## FIRST REGULAR SESSION SENATE COMMITTEE SUBSTITUTE FOR

## SENATE BILL NO. 58

## 96TH GENERAL ASSEMBLY

Reported from the Committee on Transportation, February 17, 2011, with recommendation that the Senate Committee Substitute do pass.

0108S.09C TERRY L. SPIELER, Secretary.

## AN ACT

To repeal sections 387.040, 387.050, 387.080, 387.110, 390.051, 390.061, 390.081, 390.101, 390.116, and 390.280, RSMo, and to enact in lieu thereof fourteen new sections relating to motor carrier transportation regulated by the state highways and transportation commission.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 387.040, 387.050, 387.080, 387.110, 390.051, 390.061,

- 2 390.081, 390.101, 390.116, and 390.280, RSMo, are repealed and fourteen new
- 3 sections enacted in lieu thereof, to be known as sections 387.040, 387.050,
- 4 387.080, 387.110, 387.137, 387.139, 387.355, 390.051, 390.054, 390.061, 390.081,
- 5 390.101, 390.116, and 390.280, to read as follows:
  - 387.040. 1. No motor carrier subject to the provisions of this chapter shall
- 2 engage or participate in the transportation of passengers [or household goods],
- 3 between points within this state, until its schedules of rates, fares and charges
- 4 shall have been filed with the state highways and transportation
- 5 commission and published in accordance with the provisions of this
- 6 chapter. Any motor carrier, which shall undertake to perform any service or
- 7 furnish any product or commodity unless or until the rates, tolls, fares, charges,
- 8 classifications and rules and regulations relating thereto, applicable to such
- 9 service, product or commodity, have been filed with the highways and
- 10 transportation commission and published in accordance with the provisions of
- 11 this chapter, shall be subject to forfeiture to the state pursuant to the provisions
- 12 of sections 390.156 to 390.176.
- 13 2. [Notwithstanding subsection 1 of this section, a motor carrier shall not

be required to file its schedules of rates, fares, and charges for shipments of household goods that are transported wholly or exclusively within a commercial zone as defined in 390.020 or within a commercial zone established by the 16 17highways and transportation commission pursuant to the provisions of subdivision (4) of section 390.041.] Notwithstanding any provision of this 18 19 chapter or chapter 390 to the contrary, a motor carrier transporting household goods in intrastate commerce shall not be required to file its 20 schedule of rates, fares, and charges with the state highways and 21transportation commission. In lieu of filing its schedules of rates, fares, 22charges, or tolls with the state highways and transportation 23commission, a motor carrier transporting household goods in intrastate 2425commerce shall maintain and publish its schedules of rates, fares,  $^{26}$ charges, and tolls in every station or office as described in subsection 273 of section 387.050 and such rates shall be available for inspection by 28the state highways and transportation commission, shippers, and the 29public upon request. Any motor carrier transporting household goods 30 in intrastate commerce that fails to comply with the provisions of this subsection shall be subject to forfeiture to the state pursuant to the 31 32provisions of sections 390.156 to 390.176.

387.050. 1. Every motor carrier shall file with the [division of motor carrier and railroad safety| state highways and transportation commission and shall print and keep open to public inspection schedules showing the rates, fares and charges for the transportation of passengers and household goods within this state between each point upon its route and all other points thereon and between each point upon its route and all points upon every route leased, operated or controlled by it and between each point on its route or upon any route leased, operated or controlled by it and all points upon the route of any other motor carrier, whenever a through route and joint rate shall have been 10 established or ordered between any two such points. If no joint rate over a through route has been established, the several carriers in such through route 11 shall file, print and keep open to public inspection, as aforesaid, the separately 12established rates, fares and charges applied to the through 13transportation. Beginning August 28, 2011, motor carriers shall not be 14required to file their schedules showing the rates, fares, and charges 15for the transportation of household goods within this state but shall 16 print and keep open for public inspection such schedules in accordance

18 with this section and section 387.040.

