public interest requires continued regulation of the above entities.

To simplify further discussion, this resolution refers to transportation affected by PL 103-305 as "Deregulated Carriage". The transportation of commodities not defined as Deregulated Carriage (e.g. household goods as defined by the ICC) continues to be regulated under current programs even when the carrier also performs Deregulated Carriage.

### What Kinds of Regulation Are Preempted?

PL 103-305 prohibits the states from enacting or enforcing laws or rules related to prices, routes or service for Deregulated Carriage, except that it does not restrict the states' ability to regulate safety or financial responsibility, and grants some ability to establish state standard transportation practices. Rules that are prohibited will be referred to as "Preempted Regulation".

A number of the Commission's regulations and activities are clearly preempted by PL 103-305. When the Federal Law becomes effective (January 1, 1995), the Commission will no longer require, accept, file, suspend, or investigate tariffs, contracts, or rate quotations for Deregulated Carriage, nor will the Commission maintain or enforce tariffs, contracts or rate quotations for Deregulated Carriage performed after that date. The Commission intends to maintain tariffs and contracts filed before January 1, 1995 as a historical record for assisting the resolution of disputes.

The Federal Law allows the Commission to establish state standard transportation practices, including uniform cargo liability rules, uniform bills of lading or receipts, uniform cargo credit rules, and the granting of certain antitrust immunity, if the practices are no more burdensome than ICC rules. However, these state standard transportation practices only apply to a carrier upon request of the carrier. Thus, the Commission will not enforce standard transportation practices, such as rules for loss and damage claims (GO 139) or duplicate charges (GO 148), for Deregulated Carriage. States may grant antitrust immunity for, 1) joint line rates or routes, 2) classifications and 3) mileage guides. Joint line rates and routes involve traffic that

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requires two or more carriers to transport the shipment. Classifications are methods for grouping traffic with similar transportation costs, for example the National Motor Freight Classification. Mileage guides list distances between points and are used when determining prices based on weight and distance.

The Federal Legislation lists activities states are allowed to continue, including regulating carrier financial responsibility and vehicle safety. The conference report states that this list is not meant to be all inclusive; thus, program elements not preempted are unchanged. The conference report also notes that states are not preempted from issuing a certificate or other documentation demonstrating that a carrier complies with state requirements that are not Preempted Regulation. Therefore, all carriers, including independent contractors (subhaulers), must continue to obtain operating authority from the Commission, maintain liability insurance, and operate safely. Carriers, including subhaulers, violating these provisions will be prosecuted.

EFFECT ON CARRIERS

PL 103-305 gives most highway carriers additional flexibility, and also makes changes in the way they price their service. When the law becomes effective, highway carriers with Commission operating authority can haul any commodity described as Deregulated Carriage regardless of which authority they hold. For example, a carrier with a highway contract permit will legally be able to haul cement in bags. Of course, carriers will have to comply with all rules pertaining to the commodities they carry, such as the higher insurance required for carrying hazardous materials. In addition, carriers generally will not be bound by Commission standards for extending credit or resolving loss and damage claims (see the General Order section for more detail on changes in Commission regulations). Most carriers will no longer be required to maintain tariffs or contracts on file with the Commission. In fact, the Commission will cancel carrier tariffs for Deregulated Carriage on file when the law becomes effective; thereafter, such tariffs previously filed with the Commission will no longer set the legal rate. The Commission will maintain contracts on file when the law becomes effective, but will not accept or file contracts for Deregulated Carriage after that date. Carriers should be aware that the Commission cannot grant antitrust immunity to most collectively set bureau tariffs (see section on GO 154). Carriers should review their pricing practices.

While PL 103-305 applies to private and IISP carriers, it will have no effect on the private or IISP carrier registration programs because no part of those programs contains Preempted Regulation.

#### PAYMENT OF FEES AND TAXES

Since the federal preemption is effective January 1, 1995, fee levels and the uniform business license tax will remain unchanged for 1994. Payments for the fourth quarter of 1994 are due in January, 1995. Carriers are still responsible for current fee and tax levels when filing their quarterly reports in January.

Since PL 103-305 deregulates the rates of most types of carriage and since fee levels are currently dependent on whether the carriage is rate regulated, the fees for Deregulated Carriage will drop in 1995, in the absence of new state legislation. Because most of the Commission's transportation program is already directed to safety and insurance enforcement, the Commission will be seeking legislation to ensure fees are equitable, sufficient to support safety and insurance programs, and not excessive. Staff will inform carriers of any changes in fees before the first quarter reports are due in April, 1995. The Uniform Business License Tax will not change because, as the conference report notes, states retain full power to tax motor carriers.

#### MINIMUM RATE TARIFFS AND DISTANCE TABLES

The Commission's minimum rate tariffs (MRTs) for livestock and dump truck carriage generally contain provisions that are preempted. These preempted provisions include requirements that a prime carrier pay a majority of its revenue to its subhauler. The Commission finds that such regulation relates to the prime carriers' price and therefore will be preempted. Besides price and service regulation, the MRTs contain state standard transportation practices and provisions for COD bonding. The state standard transportation practices generally replicate provisions in the general orders and, in any case, are voluntary under PL 103-305. Except for a preempted pricing provision, the MRT rules for COD bonding generally replicate GO 84, which will apply in the absence of the MRTs. Therefore, the Commission will cancel MRT 3A (for livestock), and MRTs 7A, 17A, and 20 (for dump trucks) effective January 1, 1995.

