

HOUSE BILL NO. 192

INTRODUCED BY WANZENRIED, PETERSON, COHEN,  
DOWELL, VAUGHN

IN THE HOUSE

JANUARY 15, 1991           INTRODUCED AND REFERRED TO COMMITTEE  
ON BUSINESS & ECONOMIC DEVELOPMENT.

JANUARY 16, 1991           FIRST READING.

JANUARY 17, 1991           ON MOTION, REREFERRED TO COMMITTEE  
ON HIGHWAYS & TRANSPORTATION.

FEBRUARY 16, 1991           COMMITTEE RECOMMEND BILL  
DO PASS. REPORT ADOPTED.

FEBRUARY 18, 1991           PRINTING REPORT.

FEBRUARY 25, 1991           SECOND READING, DO PASS.  
ENGROSSING REPORT.

FEBRUARY 26, 1991           THIRD READING, PASSED.  
AYES, 60; NOES, 40.  
TRANSMITTED TO SENATE.

IN THE SENATE

FEBRUARY 26, 1991           INTRODUCED AND REFERRED TO COMMITTEE  
ON HIGHWAYS & TRANSPORTATION.  
FIRST READING.

MARCH 28, 1991           COMMITTEE RECOMMEND BILL BE  
CONCURRED IN AS AMENDED. REPORT  
ADOPTED.

APRIL 4, 1991           SECOND READING, CONCURRED IN.

APRIL 5, 1991           THIRD READING, CONCURRED IN.  
AYES, 38; NOES, 12.  
RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 9, 1991           RECEIVED FROM SENATE.

APRIL 10, 1991

SECOND READING, AMENDMENTS  
CONCURRED IN.

THIRD READING, AMENDMENTS  
CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

HOUSE BILL NO. 192  
*Walter R. Peterson*  
*Donna*  
*Laughlin*

1  
2 INTRODUCED BY  
3  
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE THE  
5 TRANSPORTATION OF LOGS AS A REGULATED COMMODITY UNDER THE  
6 LAWS RELATED TO MOTOR CARRIERS; TO ESTABLISH A NEW CLASS E  
7 MOTOR CARRIER CLASSIFICATION FOR TRANSPORTING LOGS;  
8 PROVIDING QUALIFICATIONS FOR CERTIFICATION OF CLASS E MOTOR  
9 CARRIERS; PROVIDING FOR CLASS E MOTOR CARRIER RATES,  
10 CONTRACT PROVISIONS, AND CONTRACT FORMS; AMENDING SECTIONS  
11 69-12-101, 69-12-102, 69-12-201, 69-12-205, 69-12-301,  
12 69-12-321, 69-12-322, 69-12-407, 69-12-501, 69-12-502, AND  
13 69-12-611, MCA; AND PROVIDING EFFECTIVE DATES AND A  
14 TERMINATION DATE."

15  
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
17 **Section 1.** Section 69-12-101, MCA, is amended to read:  
18 "69-12-101. Definitions. Unless the context requires  
19 otherwise, in this chapter the following definitions apply:  
20 (1) "Between fixed termini" or "over a regular route"  
21 means the termini or route between or over which a motor  
22 carrier usually or ordinarily operates motor vehicles, even  
23 though there may be periodical or irregular departures from  
24 the termini or route.  
25 (2) "Certificate" means the certificate of public

1 convenience and necessity issued under this chapter.  
2 (3) "Compensation" means the charge imposed on motor  
3 carriers for the use of the highways in this state by motor  
4 carriers under 69-12-421.  
5 (4) "Corporation" means a corporation, company,  
6 association, or joint-stock association.  
7 (5) "For hire" means for remuneration of any kind, paid  
8 or promised, either directly or indirectly, or received or  
9 obtained through leasing, brokering, or buy-and-sell  
10 arrangements from which a remuneration is obtained or  
11 derived for transportation service.  
12 (6) "Log" means a fallen or felled tree, delimbed and  
13 cut to length for transportation to a point for storage or  
14 processing.  
15 (7) "Motor carrier" means a person or corporation,  
16 or its lessees, trustees, or receivers appointed by any  
17 court, operating motor vehicles upon any public highway in  
18 this state for the transportation of persons or property for  
19 hire on a commercial basis, either as a common carrier or  
20 under private contract, agreement, charter, or undertaking.  
21 The term includes any motor carrier serving the public in  
22 the business of transportation of ashes, trash, waste,  
23 refuse, rubbish, garbage, and organic and inorganic matter.  
24 (8) "Motor vehicle" includes vehicles or machines,  
25 motor trucks, tractors, or other self-propelled vehicles



1 used for the transportation of property or persons over the  
2 public highways of the state.

3 ~~{8}~~{9} "Person" means an individual, firm, or  
4 partnership.

5 ~~{9}~~{10} "Public highway" means a public street, road,  
6 highway, or way in this state.

7 ~~{10}~~{11} "Railroad" means the movement of cars on rails,  
8 regardless of the motive power used."

9 **Section 2.** Section 69-12-102, MCA, is amended to read:

10 "69-12-102. Scope of chapter -- exemptions. (1) This  
11 chapter does not affect:

12 (a) motor vehicles used in carrying property consisting  
13 of agricultural commodities other than logs (not including  
14 manufactured products thereof of agricultural commodities)  
15 if the motor vehicles are not used in carrying other  
16 property or passengers for compensation;

17 (b) the operation of school buses which are used in  
18 conveying pupils or other students enrolled in classes to  
19 and from district or other schools or in transportation  
20 movements related to school activities which are sponsored  
21 or supervised by school authorities;

22 (c) the transportation by means of motor vehicles in  
23 the regular course of business of employees, supplies, and  
24 materials by a person or corporation engaged exclusively in  
25 the construction or maintenance of highways or engaged

1 exclusively in logging or mining operations, insofar as the  
2 use of employees, supplies, and materials in construction  
3 and production is concerned;

4 (d) the transportation of property by motor vehicle in  
5 a city, town, or village with a population of less than 500  
6 persons according to the latest United States census or in  
7 the commercial areas thereof, as determined by the  
8 commission;

9 (e) the transportation of newspapers, newspaper  
10 supplements, periodicals, or magazines;

11 (f) tow trucks and wreckers designed and exclusively  
12 used in towing abandoned, wrecked, or disabled vehicles or  
13 while these tow trucks and wreckers are rendering assistance  
14 to abandoned, wrecked, or disabled vehicles;

15 (g) motor vehicles used exclusively in carrying junk  
16 vehicles from a collection point to a motor vehicle wrecking  
17 facility or a motor vehicle graveyard;

18 (h) ambulances;

19 (i) the transportation of pit run or processed sand and  
20 gravel, concrete mix, aggregate, plant mix asphalt pavement,  
21 aggregate mix, dirt, rock, material from demolished  
22 buildings and structures, used paving materials, used  
23 concrete, broken concrete, riprap, and other forms and types  
24 of materials transported solely for the purpose of  
25 excavation or fill;

1 (j) the transportation by motor vehicle of not more  
2 than 15 passengers between their places of residence or  
3 termini near their residences and their places of employment  
4 in a single daily round trip if the driver is also on his  
5 way to or from his place of employment;

6 (k) the transportation of property by motor carrier as  
7 part of a continuous movement if such property, prior or  
8 subsequent to such part of a continuous movement, has been  
9 or will be transported by an air carrier;

10 (l) the operation of:

11 (i) a transportation system by a municipality or  
12 transportation district as provided in Title 7, chapter 14,  
13 part 2; or

14 (ii) municipal bus service pursuant to Title 7, chapter  
15 14, part 44;

16 (m) armored motor vehicles used exclusively for the  
17 transportation of coins, currency, silver bullion, gold  
18 bullion, and other precious metals, precious stones,  
19 valuable paintings, and other items of unusual value  
20 requiring special handling and security; or

21 (n) the transportation of a commodity under an  
22 agreement between a motor carrier and an office or agency of  
23 the United States government.

24 (2) This chapter does not prevent bona fide leases,  
25 brokerage agreements, or buy-and-sell agreements."

1 **Section 3.** Section 69-12-201, MCA, is amended to read:

2 "69-12-201. Supervision and regulation of motor  
3 carriers. (1) The commission ~~is hereby vested with~~ has the  
4 power and authority and it is ~~hereby made~~ its duty to:

5 (a) supervise and regulate every motor carrier in this  
6 state;

7 (b) fix, alter, regulate, and determine specific, just,  
8 reasonable, equal, nondiscriminatory, and sufficient rates,  
9 fares, charges, and classifications for Class A, and Class  
10 B, and Class E motor carriers;

11 (c) regulate the properties, facilities, operations,  
12 accounts, service, practices, and affairs of all motor  
13 carriers;

14 (d) require the filing of annual and other reports,  
15 tariffs, schedules, or other data by such motor carriers;

16 (e) supervise and regulate motor carriers in all  
17 matters affecting the relationship between such motor  
18 carriers and the traveling and shipping public.