- 2. The schedules printed as aforesaid shall plainly state the places between which household goods and passengers will be carried, and shall also contain the classification of passengers or household goods in force, and shall also state separately all terminal charges, storage charges, icing charges and all other charges which the [division] state highways and transportation commission may require to be stated, all privileges or facilities granted or allowed, and any rules or regulations which may in any way change, affect or determine any part or the aggregate of such aforesaid rates, fares and charges, or the value of the service rendered to the passenger, shipper or consignee.
- 3. Such schedules shall be plainly printed in large type, and a copy thereof shall be kept by every such carrier readily accessible to and for convenient inspection by the public in every station or office of such carrier where passengers or household goods are respectively received for transportation, when such station or office is in charge of an agent, and in every station or office of such carrier where passenger tickets for transportation or tickets covering bills of lading or receipts for household goods are issued. All or any of such schedules kept as aforesaid shall be immediately produced by such carrier for inspection upon the demand of any person.
- 4. A notice printed in bold type and stating that such schedules are on file with the agent and open to inspection by any person and that the agent will assist any such person to determine from such schedules any transportation rates or fares or rules or regulations which are in force shall be kept posted by the carrier in two public and conspicuous places in every such station or office.
- 5. The form of every such schedule shall be prescribed by the [division] state highways and transportation commission.
- 6. The [division] state highways and transportation commission shall have power, from time to time, in its discretion, to determine and prescribe by order such changes in the form of such schedules as may be found expedient, and to modify the requirements of this section in respect to publishing, posting and filing of schedules either in particular instances or by general order applicable to special or peculiar circumstances or conditions.
  - 387.080. 1. The names of the several carriers which are parties to any joint tariff, except those carriers prohibited in subsection 3 of this section, shall be specified therein, and each of the parties thereto, other than the one filing the same, shall file with the [division of motor carrier and railroad]

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safety] state highways and transportation commission such evidence of concurrence therein or acceptance thereof as may be required or approved by the [division] state highways and transportation commission; and where such evidence of concurrence or acceptance is filed, it shall not be necessary for the carriers filing the same also to file copies of the tariffs in which they are named 10 as parties.

- 2. Every motor carrier shall file with the [division] state highways and transportation commission sworn copies of every contract, agreement or arrangement with any other motor carrier or motor carriers relating in any way to the transportation of passengers or [property] household goods.
- 3. Motor carriers of household goods are prohibited from participation in any joint tariff pursuant to the provisions of this chapter, except that this subsection shall not prohibit joint tariffs relating to joint rates for household goods transportation over any through routes or by interline service performed by two or more separate motor carriers.
- 387.110. 1. No motor carrier shall make or give any undue or unreasonable preference or advantage to any person or corporation or to any locality or to any particular description of traffic in any respect whatsoever, or subject any particular person or corporation or locality or any particular description of traffic, to any undue or unreasonable prejudice or disadvantage in any respect whatsoever. 6
- 2. [Notwithstanding any other provision of law to the contrary, no common carrier of household goods shall use any schedule of rates or charges, or both, for the transportation of household goods within this state which divides this state into territorial rate areas. Any schedule of rates or charges, or both, which divides, or attempts to divide, this state into territorial rate areas is 11 12 unjust, unreasonable, and invalid.] Subject to other applicable requirements of this chapter, a common carrier may reasonably apply 13 14specific rates for the transportation of household goods between points located wholly within a commercial zone, as that term is defined in section 390.020, or as defined by an order issued pursuant to subsection 16 4 of section 390.041, or between points located wholly within another 17contiguous geographic area defined in the carrier's tariff schedules, 18 which differ from the rates the carrier applies to similar transportation 19 of household goods between points that are not located wholly within

that commercial zone or defined contiguous area, if the carrier has 2122incurred or reasonably expects to incur different costs of providing such transportation exclusively within that commercial zone or other 23defined contiguous area, as compared to the relevant costs that the 24carrier has incurred or reasonably expects to incur in providing similar 25transportation in other geographic areas, and this cost difference 26 reasonably justifies the carrier's application of such differing rates to 27such similar transportation. 28

387.137. The state highways and transportation commission shall establish consumer protection requirements for motor carriers transporting household goods in intrastate commerce and establish a system for filing, logging, and responding to consumer complaints.

387.139. 1. The division of motor carrier services shall keep an information file about each complaint filed with it regarding the movement of household goods in intrastate commerce. The division of motor carrier service's information file shall be kept current and contain a record for each complaint of:

- (1) All persons contacted in relation to the complaint;
- 7 (2) A summary of findings made at each step of the complaint 8 process;
- 9 (3) An explanation of the legal basis and reason for a complaint 10 that is dismissed; and
  - (4) Any other relevant information.

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- 2. If a written complaint is filed with the division that the division has authority to resolve, the division, at least as frequently as quarterly and until final disposition of the complaint, shall notify the parties to the complaint of the status of the complaint unless the notice would jeopardize an ongoing investigation.
- 3. The highways and transportation commission shall adopt by rule a form to standardize information concerning complaints made to the division of motor carriers regarding the transportation of household goods. The commission shall prescribe by rule information to be provided to a person when the person files a complaint with the division of motor carrier services.
- 4. The state highways and transportation commission shall promulgate rules and regulations for the implementation and administration of this section. Any rule or portion of a rule, as that

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term is defined in section 536.010 that is created under the authority  $^{26}$ 27delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, 2829section 536.028. This section and chapter 536 are nonseverable and if 30 any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul 31 a rule are subsequently held unconstitutional, then the grant of 32rulemaking authority and any rule proposed or adopted after August 33 34 28, 2011, shall be invalid and void.