Commission-issued constructive mile distance tables were first created for use with minimum rate tariffs, but are available to all traffic (regardless of the regulatory program). As of January 1, 1995, carriage formerly subject to minimum rate tariffs are no longer required to use the Commission's current distance table (DT-8), although they may voluntarily choose to do so. The Commission has no plans to update DT-8 or to cancel it.

#### GENERAL ORDERS

A number of General Orders will be affected by PL 103-305. When the Federal Law becomes effective, the Commission will no longer enforce general orders imposing Preempted Regulation on Deregulated Carriage, but will continue to enforce them for other

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carriage. A few general orders are preempted in part, but still remain in force where their provisions concern safety and financial responsibility. The balance of the general orders, not discussed below, remain fully in force.

### General Orders Related to Prices, Routes, or Service

The Commission will not enforce General Orders regulating prices, routes, or service for Deregulated Carriage. A number of general orders require or regulate the filing, suspension, investigation or public availability of tariffs and/or rate quotations. GO 80 (construction and filing of tariff), GO 85 (free or reduced rate transportation), GO 109 (Special Tariff Docket), GO 113 (suspension and investigation of tariffs), GO 117 (construction and filing of tariffs), GO 122 (public inspection of tariffs), GO 132 (filing of rate quotation statements), and GO 147 (tariff filings by common carriers and contract filings by contract carriers) remain in force for carriers unaffected by PL 103-305, but will not be enforced for Deregulated Carriage. GO 149, 150, and 151, respectively set out the Commission's economic regulatory programs for trailer coaches et. al., cement, and truckaway (automobiles carried by truck) and they will not be enforced.

Other General Orders cover state standard transportation practices that under PL 103-305 can no longer be enforced for Deregulated Carriage except where carriers subscribe to them voluntarily. GO 139 prescribes procedures for processing shipper claims for loss or damage, while GO 148 covers overcharges and duplicate payment. The Commission will no longer enforce these provisions for Deregulated Carriage, although they will be enforced for other carriage.

### General Orders Preempted, in Part, for Deregulated Carriage

GO 28 requires common carriers to retain a wide range of documents including vouchers, accounts, annual reports, and the like. Clearly, PL 103-305 reduces the scope of records relevant to this Commission, since it will no longer regulate prices, routes, or service. However, the Commission will continue to require companies to retain any and all documents necessary to show compliance with its regulation of safety, financial responsibility, and other areas not preempted. Carriers should be aware they must retain records related to fee payments (those establishing revenue). Since companies may face the burden of demonstrating compliance, they are advised to interpret these requirements broadly. In addition, carriers must continue to maintain all records for activities prior to January 1, 1995, for the records' full retention schedule.

GO 84 imposes several obligations on carriers making C.O.D. deliveries. Among other things, the carrier must: obtain a bond guaranteeing payment to shippers; maintain records on C.O.D. shipments; not accept checks without shipper approval; pay



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shippers within five days or keep funds retained longer in a separate account; in any event, pay shippers within 10 days; notify shippers of refused deliveries; and file a tariff covering C.O.D. service. It is clear the Commission may no longer require tariffs for any Deregulated Carriage, C.O.D. or not. The remaining requirements are analyzed below, to determine: whether they relate to service, and are therefore preempted; constitute a uniform credit or a cargo liability rule, which the Commission may impose only on carriers who so request; or relate to financial responsibility, and therefore are not preempted.

The Commission finds that requiring carriers to notify shippers of refused delivery amounts to regulation of the terms of service between the shipper and carrier and is preempted. Specifying particular amounts of time for payment, as well as banning acceptance of checks without shipper approval, are uniform credit rules. Such rules can only be imposed, if at all, at the carrier's option, and the Commission will not enforce these requirements. Finally, the requirements for the C.O.D. bond, provision of separate accounts, and record keeping, are all intended to assure the financial responsibility of the carriers, and are not preempted.

GO 102 regulates relationships between carriers and subhaulers and the leasing of equipment from lessor-employees. Any carrier employing subhaulers or leasing equipment from lessor-employees must post a bond to assure payment (P.U. Code Sections 1074 and 3575), and pay subhaulers within 15 days of the work. Further, carriers leasing equipment from lessor-employees must keep records of the transaction. To some extent, these rules were intended to prevent kickbacks and rebates to prime carriers. However, these rules are also part of a larger scheme of protecting subhaulers, who have some of the characteristics of employees. These rules do not relate to a carrier's business with its customers, the prices it charges, the service it provides, or the routes it operates over, but rather deal with the terms of the relationship between a carrier and a contractor. In this light, the current regulations contained in GO 102 are not preempted. The question of whether regulation in this area still serves a public purpose is deferred to a later date.

GO 123 requires highway carriers to submit annual reports. Although the filing of annual reports is not required by statute, the Commission retains authority to collect any information that supports safety and insurance activities. However, the current report primarily collects data used in price and service regulation. Staff should design a report more narrowly targeted to the Commission's remaining regulatory responsibilities. The Commission will inform carriers if a 1994 annual report (on a new form) will be required.

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GO 124 requires household goods carriers to submit annual reports. Since household goods carriage is not affected by the Federal Law, household goods carriers will be required to file 1994 annual reports under the current program.

GO 130 requires carriers to maintain certain kinds of documentation when they lease vehicles. The Commission will continue to enforce these requirements to the extent that they specify who retains control and responsibility for the safety and insurance of equipment. However, the Commission will no longer judge whether the compensation paid by the lessee is "reasonable;" rather the Commission will require only that the contract involve some consideration (to assure that the lease is a valid contract). In addition, the Commission will no longer consider whether a lease constitutes a rebate, allowance, refund, or remittance, but will continue to prohibit any lease which evades any remaining regulation in violation of the Public Utilities Code.