19 (2) The commission ~~shall have power and authority~~ may,  
20 by general order or otherwise, to prescribe rules in  
21 conformity with this chapter and applicable to any and all  
22 motor carriers.

23 (3) The commission also may fix and determine  
24 reasonable maximum or minimum rates for the operations of  
25 any Class C motor carrier when ~~the same~~ rates are required

1 for the best interests of public transportation.

2 (4) The commission may fix and determine reasonable  
 3 maximum or minimum rates for the operations of any Class E  
 4 motor carrier operating under contract when rates are  
 5 required for the best interests of public transportation.  
 6 For purposes of this subsection, a contract rate of not less  
 7 than 90% of the carrier's approved tariff rate is considered  
 8 a reasonable rate. However, upon good cause shown by the  
 9 carrier, the commission may approve a minimum rate that is  
 10 less than 90% of the carrier's approved tariff rate."

11 **Section 4.** Section 69-12-205, MCA, is amended to read:

12 "69-12-205. Rules to reflect differences between  
 13 carrier classes. All rules in relation to schedules,  
 14 service, tariffs, rates, facilities, accounts, and reports  
 15 ~~shall~~ must have due regard for the differences existing  
 16 between Class A, Class B, Class C, ~~and Class D,~~ and Class E  
 17 motor carriers, as ~~herein~~ defined in this chapter, and ~~shall~~  
 18 must be just, fair, and reasonable to the ~~said~~ classes of  
 19 motor carriers in their relations to each other and to the  
 20 public. In fixing the tariff or rates to be charged by Class  
 21 A, and Class B, and Class E motor carriers for the carrying  
 22 of persons ~~and/or~~ or property, or both, the commission shall  
 23 take into consideration the kind and character of service to  
 24 be performed, the public necessity ~~therefor~~ of the service,  
 25 and the effect of ~~such~~ the tariff and rates upon other

1 transportation agencies, if any, and shall, as far as  
 2 possible, avoid detrimental or unreasonable competition with  
 3 existing railroad service or service furnished by a motor  
 4 carrier."

5 **Section 5.** Section 69-12-301, MCA, is amended to read:

6 "69-12-301. Classification of motor carriers. (1) Motor  
 7 carriers are hereby divided into ~~four~~ five classes to be  
 8 known as:

- 9 (a) Class A motor carriers;  
 10 (b) Class B motor carriers;  
 11 (c) Class C motor carriers;  
 12 (d) Class D motor carriers; and  
 13 (e) Class E motor carriers.

14 (2) Class A motor carriers ~~shall--embrace~~ include all  
 15 motor carriers operating between fixed termini or over a  
 16 regular route and under regular rates or charges, based upon  
 17 either station-to-station rates or upon a mileage rate or  
 18 scale.

19 (3) Class B motor carriers ~~shall--embrace~~ include all  
 20 motor carriers operating under regular rates or charges  
 21 based upon either station-to-station rates or upon a mileage  
 22 rate or scale and not between fixed termini or over a  
 23 regular route.

24 (4) Class C motor carriers ~~shall--embrace~~ include all  
 25 motor carriers operating motor vehicles for distributing,

1 delivering, or collecting wares, merchandise, or commodities  
2 or transporting persons, where the remuneration is fixed in  
3 and the transportation service furnished under a contract,  
4 charter, agreement, or undertaking.

5 (5) Class D motor carriers embraces include all motor  
6 carriers operating motor vehicles transporting (including  
7 pickup and disposal) ashes, trash, waste, refuse, rubbish,  
8 garbage, and organic and inorganic matter.

9 (6) Class E motor carriers include all motor carriers  
10 operating motor vehicles transporting logs."

11 NEW SECTION. Section 6. Class E motor carrier  
12 certificate. (1) Class E motor carriers shall conduct  
13 operations pursuant to a certificate of public convenience  
14 and necessity issued by the commission authorizing the  
15 transportation of logs. Class E motor carriers, when  
16 applying for new or additional authority, shall file an  
17 application with the commission in accordance with the  
18 requirements of this chapter and the rules of the  
19 commission.

20 (2) A motor carrier may not possess a Class E motor  
21 carrier certificate or operate as a Class E motor carrier  
22 unless the motor carrier actually engages in the  
23 transportation of logs on a regular basis as part of the  
24 motor carrier's usual business operation.

25 NEW SECTION. Section 7. Contracts for transportation

1 of logs by Class E motor carriers -- determination of rates  
2 -- penalty. (1) A person or corporation proposing to  
3 contract with a Class E motor carrier for the intrastate  
4 transportation of logs shall at the time of the initial  
5 contact regarding a specific job inform the carrier of the  
6 time of payment and of any special conditions connected with  
7 the job. Before the carrier picks up the load, the  
8 information required under subsection (2) must be furnished  
9 in writing to the carrier on a form developed by the  
10 commission or on a form containing the same information  
11 provided by the person proposing the contract.

12 (2) Class E motor carriers may not operate with more  
13 than two contracts in effect at one time. Class E motor  
14 carrier contracts must be in writing and must be in effect  
15 for a minimum of 30 days. The commission shall by rule  
16 prescribe the provisions it determines are necessary for  
17 Class E motor carrier contracts, including but not limited  
18 to the rate to be charged and its method of calculation, the  
19 time and method of payment, any special conditions of  
20 loading or routes demanded by the shippers, and the time of  
21 performance.

22 (3) A person, corporation, or motor carrier violating  
23 this section or a provision of a contract described in this  
24 section is subject to a civil penalty, to be collected and  
25 deposited in the general fund by the commission after notice

1 and hearing, in an amount not less than \$25 or more than  
2 \$500 for the first violation and not less than \$25 or more  
3 than \$1,000 for each subsequent violation.

4 NEW SECTION. Section 8. Form for contracts for  
5 transportation of logs. The commission shall develop a form  
6 that may be used by persons contracting with Class E motor  
7 carriers as provided in [section 7]. The form must include  
8 space for noting the rate and time of payment and for  
9 listing any special conditions that may be included in the  
10 contract. The commission shall make the forms available to  
11 persons proposing to contract with a Class E motor carrier.

12 NEW SECTION. Section 9. Class E motor carrier  
13 certificates for existing log transportation businesses. For  
14 the period between October 1, 1991, and October 1, 1992, a  
15 person or corporation engaged in the business of  
16 transporting logs in Montana at any time between April 1,  
17 1990, and October 1, 1991, is not subject to [section 6(1)]  
18 and must be granted a statewide Class E motor carrier  
19 certificate upon applying to the commission and submitting  
20 proof that the person was engaged in transporting logs  
21 between April 1, 1990, and October 1, 1991. The commission  
22 shall develop and make available the necessary forms.

23 NEW SECTION. Section 10. Transportation of logs under  
24 Class E authority only. A Class A, Class B, Class C, or  
25 Class D motor carrier may not transport logs without first

1 obtaining Class E authority.

2 **Section 11.** Section 69-12-321, MCA, is amended to read:

3 "69-12-321. Hearing on application for motor carrier  
4 certificate. (1) Upon the filing of such an application by a  
5 Class A, Class B, Class C, or Class D, or Class E motor  
6 carrier, except a Class C motor carrier authorized to  
7 operate under the terms of a contract as provided in  
8 69-12-324, or upon the filing of a request for a transfer of  
9 authority, the commission shall give notice thereof of the  
10 filing of the application to any interested party. The  
11 commission shall fix a time and place for a hearing thereon  
12 on the application whenever a protest or a request for a  
13 hearing is received. The hearing ~~is to~~ must be set for a  
14 date not later than 60 days after receipt of a protest or a  
15 hearing request by the commission. Whenever no protests or  
16 hearing requests are received, the commission may act on the  
17 application without a hearing as prescribed by commission  
18 rules.

19 (2) Any A motor carrier referred to in 69-12-322, the  
20 department of highways, the governing board or boards of any  
21 ~~such~~ county, town, or city into or through which the route  
22 or service as proposed may extend, and any person or  
23 corporation concerned are ~~hereby-declared-to-be~~ interested  
24 parties to the proceedings and may offer testimony for or  
25 against the granting of the certificate.



1 (3) The contracting parties referred to in 69-12-313(4)  
2 must appear and offer testimony in support of the applicant.

3 (4) However, an application by a Class A, Class B,  
4 Class C, or Class D, or Class E motor carrier for a  
5 certificate may be disallowed without a public hearing  
6 thereon when it appears from the records of the commission  
7 that the route or territory sought to be served by the  
8 applicant has previously been made the basis of a public  
9 investigation and finding by the commission that public  
10 convenience and necessity do not require the proposed motor  
11 carrier service unless it is made to affirmatively appear in  
12 the application by a recital of the facts that conditions  
13 obtaining over the route or in the territory and affecting  
14 transportation facilities therein have materially changed  
15 since said the previous public investigation and finding and  
16 that public convenience and necessity do now require the  
17 motor carrier operation."