387.355. On May 1, 2012, all rate orders issued by the state highways and transportation commission or its predecessors affecting the transportation of household goods by common carriers in intrastate commerce, pursuant to the authority of any of the provisions in chapter 387 or chapter 390, shall be vacated and set aside, but only to the extent that those rate orders require or prescribe any minimum rates, maximum rates, or minimum-and-maximum rates for the transportation of household goods by common carriers in intrastate commerce. This section shall not vacate or set aside any other requirements or 10 provisions contained in those rate orders.

390.051. 1. Except as otherwise provided in section 390.030, no person shall engage in the business of a common carrier of household goods or passengers in intrastate commerce on any public highway in this state unless 3 there is in force with respect to such carrier a certificate issued by the [division] state highways and transportation commission authorizing such operations.

- 2. Application for a certificate shall be made in writing to the [division] 6 state highways and transportation commission and shall contain such information as the [division] state highways and transportation **commission** shall, by rule, require and shall include:
  - (1) Full information concerning the ownership, financial [condition] status of applicant through the submission of documentation describing assets, liabilities, and capital, equipment to be used and a statement listing the physical equipment of applicant and the reasonable value thereof;
- (2) The complete route or routes over which the applicant desires to 14 15operate, or territory to be served; except that the state highways and transportation commission shall not restrict any certificate or permit 16 authorizing the transportation of household goods or passengers in

18 charter service with reference to any route or routes; except that the 19 state highways and transportation commission shall restrict the 20 applicant's registration against the transportation of any hazardous material as designated in Title 49, Code of Federal Regulations, if the 2122 state highways and transportation commission finds that the applicant has not shown it is qualified to safely transport that hazardous 23 material in compliance with all registration, liability insurance, and 24safety requirements applicable to the transportation of that hazardous 25material pursuant to Title 49, Code of Federal Regulations; 26

- 27 (3) The proposed rates, schedule or schedules, or timetable of the 28 applicant.
- 29 3. [Except as provided for in subsection 4 of this section, if the division] 30 If the state highways and transportation commission finds that an 31 applicant seeking to transport [general and specialized commodities in truckload 32lots, agricultural commodities in bulk in dump trucks] household goods or 33 passengers in charter service is fit, willing and able to properly perform the service proposed and to conform to the provisions of this chapter and the 34 requirements, rules and regulations of the [division] state highways and 35 transportation commission established thereunder, a certificate therefor shall 36 be issued. 37
- 4. If the [division] state highways and transportation commission finds that an applicant seeking to transport[:
  - (1) General and specialized commodities in less-than-truckload lots;
- 41 (2) Commodities in bulk in dump trucks, other than agricultural 42 commodities in bulk in dump trucks, as defined in section 390.020;
- 43 (3) Mobile homes;

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- 44 (4) Household goods;
- 45 (5) Passengers other than in charter service;
- 46 (6) Gasoline, fuel oil or liquefied petroleum gas;
- 47 (7) Boats;] passengers other than in charter service is fit, willing
  48 and able to properly perform the service proposed, and to conform to the
  49 provisions of this chapter and the requirement, rules and regulations of the
  50 [division] state highways and transportation commission, and that the
  51 service proposed will serve a useful present or future public purpose, a certificate
  52 therefor specifying the service authorized shall be issued, unless the [division]
  53 state highways and transportation commission finds on the basis of

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evidence presented by persons objecting to the issuance of a certificate that the 55 transportation to be authorized by the certificate will be inconsistent with the public convenience and necessity. 56