GO 154 regulates the operation of rate bureaus engaged in collective ratemaking. In general, collective ratemaking and the issuance of bureau tariffs is pricing, so the Commission is preempted from regulating those activities and from granting antitrust immunity for them. The exception is joint line rates and routes, classifications and mileage guides, which may be granted antitrust immunity if requested by the carrier or carriers. For example, rate bureaus that wish to publish joint line rates or routes, and be granted antitrust immunity, must comply with GO 154. Under PL 103-305, carriers and rate bureaus may issue tariffs or issue joint line rates without Commission approval, but they would not be granted antitrust immunity for those tariffs and rates. This general order is retained, although the scope of activities it pertains to will be significantly limited.

All current bureau tariffs granted antitrust immunity by this Commission will be cancelled, as of January 1, 1995, except for tariff items covering joint line rates or routes, classifications or mileage guides. Staff will contact tariff bureaus to ask them to identify tariff items that retain antitrust immunity.

GO 155 regulates the content and retention of freight bills and other documents. To the extent that these rules regulate pricing or service, they are preempted. However, freight bills state whether or not a shipment contains hazardous material, serve as documentation of operation (a valuable tool used to prove operation when a carrier is suspended for unsafe operation) and are used in establishing charges for subhauler payment (see GO 102). The Commission will continue requiring carriers to fill out and retain freight bills, but will no longer enforce requirements that pricing information (rate assessed and discounts) be included on freight bills. Notwithstanding the foregoing, carriers will be required to retain sufficient revenue information to determine subhauler payment and Commission fees.

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Information describing the transportation performed will still be required. Rules on the collection of charges are uniform credit rules. They will not be enforced by the Commission and may be considered as voluntary standards for carriers.

### LICENSING PROCEDURES

While licensing procedures will remain central to the Commission's safety and insurance programs, elements used for Preempted Regulation need to be removed or revised. Therefore, the staff is ordered to make a number of changes in licensing materials and procedures. The application to obtain operating authority for Deregulated Carriage will be revised as described below. Any carriers planning to engage in activities still subject to full state regulation will continue to file on the existing forms.

From the applicants' perspective, the licensing process will not be significantly changed. Applicants who wish to provide Deregulated Carriage will still be required to complete the Commission application packet, and pay the application fee of \$1000. However, the scope of the application packet will be reduced.

#### Application Part I

Applicants currently state whether they have previously been licensed by this Commission, and then submit basic business information including partnership agreements or articles of incorporation, the names of corporate officers, and corporate officers' stock holdings. Staff needs this information to assign a proper registration number and assure a carrier's ability to meet safety and insurance requirements. For example, this information helps prevent carriers revoked because of unsafe operations from re-entering business under another name. Applicants must continue to provide all information not specified below.

Part I of the application contains a number of requirements stemming from Preempted Regulation that should be eliminated. First, applicants must submit a form certifying that they are either California residents or a corporation qualified to do business in the state. In the absence of a clear link between residency and financial responsibility or safety, residency requirements are a limitation on service to Californians and are thus preempted. However, out-of-state sole applicants and partnerships will be required to register an agent for service of process to ensure financial responsibility. State law requires all non-California corporations (whatever their line of business) to obtain a Certificate of Qualification from the California Secretary of State, and the Commission will continue to require conformance with that law. Second, applicants currently must report affiliations with other companies. These provisions have allowed staff to detect illegal rebates and discounts to shippers

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and receivers, and to that extent would be preempted as price regulation. However, understanding affiliations with other carriers is valuable for determining the actual owners of a business or a vehicle in order to assess responsibility for safety violations and financial responsibility for accidents; the Commission will continue to require applicants to report them. Third, applicants currently must state whether the application is for an extension (in service area) of a currently held certificate. This question will be eliminated, because route and or service territory restrictions are clearly preempted (except where there is a relationship between the regulation and safety or financial responsibility). Staff is, of course, authorized to ask whether this application updates a previously filed application.

### Application Part II

In Part II the carrier currently confirms that it will not carry certain commodities and use certain kinds of equipment, describes the nature, frequency, and geographic span of its operation and tariffs, discloses any parallel applications to the ICC, and certifies or describes a plan for compliance with a list of requirements. Many of these questions will be preempted. The sections relating to safety and financial responsibility will be retained. Two issues are further discussed below: (1) questions about goods to be shipped, and (2) requirements for collect-on-delivery (COD) and subhauler bonding.

The Commission finds a number of questions in Part II clearly preempted and removes them. Questions on the geographic reach and frequency of service could conceivably further safety enforcement, but staff is not using the information for that purpose, and therefore those questions should be eliminated. Since rate regulation is preempted, questions describing or ordering tariffs will be eliminated. Similarly, the Commission will eliminate the need to show that there is a market for the service, and will dispense with the certification of support from a prospective shipper.

The Commission will retain requirements which assure safety and financial responsibility. Staff will continue to ask whether the applicant is applying for parallel ICC authority, since a carrier may operate under its ICC number in lieu of the Commission's T number. Staff also needs to know what equipment the carrier will operate; whether the carrier will transport hazardous materials and/or waste requiring special insurance coverage; the nature of the applicant's safety and maintenance plans, including participation in the DMV pull notice program; whether the applicant qualifies as an owner operator, and if so their driver's license number; and whether the applicant must carry worker's compensation insurance. Crucial to state inspection and safety programs is registration with the CHP, required as part of the application process. The application also informs carriers that they must meet requirements for public liability and



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property damage insurance. These requirements are not preempted, requiring no change.

