

SENATE BILL REPORT

SB 6215

AS PASSED SENATE, FEBRUARY 15, 1994

Brief Description: Clarifying authority of the utilities and transportation commission over public service companies.

SPONSORS: Senators Skratek and Vognild

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Vognild, Chairman; Loveland, Vice Chairman; Skratek, Vice Chairman; Drew, Haugen, Morton, Nelson, Oke, Prentice, M. Rasmussen, Schow, Sellar, Sheldon and Winsley.

Staff: Mary McLaughlin (786-7309)

Hearing Dates: January 24, 1994; January 27, 1994

BACKGROUND:

A "public service company" is an intrastate common carrier subject to the economic and safety regulation of the Utilities and Transportation Commission (UTC). For-hire trucks, railroads, and certain vessels are considered public service companies.

When a complaint is filed with the UTC, alleging an illegal carrier is performing an intrastate transportation service for compensation and without operating authority, the commission investigates the complaint. If the commission determines the complaint is valid, it sends the defendant a copy of the complaint, along with a notice of a classification hearing before an administrative law judge.

The purpose of the hearing is to ascertain if the carrier is operating as a common carrier and should be classified as such. The defendant must prove to the commission he or she is not an intrastate common carrier.

If it is determined the carrier is operating in intrastate commerce without the proper authority, the commission issues (1) a cease and desist order, and (2) an administrative order declaring the carrier must obtain intrastate operating authority prior to providing the transportation service. There is no provision for imposition of an administrative penalty. If the non-certificated carrier continues to operate without proper authority, the UTC obtains an injunction in superior court to enforce the commission's order.

If a certificated carrier is found guilty of performing a service beyond the scope of its operating authority, the

commission imposes an administrative penalty of \$100 per violation. Each violation is a separate and distinct offense, and in the case of a continuing violation, each day's continuance is a separate offense. The carrier has 15 days from the date of notification to request mitigation of the penalty. If mitigation is not requested and the penalty is not paid within the 15-day period, action is taken in superior court to obtain an injunction to enforce the commission's order.

SUMMARY:

A person(s) or entity acting as a public service company, who provides a transportation service without having first obtained intrastate operating authority from the Utilities and Transportation Commission, is subject to the same classification hearing and penalty provisions imposed on a certificated intrastate common carrier who exceeds its operating authority.

Appropriation: none

Revenue: none

Fiscal Note: requested January 27, 1994

TESTIMONY FOR:

There needs to be a simplified procedure for penalizing illegal carriers who haul in intrastate commerce. The imposition of administrative penalties will allow the UTC to respond in a more timely manner.

TESTIMONY AGAINST: None

TESTIFIED: PRO: Senator Skratek, prime sponsor; Rhonda DeVito, Alexander Trading Co., Inc.; Gary Dennis, MAUST Transfer Co.; Roger Van Valkenburger, BFI; Andy Laycock; Gary Brose, Fleetfoot Messenger Service; J. P. Jones, WRRRA; Larry Pursley, WTA; Tim Sweeney, Don Lewis, Bob Wallace, WUTC