- 5. In making findings under subsection 4 of this section, the [division] state highways and transportation commission shall consider the testimony 58of the applicant, the proposed users of the service contemplated by the applicant, and any other relevant testimony or evidence, and the [division] state highways and transportation commission shall consider, and to the extent applicable, make findings on at least the following:
  - (1) The transportation policy of section 390.011; and
- 64 (2) The criteria set forth in this subsection. In cases where persons object to the issuance of a certificate, the diversion of revenue or traffic from existing 65 carriers shall be considered. 66
  - 6. The [division] state highways and transportation commission shall streamline and simplify to the maximum extent practicable the process for issuance of certificates to which the provisions of this section apply.
- 70 7. The [division] state highways and transportation commission 71shall dismiss on its motion any application for substantially the same common [or contract] authority that has been previously denied within six months of filing 7273 the subsequent application.
- 390.054. Beginning January 1, 2012, and continuing thereafter, no certificate or permit to transport household goods in intrastate commerce shall be issued or renewed unless the applicant demonstrates that the applicant has workers' compensation insurance coverage that complies with chapter 287, for all employees. If any household goods carrier subject to the provisions of this section is found by the division of workers' compensation to be out of compliance with chapter 287, the division shall report such fact to the state highways and transportation commission. The commission shall suspend the household goods carrier's certificate or permit pursuant to section 390.106 until such 10 time the carrier certifies that it has procured workers' compensation 12insurance coverage that complies with chapter 287.
  - 390.061. 1. Except as otherwise provided in section 390.030, no person shall engage in the business of a contract carrier of household goods or passengers in intrastate commerce on any public highway in this state unless there is in force with respect to such carrier a permit issued by the [division of

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5 motor carrier and railroad safety] state highways and transportation 6 commission authorizing such operations.

- 2. Applications for such permits shall be made to the [division] state highways and transportation commission in writing and shall contain such information as the [division] state highways and transportation commission shall, by rule, require and shall include:
- (1) Full information concerning the ownership, financial [condition] status of applicant through the submission of documentation describing assets, liabilities, and capital, equipment to be used and a statement listing the physical equipment of applicant and the reasonable value thereof;
- (2) The complete route or routes over which the applicant desires to operate, or territory to be served; except that the state highways and transportation commission shall not restrict any certificate or permit authorizing the transportation of household goods or passengers in charter service with reference to any route or routes; except that the state highways and transportation commission shall restrict the applicant's registration against the transportation of any hazardous material as designated in Title 49, Code of Federal Regulations, if the state highways and transportation commission finds that the applicant has not shown it is qualified to safely transport that hazardous material in compliance with all registration, liability insurance, and safety requirements applicable to the transportation of that hazardous material pursuant to Title 49, Code of Federal Regulations.
- 3. If the [division] state highways and transportation commission shall find that the applicant is seeking to transport [general and specialized commodities in truckload lots, agricultural commodities in bulk,] household goods or passengers in charter service, and is fit, willing and able to properly perform the service proposed and to conform to the provisions of this chapter and the requirements, rules and regulations of the [division] state highways and transportation commission thereunder, a permit therefor shall be issued.
- 4. If the [division] state highways and transportation commission finds that an applicant seeking to transport [commodities or passengers as described in subsection 4 of section 390.051] passengers other than in charter service is fit, willing and able to properly perform the service proposed, and to conform to the provisions of this chapter and the requirements, rules and regulations of the [division] state highways and transportation commission,

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and that the service proposed will serve a useful present or future purpose, a 41 42 permit therefor specifying the service authorized shall be issued, unless the [division] state highways and transportation commission finds on the basis 43 44 of evidence presented by persons objecting to the issuance of a permit that the transportation to be authorized by the permit will be inconsistent with the public 4546 convenience and necessity.

- 5. Any permit issued under this section shall specify the service to be rendered, the contracting parties, and the [points or] area to be served.
- 6. The [division] state highways and transportation commission will not have jurisdiction over contract rates. A copy of the original contract must be filed with the [division] state highways and transportation commission 51prior to issuance of a permit. In the event the applicant chooses not to disclose contract rates in the application, the contract shall contain in lieu of rates a 53specific provision which incorporates by reference a schedule of rates, in writing, 54to be effective between carrier and shipper. Current contracts and rate schedules must be maintained by the carrier and contracting shippers. A contract permit, 56authorizing the transportation of [commodities] household goods or passengers 57[other than as described in subsection 4 of section 390.051] in charter service, 58 may be amended to include additional contracting parties by the filing of said 59 60 contracts with the [division] state highways and transportation commission and acknowledgment by the [division] state highways and transportation commission.
- 390.081. 1. In order to provide motor carrier service for which there is an immediate and urgent need from, to or between a point or points or within a territory having no carrier service deemed capable of meeting such need, the [division of motor carrier and railroad safety] state highways and transportation commission shall, pending the filing of an application for a certificate under section 390.051 or permit under section 390.061 for the transportation of passengers other than in charter service, without a hearing or other proceeding, grant temporary authority for a period not exceeding ninety days for such service by a common carrier or contract carrier, as the case may be. The issuance of such temporary authority shall create no presumption 11 that corresponding permanent authority will be granted therefor.
- 12 2. Such temporary authority shall be granted only upon the payment of such fees and compliance with such rules, regulations and requirements as the 13 [division] state highways and transportation commission shall, by general

order establish for the administration of this section, and transportation service rendered under such authority shall be subject to all applicable provisions of this chapter and to the rules, regulations and requirements of the [division] state highways and transportation commission established thereunder, that are not in conflict with this section.