18 **Section 12.** Section 69-12-322, MCA, is amended to read:

19 "69-12-322. Notice of hearing. (1) Whenever a hearing  
20 is scheduled, whether as a result of a protest or request or  
21 upon the commission's own motion, the commission shall cause  
22 a copy of the petition and notice of hearing thereon to be  
23 served upon an officer or owner of any motor carrier that in  
24 the opinion of the commission might be affected by the  
25 granting of ~~any--such~~ the certificate and shall notify any

1 other affected party at least 10 days before the date of  
2 hearing.

3 (2) Notice of ~~such~~ the hearing ~~shall~~ must be published:

4 (a) in the legal advertising section of a local  
5 newspaper or newspapers deemed determined by the commission  
6 to have a circulation sufficient to reach the consuming  
7 public in the area under consideration for applications for  
8 Class C or Class E authority and geographically limited  
9 Class B authority; and

10 (b) in appropriate newspapers deemed determined by the  
11 commission to have sufficient statewide circulation in the  
12 case of applications for Class A authority and  
13 geographically broad contemplated Class B authority."

14 **Section 13.** Section 69-12-407, MCA, is amended to read:

15 "69-12-407. Records and reports. (1) All records,  
16 books, accounts, and files of every Class A, Class B, Class  
17 C, and Class D, and Class E motor carrier in this state, so  
18 far as ~~the--same--shall~~ they relate to the business of  
19 transportation conducted by ~~such~~ the motor carrier, ~~shall~~  
20 must at all times be subject to examination by the  
21 commission or by any authorized agent or employee of the  
22 commission. The commission shall prescribe a uniform system  
23 of accounts and uniform reports covering the operations of  
24 ~~such~~ Class A, Class B, Class C, and Class D, and Class E  
25 motor carriers, and every motor carrier authorized to

1 operate ~~as-such~~ in accordance with the provisions of this  
2 chapter shall keep its records, books, and accounts  
3 according to such the uniform system, insofar as possible.

4 (2) Before April 1 of each year, unless this deadline  
5 has been extended for good cause by the commission, every  
6 motor carrier authorized to engage in ~~such~~ business shall  
7 file with the commission a report, under oath, on a form  
8 prescribed and furnished by the commission. Those carriers  
9 filing an annual report with the interstate commerce  
10 commission shall, in addition to filing the report  
11 prescribed by the public service commission, submit to the  
12 public service commission a copy of the annual report filed  
13 with the interstate commerce commission. In addition to ~~such~~  
14 annual reports every motor carrier shall prepare and file  
15 with the commission, at the time or times and in the form to  
16 be prescribed by the commission, annual reports, special  
17 reports, and statements giving to the commission ~~such~~  
18 information ~~as it shall-require~~ requires in order to perform  
19 its duties under this chapter.

20 (3) In addition to other reporting requirements, the  
21 commission shall require the holder of a Class D motor  
22 carrier certificate to provide sufficient information to  
23 show that the carrier is entitled to possess the Class D  
24 motor carrier certificate under the requirements of  
25 69-12-314.

1 (4) In addition to other reporting requirements, the  
2 commission shall require the holder of a Class E motor  
3 carrier certificate to demonstrate that the carrier is  
4 entitled to possess the Class E motor certificate under the  
5 requirements of [section 6]."

6 **Section 14.** Section 69-12-501, MCA, is amended to read:

7 "69-12-501. Rate schedules to be maintained. (1) Every  
8 Class A, or Class B, or Class E motor carrier holding a  
9 certificate must maintain on file with the commission a full  
10 and complete schedule of its rates, fares, charges,  
11 classifications, and rules of service and any and all tariff  
12 provisions relating to ~~such the~~ rates, fares, charges,  
13 classifications, or rules. ~~Every--schedule--on--file--and~~  
14 ~~approved-on-March-77-19617--shall-remain-in--full--force--and~~  
15 ~~effect-until-changed-or-modified-by-the-commission-or-by-the~~  
16 ~~carrier-with-the-approval-of-the-commission:~~

17 (2) No A change, modification, alteration, increase, or  
18 decrease in any rate, fare, charge, classification, or rule  
19 of service ~~shall may not~~ be made by any motor carrier  
20 without first obtaining the approval of the commission. The  
21 commission shall prescribe rules providing for the form and  
22 style of all schedules and tariffs and for the procedures to  
23 be followed in filing or publishing any changes or  
24 modifications of the same schedules and tariffs."

25 **Section 15.** Section 69-12-502, MCA, is amended to read:

1       "69-12-502. Prohibition on deviation from rate  
 2 schedules -- exception. it shall be Except as provided in  
 3 69-12-201(4), it is unlawful for any Class A, or Class B, or  
 4 Class E motor carrier to charge, demand, receive, or collect  
 5 any greater or less rate, charge, or fare than that fixed by  
 6 the commission for the transportation service provided. When  
 7 Except as provided in 69-12-201(4), when maximum or minimum  
 8 rates have been established for any service provided by any  
 9 Class C or Class E motor carrier, it ~~shall--likewise--be~~ is  
 10 unlawful for such the carrier to charge, demand, receive, or  
 11 collect any greater compensation or rate than that  
 12 established for the service by any applicable maximum rate  
 13 or any less compensation or rate than that established by  
 14 any applicable minimum rate. It ~~also shall--be~~ is unlawful  
 15 for any Class A or Class B motor carrier or any Class C or  
 16 Class E motor carrier subject to maximum or minimum rates to  
 17 refund or remit, in any manner or by any device, any portion  
 18 of the rates, fares, and charges required to be collected  
 19 under the schedule of the Class A, or Class B, or Class E  
 20 motor carrier on file with the commission or under the  
 21 maximum or minimum rates established by the commission for  
 22 the Class C or Class E motor carrier."

23       **Section 16.** Section 69-12-611, MCA, is amended to read:

24       "69-12-611. Leasing of power equipment. (1) All Class  
 25 A, Class B, Class C, and Class D, and Class E motor carriers

1 subject to the jurisdiction of the commission may lease  
 2 power equipment for the purpose of performing transportation  
 3 movements within the state. The leasing of such power units  
 4 must be in writing.

5       (2) All leases must contain:

6       (a) the full names and addresses of negotiating  
 7 parties;

8       (b) a complete description of each vehicle involved;

9       (c) a provision that the sole possession,  
 10 responsibility, control, and direction of each vehicle  
 11 resides with the lessee for the entire term of the lease;

12       (d) a provision that the lessee assumes full  
 13 responsibility for all regulatory fees;

14       (e) the amount of compensation to be paid for use of  
 15 the vehicle while under the lease and the method by which  
 16 such the compensation is determined;

17       (f) the renewal conditions of the lease, if any; and

18       (g) the term length of the lease.

19       (3) A copy of the lease must be maintained in each  
 20 leased vehicle at all times. Each leased power unit ~~so~~  
 21 leased must display in a conspicuous place on both sides of  
 22 such the vehicle the identity and address of the lessor and  
 23 lessee and the certificate number under which the power unit  
 24 is operating.

25       (4) The leasing of power units by an authorized carrier

LC 0296/01

1 to a noncertificated carrier is prohibited."

2 NEW SECTION. Section 17. Codification instruction.

3 [Sections 6 through 10] are intended to be codified as an  
4 integral part of Title 69, chapter 12, part 3, and the  
5 provisions of Title 69, chapter 12, part 3, apply to  
6 [sections 6 through 10].

7 NEW SECTION. Section 18. Effective dates --

8 termination. (1) [Sections 1 and 3 through 18] are effective  
9 on passage and approval.

10 (2) [Section 2] is effective January 1, 1992.

11 (3) [Section 9] terminates October 1, 1992.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0192, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

An act to include the transportation of logs as a regulated commodity under the laws related to motor carriers; to establish a new class E motor carrier classification for transporting logs; providing qualifications for certain of class E motor carriers; providing for class E motor carrier rates, contract provisions, and contract forms; amending existing statutes; and providing effective dates and a termination date.