Some of the questions about the goods to be carried need to be modified. Historically speaking, these questions allowed the Commission to determine whether the movements were subject to economic regulation (e.g. strict regulation for dump trucks, loose regulation for general freight, no regulation for fresh fruits and vegetables). When PL 103-305 becomes effective, these differences will no longer be relevant for most carriers. But, due to continued regulatory oversight, the application will continue to ask whether a carrier intends to haul household goods; to the extent necessary staff should distinguish between Federal and California definitions. Questions necessary to determine what insurance coverages are required, based on materials to be hauled, should also continue. Where the only purpose of a question is to determine whether the carrier would be subject to preempted rate regulatory programs, the staff should eliminate the question.

The common carrier application also asks about participation in bureau tariffs and asks applicants to list through routes and joint rates. The purpose of these questions is to regulate common carrier pricing and therefore should be eliminated. If a carrier wishes to establish joint line rates or routes, and obtain antitrust immunity for them, the carrier should comply with GO 154.

Finally, carriers are required to secure one or more bonds if they make C.O.D. deliveries, lease equipment from employees, or engage subhaulers. Any bond, by definition, relates only to financial responsibility. By its existence, a bond assures the performance of financial obligations. Carriers will retain financial obligations to customers, employee lessors, and subhaulers, independent of Commission regulation. Therefore, those requirements are not preempted. At an appropriate time the Commission will consider whether these requirements continue to benefit the public.

### Application Part III

This section of the application requires the applicant to show financial fitness for operation, provide information on the experience and ability of the applicant to conduct the proposed operation, and certify compliance with energy efficiency requirements. Financial fitness is discussed below. The question on experience and ability will be retained only as it relates to safety fitness. The certification for energy efficiency requirements is not related to Preempted Regulation and will be retained.

P.U. Code Section 3553(a)(1) requires the Commission to find an applicant is financially capable of operating safely before granting authority, but the current application requires

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financial information that exceeds that requirement. The current financial fitness forms include a balance sheet, a worksheet on working capital available for the first 45 days of operation, and a projected profit and loss statement, as well as a release allowing staff to confirm with the applicant's bank that the working capital is available in cash. These requirements were adopted in a time of economic entry control and are overly burdensome. In particular, it serves no purpose to require applicants to have working capital in cash if they can show that expected receivables are likely to cover their needs. Staff should prepare forms less burdensome than the current forms allowing a check of the applicant's safety-related financial fitness as required by the P.U. Code.

### Application Part IV

This section informs applicants that certain applications must be noticed in the Daily Transportation Calendar and that certain applicants must meet special requirements. The calendar notices (and the rules they are based on) are not preempted by Regulation. In fact, they assist the Commission in gathering information bearing upon the ability of the applicant to operate safely and with financial responsibility from members of the public and competitors.

The special requirements are clearly preempted because they are intended to limit service options and therefore increase price. The conference report notes the authority retained by the states is not intended as a guise for continued price, route or service regulation. Entry controls restricting the number of carriers in a sub-industry also limit competition and cause prices to be higher than they would be without entry control. The listed requirements purport to protect public safety and the public highways, but in fact serve only to limit entry, therefore, they will be eliminated.

### RULES OF PRACTICE AND PROCEDURE

Several of the Commission's Rules of Practice and Procedure are affected by PL 103-305.

#### Rules Referring to Transportation Calendar

Due to the reduced volume of expected filings, the Daily Transportation Calendar will be combined with the more general Daily Calendar. Notices or information that must appear in the Daily Transportation Calendar (Rule 14, 15.1), will now appear in the combined Commission calendar.

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### Rule 21: Common Carrier Certificates

This rule specifies the information that is required in applications for Common Carrier Certificates. The provisions of this rule are general, and the Commission's application forms detail specific requirements. Rather than repeat the discussion above, this section will merely state that subsections (a) through (j) of this rule will not be enforced for Deregulated Carriage insofar as it requires more information than is to be included in the application materials. However, because members of the public and competitors may have information bearing upon the ability of the applicant to operate safely and with financial responsibility, the Commission will continue to require applicants to mail or give a copy of their application to various parties as specified in subsection (l) of Rule 21.

### Rule 45: Filing Fees

All fees promulgated in this rule remain in force until further notice.

### Rate Applications

Because the Commission may no longer regulate pricing of Deregulated Carriage, a number of rules will no longer apply to Deregulated Carriage. Affected are: Rule 23, on rate increase applications; Article 7, Rules 25 through 32, on the shortened procedure tariff docket; Rules 42.1 and 42.2, on deviations from established minimum rates.

### PROPOSED LEGISLATION

While this resolution recognizes the immediate impacts of PL 103-305, creating a more rational and balanced system will require further action by the Legislature. For example, current code provisions distinguish between different kinds of carriers (e.g. dump truck and cement), but these distinctions were generally intended to limit entry and affect price, and thus are meaningless and unenforceable under PL 103-305. Further, the code specifies activities that make sense under a comprehensive scheme of economic regulation, but that may not make sense in a fully competitive market. For example, current law requires that motor transportation brokers secure a license from the Commission, potentially a useful provision when prices and services of carriers were set by regulation. The Commission believes that such licensing may no longer be desirable when carrier prices are deregulated.

