

HOUSE BILL REPORT

SB 6215

As Passed House
March 2, 1994

Title: An act relating to public service companies.

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

Sponsors: Senators Skratek and Vognild.

Brief History:

Reported by House Committee on:
Transportation, February 23, 1994, DP.
Passed House, March 2, 1994, 96-0.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass. Signed by 25 members:
Representatives R. Fisher, Chair; Brown, Vice Chair; Jones, Vice Chair; Schmidt, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Backlund; Brough; Brumsickle; Cothorn; Eide; Finkbeiner; Forner; Fuhrman; Hansen; Heavey; Horn; Johanson; J. Kohl; Orr; Patterson; Quall; Romero; Shin; Wood and Zellinsky.

Staff: Mary McLaughlin (786-7309).

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 UTC 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 UTC 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 UTC 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 of Bill: 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 UTC, is subject to the same classification hearing and penalty provisions imposed on a certificated intrastate common carrier who exceeds its operating authority.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This change allows the UTC to respond to complaints regarding illegal intrastate common carriers in a more timely manner.

Testimony Against: None.

Witnesses: Jennifer Lego, Washington State Couriers Association; and Andrew Laycock, Washington State Couriers Association.