ASSUMPTIONS:

1. Approximately 500 carriers would apply for the proposed Class E permits. Carriers engaged in transporting logs prior to October 1, 1991, will automatically receive a Class E permit.
2. Carriers engaged in transporting logs prior to October 1, 1991, will not pay a filing fee. The Public Service Commission predicts new log applications would not be approved for at least two years due to the difficulty in establishing public need for additional log haulers.
3. The provisions will require a 1.00 FTE administrative assistant at grade 10/step 2 and a 1.00 FTE compliance specialist at grade 12/step 2. The compliance specialist will travel approximately 1,560 hours per year.
4. Fees levied on regulated companies by the PSC are deposited to the general fund and distributed through the general fund pursuant to 69-1-402, MCA. There will be adequate fee revenue under current law to cover the total expenditures for this proposed law.
5. Therefore, the vehicle ID stamps revenue of \$2,500 each year (\$5 per vehicle x 500 vehicles) and the annual report fee at \$25 per carrier of \$12,500 in FY93 and future years will be a net increase for the general fund.

FISCAL IMPACT:

Public Service Regulation:

	FY 92			FY 93		
	Current Law	Proposed Law	Difference	Current Law	Proposed Law	Difference
<u>Expenditures:</u>						
FTE	0.00	2.00	2.00	0.00	2.00	2.00
Personal Services	0	41,985	41,985	0	43,035	43,035
Operating Expenses	0	8,108	8,108	0	8,108	8,108
Equipment	0	8,200	8,200	0	0	0
Total	0	58,283	58,283	0	51,143	51,143
<u>Funding:</u>						
General Fund	0	58,283	58,283	0	51,143	51,143
<u>Revenues:</u>						
Vehicle ID Stamp Fees (01)	0	0	0	0	2,500	2,500
Annual Report Fees (01)	0	0	0	0	15,000	15,000
PSC Tax (01)	0	58,283	58,283	0	51,143	51,143
Total	0	58,283	58,283	0	68,643	68,643

Net General Fund Impact

17,500

  
 ROD SUNDSTED BUDGET DIRECTOR  
 Office of Budget and Program Planning  
 DATE 2-14-91

  
 DAVID E. WANZENRIED, PRIMARY SPONSOR  
 DATE 2-15-91

Fiscal Note for HB0192, as introduced

HB192

APPROVED BY COMMITTEE  
ON HIGHWAYS & TRANSPORTATION

1 HOUSE BILL NO. 192  
2 INTRODUCED BY UNRECORDED Peterson of Denver  
3 Langley  
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE THE  
5 TRANSPORTATION OF LOGS AS A REGULATED COMMODITY UNDER THE  
6 LAWS RELATED TO MOTOR CARRIERS; TO ESTABLISH A NEW CLASS E  
7 MOTOR CARRIER CLASSIFICATION FOR TRANSPORTING LOGS;  
8 PROVIDING QUALIFICATIONS FOR CERTIFICATION OF CLASS E MOTOR  
9 CARRIERS; PROVIDING FOR CLASS E MOTOR CARRIER RATES,  
10 CONTRACT PROVISIONS, AND CONTRACT FORMS; AMENDING SECTIONS  
11 69-12-101, 69-12-102, 69-12-201, 69-12-205, 69-12-301,  
12 69-12-321, 69-12-322, 69-12-407, 69-12-501, 69-12-502, AND  
13 69-12-611, MCA; AND PROVIDING EFFECTIVE DATES AND A  
14 TERMINATION DATE."

15  
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

17 **Section 1.** Section 69-12-101, MCA, is amended to read:

18 "69-12-101. Definitions. Unless the context requires  
19 otherwise, in this chapter the following definitions apply:

20 (1) "Between fixed termini" or "over a regular route"  
21 means the termini or route between or over which a motor  
22 carrier usually or ordinarily operates motor vehicles, even  
23 though there may be periodical or irregular departures from  
24 the termini or route.

25 (2) "Certificate" means the certificate of public

1 convenience and necessity issued under this chapter.

2 (3) "Compensation" means the charge imposed on motor  
3 carriers for the use of the highways in this state by motor  
4 carriers under 69-12-421.

5 (4) "Corporation" means a corporation, company,  
6 association, or joint-stock association.

7 (5) "For hire" means for remuneration of any kind, paid  
8 or promised, either directly or indirectly, or received or  
9 obtained through leasing, brokering, or buy-and-sell  
10 arrangements from which a remuneration is obtained or  
11 derived for transportation service.

12 (6) "Log" means a fallen or felled tree, delimbed and  
13 cut to length for transportation to a point for storage or  
14 processing.

15 (7) "Motor carrier" means a person or corporation,  
16 or its lessees, trustees, or receivers appointed by any  
17 court, operating motor vehicles upon any public highway in  
18 this state for the transportation of persons or property for  
19 hire on a commercial basis, either as a common carrier or  
20 under private contract, agreement, charter, or undertaking.  
21 The term includes any motor carrier serving the public in  
22 the business of transportation of ashes, trash, waste,  
23 refuse, rubbish, garbage, and organic and inorganic matter.

24 (8) "Motor vehicle" includes vehicles or machines,  
25 motor trucks, tractors, or other self-propelled vehicles

1 used for the transportation of property or persons over the  
2 public highways of the state.

3 ~~{8}~~{9} "Person" means an individual, firm, or  
4 partnership.

5 ~~{9}~~{10} "Public highway" means a public street, road,  
6 highway, or way in this state.

7 ~~{10}~~{11} "Railroad" means the movement of cars on rails,  
8 regardless of the motive power used."

9 **Section 2.** Section 69-12-102, MCA, is amended to read:

10 "69-12-102. Scope of chapter -- exemptions. (1) This  
11 chapter does not affect:

12 (a) motor vehicles used in carrying property consisting  
13 of agricultural commodities other than logs (not including  
14 manufactured products thereof of agricultural commodities)  
15 if the motor vehicles are not used in carrying other  
16 property or passengers for compensation;

17 (b) the operation of school buses which are used in  
18 conveying pupils or other students enrolled in classes to  
19 and from district or other schools or in transportation  
20 movements related to school activities which are sponsored  
21 or supervised by school authorities;

22 (c) the transportation by means of motor vehicles in  
23 the regular course of business of employees, supplies, and  
24 materials by a person or corporation engaged exclusively in  
25 the construction or maintenance of highways or engaged

1 exclusively in logging or mining operations, insofar as the  
2 use of employees, supplies, and materials in construction  
3 and production is concerned;

4 (d) the transportation of property by motor vehicle in  
5 a city, town, or village with a population of less than 500  
6 persons according to the latest United States census or in  
7 the commercial areas thereof, as determined by the  
8 commission;

9 (e) the transportation of newspapers, newspaper  
10 supplements, periodicals, or magazines;

11 (f) tow trucks and wreckers designed and exclusively  
12 used in towing abandoned, wrecked, or disabled vehicles or  
13 while these tow trucks and wreckers are rendering assistance  
14 to abandoned, wrecked, or disabled vehicles;

15 (g) motor vehicles used exclusively in carrying junk  
16 vehicles from a collection point to a motor vehicle wrecking  
17 facility or a motor vehicle graveyard;

18 (h) ambulances;

19 (i) the transportation of pit run or processed sand and  
20 gravel, concrete mix, aggregate, plant mix asphalt pavement,  
21 aggregate mix, dirt, rock, material from demolished  
22 buildings and structures, used paving materials, used  
23 concrete, broken concrete, riprap, and other forms and types  
24 of materials transported solely for the purpose of  
25 excavation or fill;

1 (j) the transportation by motor vehicle of not more  
2 than 15 passengers between their places of residence or  
3 termini near their residences and their places of employment  
4 in a single daily round trip if the driver is also on his  
5 way to or from his place of employment;

6 (k) the transportation of property by motor carrier as  
7 part of a continuous movement if such property, prior or  
8 subsequent to such part of a continuous movement, has been  
9 or will be transported by an air carrier;

10 (l) the operation of:

11 (i) a transportation system by a municipality or  
12 transportation district as provided in Title 7, chapter 14,  
13 part 2; or

14 (ii) municipal bus service pursuant to Title 7, chapter  
15 14, part 44;

16 (m) armored motor vehicles used exclusively for the  
17 transportation of coins, currency, silver bullion, gold  
18 bullion, and other precious metals, precious stones,  
19 valuable paintings, and other items of unusual value  
20 requiring special handling and security; or

21 (n) the transportation of a commodity under an  
22 agreement between a motor carrier and an office or agency of  
23 the United States government.

24 (2) This chapter does not prevent bona fide leases,  
25 brokerage agreements, or buy-and-sell agreements."

1 **Section 3.** Section 69-12-201, MCA, is amended to read:

2 **\*69-12-201. Supervision and regulation of motor**  
3 **carriers.** (1) The commission ~~is hereby vested with~~ has the  
4 power and authority and it is ~~hereby made~~ its duty to:

5 (a) supervise and regulate every motor carrier in this  
6 state;

7 (b) fix, alter, regulate, and determine specific, just,  
8 reasonable, equal, nondiscriminatory, and sufficient rates,  
9 fares, charges, and classifications for Class A, and Class  
10 B, and Class E motor carriers;

11 (c) regulate the properties, facilities, operations,  
12 accounts, service, practices, and affairs of all motor  
13 carriers;

14 (d) require the filing of annual and other reports,  
15 tariffs, schedules, or other data by such motor carriers;

16 (e) supervise and regulate motor carriers in all  
17 matters affecting the relationship between such motor  
18 carriers and the traveling and shipping public.