Therefore, the Commission will seek legislation to assist in conforming state regulation with federal law, to further remove requirements for activities now required by law but that no longer make sense in the absence of economic regulation, and to



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facilitate removal of outdated rules and regulations. It may be necessary to adopt provisions in a phased manner. Ideally, such legislation would include:

- o Language assuring severability, to make sure that the Commission retains the power to act within the scope of federal law, including:
  - Language expressly stating that any provision of law applicable to both preempted and non-preempted carriage shall continue to apply to non-preempted matters;
  - A general statement of legislative intent, recognizing presumption of regulation related to price, routes, or service, but affirming the state's regulation of safety, financial responsibility, and other matters within state jurisdiction;
  - Dedication of fees levied on deregulated carriers to safety, financial responsibility, and other permissible activities.
- o A new fee structure clearly related to the continuing duties of the Commission in safety and financial responsibility, that can sustain the Commission's licensing, enforcement, and analysis efforts.
- o A new statute setting forth the responsibilities of highway carriers and the powers of the Commission to assure that carriers are financially responsible and operate safely.
- o Repeal of old statutes which are either preempted or no longer desirable (e.g. eliminate the separate authorities for highway common carrier, cement common carrier and the ten separate permit carrier classifications).

Such legislation will assure a comprehensive and clear approach to regulating motor carriers in order to protect the safety and financial security of California's citizens.

### FINDINGS

1. Section 601 of Public Law (PL) 103-305 preempts states from enacting or enforcing certain kinds of laws or regulations relating to motor carriers transporting property and air carriers transporting property by motor vehicle. Carriage subject to this federal preemption is referred to below as "Deregulated Carriage."

2. PL 103-305 explicitly does not preempt state regulation of household goods carriage. Household goods carriage is not



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Deregulated Carriage. The Commission's ongoing household goods program is unaffected by PL 103-305.

3. For Deregulated Carriage, PL 103-305 prohibits states from enacting or enforcing legislation or regulations related to price, routes, or service. Such regulation is referred to below as "Preempted Regulation."

4. The federal preemption is scheduled to take effect January 1, 1995. This date is referred to below as the "effective date of PL 103-305", or by similar terminology.

5. Generally the Federal Legislation will deregulate the transportation of general freight, cement, livestock, rock and sand and gravel (by dump truck), motor vehicles in secondary truckaway movement, trailer coaches and campers and recreational vehicles, agricultural products, commodities carried in tank trucks and vacuum tank trucks, and transportation currently exempt from California rate regulation. PL 103-305 also applies to private carriers and integrated intermodal small package (IISP) carriers.

6. PL 103-305 lists activities states are allowed to continue, including regulating carrier financial responsibility (e.g. insurance) and vehicle safety. House of Representatives Conference Report 103-677 (conference report) states that this list is not meant to be all inclusive.

7. The Commission will continue to enforce program elements not specifically preempted by PL 103-305, absent further regulatory or statutory change.

8. The conference report notes that states are not preempted from issuing a certificate or other documentation demonstrating that a carrier complies with state requirements that are not Preempted Regulation.

9. Preemption does not affect Commission requirements that all carriers, including independent contractors (subhaulers), must continue to obtain operating authority from the Commission, maintain liability coverage, and operate safely.

10. Carriers, including subhaulers, violating these provisions are subject to prosecution.

11. It is in the public interest for the Commission to continue its programs protecting the public from unsafe carriers and ensuring that all carriers possess adequate financial responsibility.

12. Programs protecting the public from unsafe carriers include requirements for carriers as well as investigation and enforcement activities by staff. All carriers, including independent contractors (subhaulers), will still be required to

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hold a license or registration (hereinafter called operating authority) and show safety fitness to obtain operating authority, including: safety and maintenance programs, participation in the DMV Pull Notice program, and registration with the CHP. Staff will continue to investigate illegal and unsafe operations, and the Commission will continue to suspend the operating authority of any carrier identified as unsafe.

13. To ensure financial responsibility, carriers still will be required to maintain evidence of adequate public liability and property damage coverage on file with the Commission under General Order (GO) 100 and to have worker's compensation coverage for their employees. Staff will continue to suspend the operating authority of any carrier whose insurance coverage lapses.

14. Federal law defines household goods carriage more broadly than California law. Some transportation that is defined in federal law as household goods is defined in California as general freight. Regulation of this carriage is not preempted by the Federal Law. Such carriage includes 1) property moving from a factory or store purchased by, transported at the request of, and transportation charges paid to the carrier by, the householder; 2) stock-in-trade when transported incidental to moving the establishment (e.g. store inventory); and 3) articles which because of their unusual nature or value require specialized handling and equipment usually employed in moving household goods (e.g. computers and convention exhibits). GO 147 will continue to apply to all three of these categories.

15. PL 103-305 does not affect the transportation of passengers. However, the transportation of property by passenger carriers is subject to the federal preemption.

16. Motor Transportation brokers, freight forwarders and express corporations operating under California law are not motor carriers transporting property under federal law. State regulation of these entities is generally not preempted. To the extent that state regulation of these entities relates to prices, routes, or services of motor carriers it will not be enforced.

17. A number of the Commission's regulations and activities will be preempted by PL 103-305, including requiring, accepting, filing, suspending, or investigating tariffs, contracts, or rate quotations for Deregulated Carriage, as well as maintaining or enforcing tariffs, contracts, or rate quotations for Deregulated Carriage performed after the effective date of the federal law.

18. It is in the public interest for the Commission to maintain tariffs and contracts filed before PL 103-305 takes effect, as a historical record assisting in the resolution of disputes.