390.101. No common carrier of passengers other than in charter service authorized under the provisions of this chapter to operate within the state of Missouri shall abandon, discontinue, or fail to provide any service established or authorized to be established under the provisions of this chapter, unless such action is authorized by the [division of motor carrier and railroad safety] state highways and transportation commission.

390.116. 1. Common carriers of [property] household goods may establish reasonable through routes or interline service and joint rates, charges and classifications with other such carriers or with common carriers by railroad or express; and common carriers of passengers may establish reasonable through routes and joint rates, fares or charges with other such carriers or with common carriers by railroad. In case of such joint rates, fares, charges or 6 7 classifications, it shall be the duty of the participating carriers, parties thereto,] to establish just and reasonable regulations and practices in connection therewith, and just, reasonable and equitable divisions thereof as between the 10 carriers participating therein which shall not unduly prefer or prejudice any of 11 such participating carriers and shall not result in any rate, fare, charge, classification, regulation, or practice that is unjust or unreasonable to 12the shipper or receiver of the household goods. Carriers of household 13 goods participating in through routes or interline service shall file and 14 publish joint tariffs and evidence of concurrence or acceptance thereof, 15 in accordance with section 387.080, or individual tariffs for each 16 participating carrier, which shall set forth the joint or individual rates, 17 fares, charges, classifications, regulations, practices, and division of 18 19 rates applicable to such through routes or interline service, all in 20 accordance with the applicable provisions in chapter 387.

2. The [division] state highways and transportation commission may, whenever deemed by it to be necessary or desirable in the public interest, after hearing, upon complaint or upon its own motion, order the establishment of just and reasonable through routes and joint rates, fares, charges, regulations or practices, applicable to the transportation of passengers or [property]

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26 household goods by common carriers.

390.280. 1. Certificates or permits, or both, which were issued before
2 January 1, 1995, and which authorized a person to transport any property in
3 intrastate commerce by motor vehicle as a common carrier or contract carrier, or
4 both, are void, except that to the extent such certificates or permits, or portions
5 thereof, authorized a person to transport household goods over irregular routes
6 or passengers in intrastate commerce, or any property or passengers in interstate
7 commerce, those certificates or permits, or portions thereof, are exempt from the
8 provisions of this subsection.

- 2. Persons who owned certificates or permits, or both, that were in active status with the division on December 31, 1994, and persons to whom the division issued certificates and permits after December 31, 1994, pursuant to emergency rules adopted by the division, are deemed to be qualified as registered property carriers, unless the person's certificate or permit has been suspended, revoked or transferred to another person as provided by law. A person deemed qualified pursuant to this subsection is not required to file an application pursuant to section 390.290 to continue providing intrastate transportation as a registered property carrier, but rather, upon such person's compliance with the licensing and insurance requirements of the division the person is deemed to have a property carrier registration in force as required pursuant to section 390.270, authorizing the person to transport property except household goods in intrastate commerce on the public highways, unless the person's property carrier registration is suspended, revoked or transferred to another person as provided by law. Within a reasonable time after August 28, 1996, the division shall issue property carrier registrations to all persons who are deemed to be qualified as registered property carriers and deemed to have property carrier registrations in force pursuant to this subsection.
- 3. Notwithstanding any provision of this section to the contrary, this section shall not be construed as authorizing any person to transport any hazardous material as designated in Title 49, Code of Federal Regulations, except hazardous materials which that person was expressly authorized to transport in intrastate commerce within this state on August 28, 1996. A person may file an application for property carrier registration pursuant to section 390.290 to transport additional hazardous materials. Nothing in this section shall be construed to conflict with chapter 260, or of relieving an applicant of any duty to obtain a license pursuant to chapter 260.

36 4. Notwithstanding any provision of the law to the contrary, any geographic restriction or provision limiting the carrier's scope of 37 authority to particular routes within this state contained in a certificate or permit, or both, authorizing the transportation of 39 household goods in intrastate commerce, which was issued prior to 40 August 28, 2011, and any similar provision contained in a carrier's tariff 41 schedule filed prior to such date, shall be deemed void. In lieu of the 42geographic restrictions expressed in such certificates, permits, or tariff 43 44 schedules, a motor carrier shall be authorized to provide intrastate transportation of household goods between all points and destinations 45 within the state until such time the certificates, permits, and tariff 46 schedules are reissued or amended to reflect the motor carrier's 47statewide operating authority. 48

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