19 (2) The commission ~~shall have power and authority~~ may,  
20 by general order or otherwise, to prescribe rules in  
21 conformity with this chapter and applicable to any and all  
22 motor carriers.

23 (3) The commission ~~also~~ may fix and determine  
24 reasonable maximum or minimum rates for the operations of  
25 any Class C motor carrier when ~~the same~~ rates are required



1 for the best interests of public transportation.

2 (4) The commission may fix and determine reasonable  
 3 maximum or minimum rates for the operations of any Class E  
 4 motor carrier operating under contract when rates are  
 5 required for the best interests of public transportation.  
 6 For purposes of this subsection, a contract rate of not less  
 7 than 90% of the carrier's approved tariff rate is considered  
 8 a reasonable rate. However, upon good cause shown by the  
 9 carrier, the commission may approve a minimum rate that is  
 10 less than 90% of the carrier's approved tariff rate."

11 **Section 4.** Section 69-12-205, MCA, is amended to read:

12 "69-12-205. Rules to reflect differences between  
 13 carrier classes. All rules in relation to schedules,  
 14 service, tariffs, rates, facilities, accounts, and reports  
 15 shall must have due regard for the differences existing  
 16 between Class A, Class B, Class C, and Class D, and Class E  
 17 motor carriers, as herein defined in this chapter, and shall  
 18 must be just, fair, and reasonable to the said classes of  
 19 motor carriers in their relations to each other and to the  
 20 public. In fixing the tariff or rates to be charged by Class  
 21 A, and Class B, and Class E motor carriers for the carrying  
 22 of persons and/or or property, or both, the commission shall  
 23 take into consideration the kind and character of service to  
 24 be performed, the public necessity therefor of the service,  
 25 and the effect of such the tariff and rates upon other

1 transportation agencies, if any, and shall, as far as  
 2 possible, avoid detrimental or unreasonable competition with  
 3 existing railroad service or service furnished by a motor  
 4 carrier."

5 **Section 5.** Section 69-12-301, MCA, is amended to read:

6 **"69-12-301. Classification of motor carriers.** (1) Motor  
 7 carriers are hereby divided into four five classes to be  
 8 known as:

- 9 (a) Class A motor carriers;  
 10 (b) Class B motor carriers;  
 11 (c) Class C motor carriers;  
 12 (d) Class D motor carriers; and  
 13 (e) Class E motor carriers.

14 (2) Class A motor carriers ~~shall--embrace~~ include all  
 15 motor carriers operating between fixed termini or over a  
 16 regular route and under regular rates or charges, based upon  
 17 either station-to-station rates or upon a mileage rate or  
 18 scale.

19 (3) Class B motor carriers ~~shall--embrace~~ include all  
 20 motor carriers operating under regular rates or charges  
 21 based upon either station-to-station rates or upon a mileage  
 22 rate or scale and not between fixed termini or over a  
 23 regular route.

24 (4) Class C motor carriers ~~shall--embrace~~ include all  
 25 motor carriers operating motor vehicles for distributing,

1 delivering, or collecting wares, merchandise, or commodities  
2 or transporting persons, where the remuneration is fixed in  
3 and the transportation service furnished under a contract,  
4 charter, agreement, or undertaking.

5 (5) Class D motor carriers embraces include all motor  
6 carriers operating motor vehicles transporting (including  
7 pickup and disposal) ashes, trash, waste, refuse, rubbish,  
8 garbage, and organic and inorganic matter.

9 (6) Class E motor carriers include all motor carriers  
10 operating motor vehicles transporting logs."

11 NEW SECTION. Section 6. Class E motor carrier  
12 certificate. (1) Class E motor carriers shall conduct  
13 operations pursuant to a certificate of public convenience  
14 and necessity issued by the commission authorizing the  
15 transportation of logs. Class E motor carriers, when  
16 applying for new or additional authority, shall file an  
17 application with the commission in accordance with the  
18 requirements of this chapter and the rules of the  
19 commission.

20 (2) A motor carrier may not possess a Class E motor  
21 carrier certificate or operate as a Class E motor carrier  
22 unless the motor carrier actually engages in the  
23 transportation of logs on a regular basis as part of the  
24 motor carrier's usual business operation.

25 NEW SECTION. Section 7. Contracts for transportation

1 of logs by Class E motor carriers -- determination of rates  
2 -- penalty. (1) A person or corporation proposing to  
3 contract with a Class E motor carrier for the intrastate  
4 transportation of logs shall at the time of the initial  
5 contact regarding a specific job inform the carrier of the  
6 time of payment and of any special conditions connected with  
7 the job. Before the carrier picks up the load, the  
8 information required under subsection (2) must be furnished  
9 in writing to the carrier on a form developed by the  
10 commission or on a form containing the same information  
11 provided by the person proposing the contract.

12 (2) Class E motor carriers may not operate with more  
13 than two contracts in effect at one time. Class E motor  
14 carrier contracts must be in writing and must be in effect  
15 for a minimum of 30 days. The commission shall by rule  
16 prescribe the provisions it determines are necessary for  
17 Class E motor carrier contracts, including but not limited  
18 to the rate to be charged and its method of calculation, the  
19 time and method of payment, any special conditions of  
20 loading or routes demanded by the shippers, and the time of  
21 performance.

22 (3) A person, corporation, or motor carrier violating  
23 this section or a provision of a contract described in this  
24 section is subject to a civil penalty, to be collected and  
25 deposited in the general fund by the commission after notice

1 and hearing, in an amount not less than \$25 or more than  
2 \$500 for the first violation and not less than \$25 or more  
3 than \$1,000 for each subsequent violation.

4 NEW SECTION. Section 8. Form for contracts for  
5 transportation of logs. The commission shall develop a form  
6 that may be used by persons contracting with Class E motor  
7 carriers as provided in [section 7]. The form must include  
8 space for noting the rate and time of payment and for  
9 listing any special conditions that may be included in the  
10 contract. The commission shall make the forms available to  
11 persons proposing to contract with a Class E motor carrier.

12 NEW SECTION. Section 9. Class E motor carrier  
13 certificates for existing log transportation businesses. For  
14 the period between October 1, 1991, and October 1, 1992, a  
15 person or corporation engaged in the business of  
16 transporting logs in Montana at any time between April 1,  
17 1990, and October 1, 1991, is not subject to [section 6(1)]  
18 and must be granted a statewide Class E motor carrier  
19 certificate upon applying to the commission and submitting  
20 proof that the person was engaged in transporting logs  
21 between April 1, 1990, and October 1, 1991. The commission  
22 shall develop and make available the necessary forms.

23 NEW SECTION. Section 10. Transportation of logs under  
24 Class E authority only. A Class A, Class B, Class C, or  
25 Class D motor carrier may not transport logs without first

1 obtaining Class E authority.

2 **Section 11.** Section 69-12-321, MCA, is amended to read:

3 "69-12-321. Hearing on application for motor carrier  
4 certificate. (1) Upon the filing of such an application by a  
5 Class A, Class B, Class C, or Class D, or Class E motor  
6 carrier, except a Class C motor carrier authorized to  
7 operate under the terms of a contract as provided in  
8 69-12-324, or upon the filing of a request for a transfer of  
9 authority, the commission shall give notice thereof of the  
10 filing of the application to any interested party. The  
11 commission shall fix a time and place for a hearing thereon  
12 on the application whenever a protest or a request for a  
13 hearing is received. The hearing ~~is to~~ must be set for a  
14 date not later than 60 days after receipt of a protest or a  
15 hearing request by the commission. Whenever no protests or  
16 hearing requests are received, the commission may act on the  
17 application without a hearing as prescribed by commission  
18 rules.

19 (2) Any A motor carrier referred to in 69-12-322, the  
20 department of highways, the governing board or boards of any  
21 such county, town, or city into or through which the route  
22 or service as proposed may extend, and any person or  
23 corporation concerned are ~~hereby-declared-to--be~~ interested  
24 parties to the proceedings and may offer testimony for or  
25 against the granting of the certificate.

1 (3) The contracting parties referred to in 69-12-313(4)  
2 must appear and offer testimony in support of the applicant.