19. PL 103-305 allows the Commission to establish state standard transportation practices, including uniform cargo liability

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rules, uniform bills of lading or receipts, uniform cargo credit rules, and the granting of certain antitrust immunity, if the practices are no more burdensome than ICC rules. These state standard transportation practices will only apply to a carrier upon request of the carrier.

20. PL 103-305 generally preempts state ability to regulate or grant antitrust immunity for collective ratemaking as provided by GO 154. The exception is joint line rates and routes, classifications, and mileage guides, which may be granted antitrust immunity if requested by the carrier or carriers.

21. Some of the Commission's current regulations would qualify as standard transportation practices if carriers requested them, including rules for loss and damage claims (GO 139) and duplicate charges (GO 148). The current regulations, however, are mandatory for all carriers, and thus will not be enforced for Deregulated Carriage.

22. The Commission has granted antitrust immunity for a number of bureau tariffs now on file with the Commission. All current bureau tariffs for Deregulated Carriage will be cancelled as of the effective date of PL 103-305, except for tariff items covering joint line rates or routes, classifications, or mileage guides.

23. When PL 103-305 becomes effective, highway carriers with Commission operating authority will be able to haul any commodity described as Deregulated Carriage, regardless of which authority they hold, as long as they comply with all rules pertaining to the commodities they carry, such as the higher insurance required for carrying hazardous materials.

24. Due to the federal preemption, the Commission should cancel all carrier tariffs for Deregulated Carriage on file on the effective date of PL 103-305. Such tariffs previously filed with the Commission will no longer set the legal rate. This cancellation shall not affect the applicability of these tariffs to events occurring before PL 103-305 becomes effective.

25. While PL 103-305 applies to private and IISP carriers, it will have no effect on the private or IISP carrier registration programs because no part of those programs contains Preempted Regulation.

26. Fee levels will remain unchanged for 1994.

27. The Commission collects the Uniform Business License Tax along with commission regulatory fees. The conference report notes that states retain full power to tax motor carriers. The Uniform Business License Tax is unaffected by federal preemption.



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28. The Commission's minimum rate tariffs (MRTs) for livestock and dump truck carriage generally contain provisions that are preempted. These preempted provisions include requirements that a prime carrier pay a majority of its revenues to its subhauler. Such regulation relates to the prime carrier's price and is preempted. Where provisions are not preempted, they are replicated in other general orders. The Commission should cancel MRT 3A (for livestock), MRT 7A, 17A, and 20 (for dump trucks) when PL 103-305 becomes effective. This cancellation will not affect the applicability of these minimum rate tariffs to events occurring before PL 103-305 becomes effective.

29. As of the effective date of PL 103-305, 1995, carriage formerly subject to minimum rate tariffs will no longer be required to use the Commission's current distance table (DT-8).

30. The Commission has no plans to update DT-8 or to cancel it.

31. As of the effective date of PL 103-305, the Commission will no longer enforce general orders imposing Preempted Regulation on Deregulated Carriage, but will continue to enforce them for other carriage.

32. As of the effective date of PL 103-305, the Commission will be preempted from enforcing General Orders regulating prices, routes, or service for Deregulated Carriage. These include GO 30 (construction and filing of tariffs), GO 85 (free or reduced rate transportation), GO 109 (Special Tariff Docket), GO 113 (suspension and investigation of tariffs), GO 117 (construction and filing of tariffs), GO 122 (public inspection of tariffs), GO 132 (filing of rate quotation statements), and GO 147 (tariff filings by common carriers and contract filings by contract carriers). These General Orders remain in force for carriage unaffected by PL 103-305.

33. As of the effective date of PL 103-305, the Commission will be preempted from enforcing General Orders 149, 150, and 151, which respectively set out the Commission's economic regulatory programs for trailer coaches et. al., cement, and truckaway (automobiles carried by truck).

34. PL 103-305 reduces the scope of records relevant to this Commission. GO 28 will continue to require carriers to retain any and all documents necessary to show compliance with its regulation of safety, financial responsibility, and other areas not preempted, including those establishing revenue. Carriers must continue to maintain all records for activities prior to the effective date of PL 103-305, for the records' full retention schedule.

35. As of the effective date of PL 103-305, the Commission may no longer require filing of tariffs for Collect-On-Delivery (C.O.D.) service under GO 84 for Deregulated Carriage. Also preempted is the requirement that carriers notify shippers of



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refused delivery. Specifying particular amounts of time for payment, as well as banning acceptance of checks without shipper approval, are uniform credit rules which can only be imposed, if at all, at the carrier's option. Requirements for maintenance of a C.O.D. bond, provision of separate accounts, and record keeping are all intended to assure the financial responsibility of the carriers are not preempted, and will continue to be enforced by the Commission.

36. GO 102 regulates relationships between carriers and subhaulers and the leasing of equipment from lessor-employees. These rules do not relate to a carrier's business with its customers, the prices it charges, the service it provides, or the routes it operates over, but rather deal with the terms of the relationship between a carrier and a contractor. Nor does federal law preempt the commission's requirements that carriers obtain a bond if they employ subhaulers or lease equipment from employees; such requirements relate to financial responsibility and are not preempted. The current regulations contained in GO 102 are not preempted.

37. The current annual report, required by GO 123, primarily collects data used in price and service regulation. Staff should design a report more narrowly targeted to the Commission's remaining regulatory responsibilities. The Commission will inform carriers if a 1994 annual report (on a new form) will be required.

38. GO 124 will continue in effect, requiring household goods carriers to file annual reports.

39. Under GO 130, the Commission will continue to require carriers leasing vehicles to maintain documentation to the extent that such documents specify who retains control and responsibility for the safety and insurance of equipment. The Commission is preempted from judging whether the compensation paid by the lessee is "reasonable," or constitutes a rebate, allowance, refund, or remittance. The Commission will require that the contract involve some consideration, and will continue to prohibit any lease which evades any remaining regulation in violation of the Public Utilities Code.

40. Freight bills state whether or not a shipment contains hazardous material, serve as documentation of operation and are used in establishing charges for subhauler payment. The Commission will continue requiring carriers to fill out and retain freight bills, under GO 155. Carriers will be required to retain sufficient revenue information to determine subhauler payment and Commission fees. Information describing the transportation performed will still be required. As of the effective date of PL 103-305, for Deregulated Carriage the Commission will not regulate the rates charged or the services

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provided, nor will it enforce rules on the collection of charges, which are uniform credit rules.

41. Staff will revise the application to be used by carriers wishing to obtain operating authority for Deregulated Carriage.

42. Any carriers planning to engage in activities still subject to full state regulation will continue to file on the existing forms.

43. To assure a carrier's ability to meet safety and insurance requirements, staff will require basic business information requested on the current application form.

44. In the absence of a clear link between residency and financial responsibility or safety, residency requirements are a limitation on service to Californians and are preempted as of the effective date of PL 103-305.

45. In the absence of residency requirements, it will be in the public interest to require out-of-state sole applicants and out-of-state partnerships to register an agent for service of process to ensure financial responsibility.

46. The Commission will be preempted from asking applicants to report affiliations with shippers and receivers, since that information has been used to detect illegal rebates and discounts.

47. Information on affiliations with other carriers is valuable for determining the actual owners of a business or a vehicle in order to assess responsibility for safety violations and financial responsibility for accidents.

48. PL 103-305 preempts application questions regarding the geographic reach or frequency of an applicant's service, as well as requirements that applicants describe or order tariffs and show a market for a proposed service.

49. Requiring that applicants register with the California Highway Patrol is crucial to state inspection and safety programs, and the Commission retains such requirements.

50. Federal legislation does not preempt requirements that applicants must meet requirements for public liability and property damage insurance.

51. Application questions about materials to be hauled are not preempted if they are necessary to determine what insurance coverages are required. Questions determining whether the carrier would be subject to preempted rate regulatory programs are preempted.

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52. Application questions on experience and ability will be retained only as they relate to safety fitness, since they are otherwise preempted.

53. The certification for energy efficiency requirements is not related to Preempted Regulation and will be retained.

54. P.U. Code Section 3553(a)(1) requires the Commission to find an applicant is financially capable of operating safely before granting authority, but the current application requires financial information that exceeds that requirement. Staff should prepare less burdensome forms allowing a check of the applicant's safety-related financial fitness as required by the P.U. Code.

55. Part IV of licensing applications require certain applicants to demonstrate that they are fit carriers and will not cause problems on the state's highways. The listed requirements purport to protect public safety and the public highways, but in fact serve only to limit entry; therefore, these requirements will be eliminated. These special entry requirements are preempted because they are intended to limit service options and therefore increase price.

56. The Daily Transportation Calendar (required by Rules 14 and 15.1 in the Commission's Rules of Practice and Procedure) will be combined with the more general Daily Calendar.

57. Public notice of applications is in the public interest because the public may have information bearing upon the ability of the applicant to operate safely and with financial responsibility.

58. While this resolution recognizes the immediate impacts of PL 103-305, creating a more rational and balanced system will require further action by the Legislature.

59. The Commission will seek legislation to assist in conforming state regulation with federal law, to further remove requirements for activities now required by law but that no longer make sense in the absence of economic regulation, and to facilitate removal of outdated rules and regulations.

THEREFORE, IT IS ORDERED that:

1. Staff shall cease enforcing Preempted Regulation of Deregulated Carriage when Section 601 of PL 103-305 becomes effective (now scheduled for January 1, 1995) as described in greater detail in the text of this resolution.

2. All tariffs covering Deregulated Carriage shall be cancelled as of the effective date of Section 601 of PL 103-305, except for tariff items that have been approved by the Commission pursuant to Public Utilities Code Section 496 and are joint line



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rates or routes, classifications, or mileage guides. This cancellation shall not affect the applicability of these tariffs to events occurring before Section 601 becomes effective.

3. Minimum Rate Tariffs 3-A, 7-A, 17-A, and 20, along with the Southern California Production Area and Delivery Zone Directory 1 and the Northern California Production Area and Delivery Zone Directory 2, are cancelled as of the effective date of Section 601 of PL 103-305, as provided in the attached six pages of cancellation sheets. This cancellation shall not affect the applicability of these minimum rate tariffs to events occurring before Section 601 becomes effective.

4. The Executive Director shall cause copies of this resolution to be served on all highway carriers, motor transportation brokers, freight forwarders, express corporations, passenger stage corporations, tariff bureaus, and on all persons listed on Appendix A to this resolution. The Executive Director shall also cause notice of the issuance of this resolution to be included in the Commission's Daily Transportation Calendar.