3 (4) However, an application by a Class A, Class B,  
4 Class C, or Class D, or Class E motor carrier for a  
5 certificate may be disallowed without a public hearing  
6 thereon when it appears from the records of the commission  
7 that the route or territory sought to be served by the  
8 applicant has previously been made the basis of a public  
9 investigation and finding by the commission that public  
10 convenience and necessity do not require the proposed motor  
11 carrier service unless it is made to affirmatively appear in  
12 the application by a recital of the facts that conditions  
13 obtaining over the route or in the territory and affecting  
14 transportation facilities therein have materially changed  
15 since said the previous public investigation and finding and  
16 that public convenience and necessity do now require the  
17 motor carrier operation."

18 **Section 12.** Section 69-12-322, MCA, is amended to read:

19 "69-12-322. Notice of hearing. (1) Whenever a hearing  
20 is scheduled, whether as a result of a protest or request or  
21 upon the commission's own motion, the commission shall cause  
22 a copy of the petition and notice of hearing thereon to be  
23 served upon an officer or owner of any motor carrier that in  
24 the opinion of the commission might be affected by the  
25 granting of any--such the certificate and shall notify any

1 other affected party at least 10 days before the date of  
2 hearing.

3 (2) Notice of such the hearing shall must be published:

4 (a) in the legal advertising section of a local  
5 newspaper or newspapers deemed determined by the commission  
6 to have a circulation sufficient to reach the consuming  
7 public in the area under consideration for applications for  
8 Class C or Class E authority and geographically limited  
9 Class B authority; and

10 (b) in appropriate newspapers deemed determined by the  
11 commission to have sufficient statewide circulation in the  
12 case of applications for Class A authority and  
13 geographically broad contemplated Class B authority."

14 **Section 13.** Section 69-12-407, MCA, is amended to read:

15 "69-12-407. Records and reports. (1) All records,  
16 books, accounts, and files of every Class A, Class B, Class  
17 C, and Class D, and Class E motor carrier in this state, so  
18 far as the--same--shall they relate to the business of  
19 transportation conducted by such the motor carrier, shall  
20 must at all times be subject to examination by the  
21 commission or by any authorized agent or employee of the  
22 commission. The commission shall prescribe a uniform system  
23 of accounts and uniform reports covering the operations of  
24 such Class A, Class B, Class C, and Class D, and Class E  
25 motor carriers, and every motor carrier authorized to

1 operate ~~as-such~~ in accordance with the provisions of this  
2 chapter shall keep its records, books, and accounts  
3 according to such the uniform system, insofar as possible.

4 (2) Before April 1 of each year, unless this deadline  
5 has been extended for good cause by the commission, every  
6 motor carrier authorized to engage in such business shall  
7 file with the commission a report, under oath, on a form  
8 prescribed and furnished by the commission. Those carriers  
9 filing an annual report with the interstate commerce  
10 commission shall, in addition to filing the report  
11 prescribed by the public service commission, submit to the  
12 public service commission a copy of the annual report filed  
13 with the interstate commerce commission. In addition to such  
14 annual reports every motor carrier shall prepare and file  
15 with the commission, at the time or times and in the form to  
16 be prescribed by the commission, annual reports, special  
17 reports, and statements giving to the commission such  
18 information as it ~~shall-require~~ requires in order to perform  
19 its duties under this chapter.

20 (3) In addition to other reporting requirements, the  
21 commission shall require the holder of a Class D motor  
22 carrier certificate to provide sufficient information to  
23 show that the carrier is entitled to possess the Class D  
24 motor carrier certificate under the requirements of  
25 69-12-314.

1 (4) In addition to other reporting requirements, the  
2 commission shall require the holder of a Class E motor  
3 carrier certificate to demonstrate that the carrier is  
4 entitled to possess the Class E motor certificate under the  
5 requirements of [section 6]."

6 **Section 14.** Section 69-12-501, MCA, is amended to read:  
7 "69-12-501. Rate schedules to be maintained. (1) Every  
8 Class A, or Class B, or Class E motor carrier holding a  
9 certificate must maintain on file with the commission a full  
10 and complete schedule of its rates, fares, charges,  
11 classifications, and rules of service and any and all tariff  
12 provisions relating to such the rates, fares, charges,  
13 classifications, or rules. ~~Every--schedule--on--file--and~~  
14 ~~approved--on--March--7--1967--shall--remain--in--full--force--and~~  
15 ~~effect--until--changed--or--modified--by--the--commission--or--by--the~~  
16 ~~carrier--with--the--approval--of--the--commission;~~

17 (2) ~~No~~ A change, modification, alteration, increase, or  
18 decrease in any rate, fare, charge, classification, or rule  
19 of service ~~shall~~ may not be made by any motor carrier  
20 without first obtaining the approval of the commission. The  
21 commission shall prescribe rules providing for the form and  
22 style of all schedules and tariffs and for the procedures to  
23 be followed in filing or publishing any changes or  
24 modifications of the same schedules and tariffs."

25 **Section 15.** Section 69-12-502, MCA, is amended to read:

1       \*69-12-502. Prohibition on deviation from rate  
 2       schedules -- exception. It shall be Except as provided in  
 3       69-12-201(4), it is unlawful for any Class A, or Class B, or  
 4       Class E motor carrier to charge, demand, receive, or collect  
 5       any greater or less rate, charge, or fare than that fixed by  
 6       the commission for the transportation service provided. When  
 7       Except as provided in 69-12-201(4), when maximum or minimum  
 8       rates have been established for any service provided by any  
 9       Class C or Class E motor carrier, it ~~shall likewise be~~ is  
 10       unlawful for ~~such the~~ carrier to charge, demand, receive, or  
 11       collect any greater compensation or rate than that  
 12       established for the service by any applicable maximum rate  
 13       or any less compensation or rate than that established by  
 14       any applicable minimum rate. It ~~also shall be~~ is unlawful  
 15       for any Class A or Class B motor carrier or any Class C or  
 16       Class E motor carrier subject to maximum or minimum rates to  
 17       refund or remit, in any manner or by any device, any portion  
 18       of the rates, fares, and charges required to be collected  
 19       under the schedule of the Class A, or Class B, or Class E  
 20       motor carrier on file with the commission or under the  
 21       maximum or minimum rates established by the commission for  
 22       the Class C or Class E motor carrier."

23       **Section 16.** Section 69-12-611, MCA, is amended to read:

24       \*69-12-611. Leasing of power equipment. (1) All Class  
 25       A, Class B, Class C, and Class D, and Class E motor carriers

1       subject to the jurisdiction of the commission may lease  
 2       power equipment for the purpose of performing transportation  
 3       movements within the state. The leasing of such power units  
 4       must be in writing.

- 5       (2) All leases must contain:
- 6       (a) the full names and addresses of negotiating  
 7       parties;
- 8       (b) a complete description of each vehicle involved;
- 9       (c) a provision that the sole possession,  
 10       responsibility, control, and direction of each vehicle  
 11       resides with the lessee for the entire term of the lease;
- 12       (d) a provision that the lessee assumes full  
 13       responsibility for all regulatory fees;
- 14       (e) the amount of compensation to be paid for use of  
 15       the vehicle while under the lease and the method by which  
 16       such the compensation is determined;
- 17       (f) the renewal conditions of the lease, if any; and  
 18       (g) the term length of the lease.

19       (3) A copy of the lease must be maintained in each  
 20       leased vehicle at all times. Each leased power unit ~~so~~  
 21       leased must display in a conspicuous place on both sides of  
 22       such the vehicle the identity and address of the lessor and  
 23       lessee and the certificate number under which the power unit  
 24       is operating.

25       (4) The leasing of power units by an authorized carrier

LC 0296/01

1 to a noncertificated carrier is prohibited."

2 NEW SECTION. Section 17. Codification instruction.

3 [Sections 6 through 10] are intended to be codified as an  
4 integral part of Title 69, chapter 12, part 3, and the  
5 provisions of Title 69, chapter 12, part 3, apply to  
6 [sections 6 through 10].

7 NEW SECTION. Section 18. Effective dates --

8 termination. (1) [Sections 1 and 3 through 18] are effective  
9 on passage and approval.

10 (2) [Section 2] is effective January 1, 1992.

11 (3) [Section 9] terminates October 1, 1992.

-End-

*HOUSE BILL NO. 192*  
 INTRODUCED BY *Wendell Peterson* *Cliff Powell*  
*Laugh*

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE THE TRANSPORTATION OF LOGS AS A REGULATED COMMODITY UNDER THE LAWS RELATED TO MOTOR CARRIERS; TO ESTABLISH A NEW CLASS E MOTOR CARRIER CLASSIFICATION FOR TRANSPORTING LOGS; PROVIDING QUALIFICATIONS FOR CERTIFICATION OF CLASS E MOTOR CARRIERS; PROVIDING FOR CLASS E MOTOR CARRIER RATES, CONTRACT PROVISIONS, AND CONTRACT FORMS; AMENDING SECTIONS 69-12-101, 69-12-102, 69-12-201, 69-12-205, 69-12-301, 69-12-321, 69-12-322, 69-12-407, 69-12-501, 69-12-502, AND 69-12-611, MCA; AND PROVIDING EFFECTIVE DATES AND A TERMINATION DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

**Section 1.** Section 69-12-101, MCA, is amended to read:

"69-12-101. Definitions. Unless the context requires otherwise, in this chapter the following definitions apply:

(1) "Between fixed termini" or "over a regular route" means the termini or route between or over which a motor carrier usually or ordinarily operates motor vehicles, even though there may be periodical or irregular departures from the termini or route.

(2) "Certificate" means the certificate of public

convenience and necessity issued under this chapter.

(3) "Compensation" means the charge imposed on motor carriers for the use of the highways in this state by motor carriers under 69-12-421.

(4) "Corporation" means a corporation, company, association, or joint-stock association.

(5) "For hire" means for remuneration of any kind, paid or promised, either directly or indirectly, or received or obtained through leasing, brokering, or buy-and-sell arrangements from which a remuneration is obtained or derived for transportation service.

(6) "Log" means a fallen or felled tree, delimbed and cut to length for transportation to a point for storage or processing.

(7) "Motor carrier" means a person or corporation, or its lessees, trustees, or receivers appointed by any court, operating motor vehicles upon any public highway in this state for the transportation of persons or property for hire on a commercial basis, either as a common carrier or under private contract, agreement, charter, or undertaking. The term includes any motor carrier serving the public in the business of transportation of ashes, trash, waste, refuse, rubbish, garbage, and organic and inorganic matter.

(8) "Motor vehicle" includes vehicles or machines, motor trucks, tractors, or other self-propelled vehicles



1 used for the transportation of property or persons over the  
2 public highways of the state.

3 ~~(8)~~(9) "Person" means an individual, firm, or  
4 partnership.

5 ~~(9)~~(10) "Public highway" means a public street, road,  
6 highway, or way in this state.

7 ~~(10)~~(11) "Railroad" means the movement of cars on rails,  
8 regardless of the motive power used."

9 **Section 2.** Section 69-12-102, MCA, is amended to read:

10 **"69-12-102. Scope of chapter -- exemptions.** (1) This  
11 chapter does not affect:

12 (a) motor vehicles used in carrying property consisting  
13 of agricultural commodities other than logs (not including  
14 manufactured products thereof of agricultural commodities)  
15 if the motor vehicles are not used in carrying other  
16 property or passengers for compensation;

17 (b) the operation of school buses which are used in  
18 conveying pupils or other students enrolled in classes to  
19 and from district or other schools or in transportation  
20 movements related to school activities which are sponsored  
21 or supervised by school authorities;

22 (c) the transportation by means of motor vehicles in  
23 the regular course of business of employees, supplies, and  
24 materials by a person or corporation engaged exclusively in  
25 the construction or maintenance of highways or engaged

1 exclusively in logging or mining operations, insofar as the  
2 use of employees, supplies, and materials in construction  
3 and production is concerned;

4 (d) the transportation of property by motor vehicle in  
5 a city, town, or village with a population of less than 500  
6 persons according to the latest United States census or in  
7 the commercial areas thereof, as determined by the  
8 commission;

9 (e) the transportation of newspapers, newspaper  
10 supplements, periodicals, or magazines;

11 (f) tow trucks and wreckers designed and exclusively  
12 used in towing abandoned, wrecked, or disabled vehicles or  
13 while these tow trucks and wreckers are rendering assistance  
14 to abandoned, wrecked, or disabled vehicles;

15 (g) motor vehicles used exclusively in carrying junk  
16 vehicles from a collection point to a motor vehicle wrecking  
17 facility or a motor vehicle graveyard;

18 (h) ambulances;

19 (i) the transportation of pit run or processed sand and  
20 gravel, concrete mix, aggregate, plant mix asphalt pavement,  
21 aggregate mix, dirt, rock, material from demolished  
22 buildings and structures, used paving materials, used  
23 concrete, broken concrete, riprap, and other forms and types  
24 of materials transported solely for the purpose of  
25 excavation or fill;

1 (j) the transportation by motor vehicle of not more  
2 than 15 passengers between their places of residence or  
3 termini near their residences and their places of employment  
4 in a single daily round trip if the driver is also on his  
5 way to or from his place of employment;

6 (k) the transportation of property by motor carrier as  
7 part of a continuous movement if such property, prior or  
8 subsequent to such part of a continuous movement, has been  
9 or will be transported by an air carrier;

10 (l) the operation of:

11 (i) a transportation system by a municipality or  
12 transportation district as provided in Title 7, chapter 14,  
13 part 2; or

14 (ii) municipal bus service pursuant to Title 7, chapter  
15 14, part 44;

16 (m) armored motor vehicles used exclusively for the  
17 transportation of coins, currency, silver bullion, gold  
18 bullion, and other precious metals, precious stones,  
19 valuable paintings, and other items of unusual value  
20 requiring special handling and security; or

21 (n) the transportation of a commodity under an  
22 agreement between a motor carrier and an office or agency of  
23 the United States government.

24 (2) This chapter does not prevent bona fide leases,  
25 brokerage agreements, or buy-and-sell agreements."

1 **Section 3.** Section 69-12-201, MCA, is amended to read:

2 **"69-12-201. Supervision and regulation of motor**  
3 **carriers.** (1) The commission ~~is hereby vested with~~ has the  
4 ~~power and authority and it is hereby made~~ its duty to:

5 (a) supervise and regulate every motor carrier in this  
6 state;

7 (b) fix, alter, regulate, and determine specific, just,  
8 reasonable, equal, nondiscriminatory, and sufficient rates,  
9 fares, charges, and classifications for Class A, and Class  
10 B, and Class E motor carriers;

11 (c) regulate the properties, facilities, operations,  
12 accounts, service, practices, and affairs of all motor  
13 carriers;

14 (d) require the filing of annual and other reports,  
15 tariffs, schedules, or other data by such motor carriers;

16 (e) supervise and regulate motor carriers in all  
17 matters affecting the relationship between such motor  
18 carriers and the traveling and shipping public.

19 (2) The commission ~~shall have power and authority~~ may,  
20 by general order or otherwise, to prescribe rules in  
21 conformity with this chapter and applicable to any and all  
22 motor carriers.

23 (3) The commission ~~also~~ may fix and determine  
24 reasonable maximum or minimum rates for the operations of  
25 any Class C motor carrier when ~~the same~~ rates are required

1 for the best interests of public transportation.

2 (4) The commission may fix and determine reasonable  
 3 maximum or minimum rates for the operations of any Class E  
 4 motor carrier operating under contract when rates are  
 5 required for the best interests of public transportation.  
 6 For purposes of this subsection, a contract rate of not less  
 7 than 90% of the carrier's approved tariff rate is considered  
 8 a reasonable rate. However, upon good cause shown by the  
 9 carrier, the commission may approve a minimum rate that is  
 10 less than 90% of the carrier's approved tariff rate."

11 **Section 4.** Section 69-12-205, MCA, is amended to read:

12 "69-12-205. Rules to reflect differences between  
 13 carrier classes. All rules in relation to schedules,  
 14 service, tariffs, rates, facilities, accounts, and reports  
 15 ~~shall~~ must have due regard for the differences existing  
 16 between Class A, Class B, Class C, and Class D, and Class E  
 17 motor carriers, as herein defined in this chapter, and ~~shall~~  
 18 must be just, fair, and reasonable to the said classes of  
 19 motor carriers in their relations to each other and to the  
 20 public. In fixing the tariff or rates to be charged by Class  
 21 A, and Class B, and Class E motor carriers for the carrying  
 22 of persons and/or or property, or both, the commission shall  
 23 take into consideration the kind and character of service to  
 24 be performed, the public necessity therefor of the service,  
 25 and the effect of such the tariff and rates upon other

1 transportation agencies, if any, and shall, as far as  
 2 possible, avoid detrimental or unreasonable competition with  
 3 existing railroad service or service furnished by a motor  
 4 carrier."

5 **Section 5.** Section 69-12-301, MCA, is amended to read:

6 "69-12-301. Classification of motor carriers. (1) Motor  
 7 carriers are hereby divided into ~~four~~ five classes to be  
 8 known as:

- 9 (a) Class A motor carriers;  
 10 (b) Class B motor carriers;  
 11 (c) Class C motor carriers;  
 12 (d) Class D motor carriers; and  
 13 (e) Class E motor carriers.

14 (2) Class A motor carriers ~~shall--embrace~~ include all  
 15 motor carriers operating between fixed termini or over a  
 16 regular route and under regular rates or charges, based upon  
 17 either station-to-station rates or upon a mileage rate or  
 18 scale.