I hereby certify that this Resolution was adopted by the Public Utilities Commission at its regular meeting on October 26, 1994. The following Commissioners approved it:

  
\_\_\_\_\_  
Executive Director

DANIEL Wm. FESSLER  
President  
PATRICIA M. ECKERT  
NORMAN D. SHUMWAY  
E. GREGORY CONLON  
JESSIE J. KNIGHT, Jr.  
Commissioners



CANCELLATION SUPPLEMENT

*Supplement 33*

*(Supplement 33 Contains All Changes)*

to

MINIMUM RATE TARIFF 3-A

naming

MINIMUM RATES AND RULES

for the

TRANSPORTATION OF LIVESTOCK OVER THE  
PUBLIC HIGHWAYS WITHIN THE  
STATE OF CALIFORNIA

by

HIGHWAY CONTRACT CARRIERS

and

LIVESTOCK CARRIERS

CANCELLATION NOTICE

This Tariff is cancelled. The cancellation has no effect on any contract, lawfully filed with the Commission by a highway contract carrier, which incorporates by reference all or part of any Minimum Rate Tariff.

Resolution TEA-2

EFFECTIVE JANUARY 1, 1995

Issued by the Public Utilities Commission of the State of California  
San Francisco, California

CANCELLATION SUPPLEMENT

*Supplement 42*

*(Supplements 42 Contains All Changes)*

to

MINIMUM RATE TARIFF 7-A

naming

MINIMUM RATES AND RULES

for the

TRANSPORTATION OF PROPERTY IN DUMP TRUCK EQUIPMENT  
BETWEEN POINTS IN CALIFORNIA

by

HIGHWAY CONTRACT CARRIERS  
AGRICULTURAL CARRIERS

and

DUMP TRUCK CARRIERS

CANCELLATION NOTICE

This Tariff is cancelled. The cancellation has no effect on any contract, lawfully filed with the Commission by a highway contract carrier, which incorporates by reference all or part of any Minimum Rate Tariff.

Resolution TEA-2

EFFECTIVE JANUARY 1, 1995

Issued by the Public Utilities Commission of the State of California  
San Francisco, California

CANCELLATION SUPPLEMENT

*Supplement 55*

*(Supplement 55 Contains All Changes)*

to

MINIMUM RATE TARIFF 17-A

namely

MINIMUM RATES AND RULES

for the

TRANSPORTATION OF PROPERTY IN DUMP TRUCK EQUIPMENT  
FROM DEFINED PRODUCTION AREAS TO DESIGNATED DELIVERY ZONES  
AND POINTS IN SOUTHERN CALIFORNIA

by

HIGHWAY CONTRACT CARRIERS  
AND  
DUMP TRUCK CARRIERS

CANCELLATION NOTICE

This Tariff is cancelled. The cancellation has no effect on any contract, lawfully filed with the Commission by a highway contract carrier, which incorporates by reference all or part of any Minimum Rate Tariff.

Resolution TEA-2

EFFECTIVE JANUARY 1, 1995

Issued by the Public Utilities Commission of the State of California  
San Francisco, California



**CANCELLATION SUPPLEMENT**

*Supplement 39*

*(Supplement 39 Contains All Changes)*

to

**MINIMUM RATE TARIFF 20**

naming

**MINIMUM RATES AND RULES**

for the

**TRANSPORTATION OF ROCK, SAND AND GRAVEL  
IN FOUR- AND FIVE-AXLE DUMP TRUCK EQUIPMENT FROM  
DEFINED PRODUCTION AREAS TO DESIGNATED DELIVERY ZONES  
AND DISTANCE RATES  
IN NORTHERN CALIFORNIA**

by

**DUMP TRUCK CARRIERS**

**CANCELLATION NOTICE**

This Tariff is cancelled. The cancellation has no effect on any contract, lawfully filed with the Commission by a highway contract carrier, which incorporates by reference all or part of any Minimum Rate Tariff.

Resolution TEA-2

**EFFECTIVE JANUARY 1, 1995**

Issued by the Public Utilities Commission of the State of California  
San Francisco, California



CANCELLATION SUPPLEMENT

*Supplement 3*

*(Supplement 3 Contains All Changes)*

to

DIRECTORY 1

containing

DESCRIPTIONS OF PRODUCTION AREAS  
AND DELIVERY ZONES  
and  
RULES GOVERNING BOUNDARY DESCRIPTIONS

for

HIGHWAY CONTRACT CARRIERS

and

DUMP TRUCK CARRIERS

CANCELLATION NOTICE

This Publication is cancelled. The cancellation has no effect on any contract lawfully filed with the Commission by a highway contract carrier, which incorporates by reference all or part of any Minimum Rate Tariff.

Resolution TEA-2

EFFECTIVE JANUARY 1, 1995

Issued by the Public Utilities Commission of the State of California  
San Francisco, California

CANCELLATION SUPPLEMENT

*Supplement 3*

*(Supplement 3 Contains All Changes)*

to

NORTHERN CALIFORNIA  
PRODUCTION AREA AND DELIVERY ZONE

DIRECTORY 2

containing

DESCRIPTIONS OF PRODUCTION AREAS  
AND DELIVERY ZONES

and

RULES GOVERNING BOUNDARY DESCRIPTIONS  
APPLICABLE TO MINIMUM RATE TARIFFS  
MAKING SPECIFIC REFERENCE HERETO

CANCELLATION NOTICE

This Publication is cancelled. The cancellation has no effect on any contract, lawfully filed with the Commission by a highway contract carrier, which incorporates by reference all or part of any Minimum Rate Tariff.

Resolution TEA-2

EFFECTIVE JANUARY 1, 1995

Issued by the Public Utilities Commission of the State of California  
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RESOLUTION TEA-2

APPENDIX A

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