19 (3) Class B motor carriers ~~shall--embrace~~ include all  
 20 motor carriers operating under regular rates or charges  
 21 based upon either station-to-station rates or upon a mileage  
 22 rate or scale and not between fixed termini or over a  
 23 regular route.

24 (4) Class C motor carriers ~~shall--embrace~~ include all  
 25 motor carriers operating motor vehicles for distributing,

1 delivering, or collecting wares, merchandise, or commodities  
 2 or transporting persons, where the remuneration is fixed in  
 3 and the transportation service furnished under a contract,  
 4 charter, agreement, or undertaking.

5 (5) Class D motor carriers embraces include all motor  
 6 carriers operating motor vehicles transporting (including  
 7 pickup and disposal) ashes, trash, waste, refuse, rubbish,  
 8 garbage, and organic and inorganic matter.

9 (6) Class E motor carriers include all motor carriers  
 10 operating motor vehicles transporting logs."

11 NEW SECTION. Section 6. Class E motor carrier  
 12 certificate. (1) Class E motor carriers shall conduct  
 13 operations pursuant to a certificate of public convenience  
 14 and necessity issued by the commission authorizing the  
 15 transportation of logs. Class E motor carriers, when  
 16 applying for new or additional authority, shall file an  
 17 application with the commission in accordance with the  
 18 requirements of this chapter and the rules of the  
 19 commission.

20 (2) A motor carrier may not possess a Class E motor  
 21 carrier certificate or operate as a Class E motor carrier  
 22 unless the motor carrier actually engages in the  
 23 transportation of logs on a regular basis as part of the  
 24 motor carrier's usual business operation.

25 NEW SECTION. Section 7. Contracts for transportation

1 of logs by Class E motor carriers -- determination of rates  
 2 -- penalty. (1) A person or corporation proposing to  
 3 contract with a Class E motor carrier for the intrastate  
 4 transportation of logs shall at the time of the initial  
 5 contact regarding a specific job inform the carrier of the  
 6 time of payment and of any special conditions connected with  
 7 the job. Before the carrier picks up the load, the  
 8 information required under subsection (2) must be furnished  
 9 in writing to the carrier on a form developed by the  
 10 commission or on a form containing the same information  
 11 provided by the person proposing the contract.

12 (2) Class E motor carriers may not operate with more  
 13 than two contracts in effect at one time. Class E motor  
 14 carrier contracts must be in writing and must be in effect  
 15 for a minimum of 30 days. The commission shall by rule  
 16 prescribe the provisions it determines are necessary for  
 17 Class E motor carrier contracts, including but not limited  
 18 to the rate to be charged and its method of calculation, the  
 19 time and method of payment, any special conditions of  
 20 loading or routes demanded by the shippers, and the time of  
 21 performance.

22 (3) A person, corporation, or motor carrier violating  
 23 this section or a provision of a contract described in this  
 24 section is subject to a civil penalty, to be collected and  
 25 deposited in the general fund by the commission after notice

1 and hearing, in an amount not less than \$25 or more than  
2 \$500 for the first violation and not less than \$25 or more  
3 than \$1,000 for each subsequent violation.

4 NEW SECTION. Section 8. Form for contracts for  
5 transportation of logs. The commission shall develop a form  
6 that may be used by persons contracting with Class E motor  
7 carriers as provided in [section 7]. The form must include  
8 space for noting the rate and time of payment and for  
9 listing any special conditions that may be included in the  
10 contract. The commission shall make the forms available to  
11 persons proposing to contract with a Class E motor carrier.

12 NEW SECTION. Section 9. Class E motor carrier  
13 certificates for existing log transportation businesses. For  
14 the period between October 1, 1991, and October 1, 1992, a  
15 person or corporation engaged in the business of  
16 transporting logs in Montana at any time between April 1,  
17 1990, and October 1, 1991, is not subject to [section 6(1)]  
18 and must be granted a statewide Class E motor carrier  
19 certificate upon applying to the commission and submitting  
20 proof that the person was engaged in transporting logs  
21 between April 1, 1990, and October 1, 1991. The commission  
22 shall develop and make available the necessary forms.

23 NEW SECTION. Section 10. Transportation of logs under  
24 Class E authority only. A Class A, Class B, Class C, or  
25 Class D motor carrier may not transport logs without first

1 obtaining Class E authority.

2 **Section 11.** Section 69-12-321, MCA, is amended to read:

3 "69-12-321. Hearing on application for motor carrier  
4 certificate. (1) Upon the filing of such an application by a  
5 Class A, Class B, Class C, or Class D, or Class E motor  
6 carrier, except a Class C motor carrier authorized to  
7 operate under the terms of a contract as provided in  
8 69-12-324, or upon the filing of a request for a transfer of  
9 authority, the commission shall give notice thereof of the  
10 filing of the application to any interested party. The  
11 commission shall fix a time and place for a hearing thereon  
12 on the application whenever a protest or a request for a  
13 hearing is received. The hearing ~~is to~~ must be set for a  
14 date not later than 60 days after receipt of a protest or a  
15 hearing request by the commission. Whenever no protests or  
16 hearing requests are received, the commission may act on the  
17 application without a hearing as prescribed by commission  
18 rules.

19 (2) Any A motor carrier referred to in 69-12-322, the  
20 department of highways, the governing board or boards of any  
21 such county, town, or city into or through which the route  
22 or service as proposed may extend, and any person or  
23 corporation concerned are ~~hereby-declared-to-be~~ interested  
24 parties to the proceedings and may offer testimony for or  
25 against the granting of the certificate.

1 (3) The contracting parties referred to in 69-12-313(4)  
2 must appear and offer testimony in support of the applicant.

3 (4) However, an application by a Class A, Class B,  
4 Class C, or Class D, or Class E motor carrier for a  
5 certificate may be disallowed without a public hearing  
6 thereon when it appears from the records of the commission  
7 that the route or territory sought to be served by the  
8 applicant has previously been made the basis of a public  
9 investigation and finding by the commission that public  
10 convenience and necessity do not require the proposed motor  
11 carrier service unless it is made to affirmatively appear in  
12 the application by a recital of the facts that conditions  
13 obtaining over the route or in the territory and affecting  
14 transportation facilities therein have materially changed  
15 since said the previous public investigation and finding and  
16 that public convenience and necessity do now require the  
17 motor carrier operation."

18 **Section 12.** Section 69-12-322, MCA, is amended to read:

19 "69-12-322. Notice of hearing. (1) Whenever a hearing  
20 is scheduled, whether as a result of a protest or request or  
21 upon the commission's own motion, the commission shall cause  
22 a copy of the petition and notice of hearing thereon to be  
23 served upon an officer or owner of any motor carrier that in  
24 the opinion of the commission might be affected by the  
25 granting of any--such the certificate and shall notify any

1 other affected party at least 10 days before the date of  
2 hearing.

3 (2) Notice of such the hearing shall must be published:

4 (a) in the legal advertising section of a local  
5 newspaper or newspapers deemed determined by the commission  
6 to have a circulation sufficient to reach the consuming  
7 public in the area under consideration for applications for  
8 Class C or Class E authority and geographically limited  
9 Class B authority; and

10 (b) in appropriate newspapers deemed determined by the  
11 commission to have sufficient statewide circulation in the  
12 case of applications for Class A authority and  
13 geographically broad contemplated Class B authority."

14 **Section 13.** Section 69-12-407, MCA, is amended to read:

15 "69-12-407. Records and reports. (1) All records,  
16 books, accounts, and files of every Class A, Class B, Class  
17 C, and Class D, and Class E motor carrier in this state, so  
18 far as the--same--shall they relate to the business of  
19 transportation conducted by such the motor carrier, shall  
20 must at all times be subject to examination by the  
21 commission or by any authorized agent or employee of the  
22 commission. The commission shall prescribe a uniform system  
23 of accounts and uniform reports covering the operations of  
24 such Class A, Class B, Class C, and Class D, and Class E  
25 motor carriers, and every motor carrier authorized to

1 operate ~~as-such~~ in accordance with the provisions of this  
2 chapter shall keep its records, books, and accounts  
3 according to such the uniform system, insofar as possible.

4 (2) Before April 1 of each year, unless this deadline  
5 has been extended for good cause by the commission, every  
6 motor carrier authorized to engage in ~~such~~ business shall  
7 file with the commission a report, under oath, on a form  
8 prescribed and furnished by the commission. Those carriers  
9 filing an annual report with the interstate commerce  
10 commission shall, in addition to filing the report  
11 prescribed by the public service commission, submit to the  
12 public service commission a copy of the annual report filed  
13 with the interstate commerce commission. In addition to ~~such~~  
14 annual reports every motor carrier shall prepare and file  
15 with the commission, at the time or times and in the form to  
16 be prescribed by the commission, annual reports, special  
17 reports, and statements giving to the commission ~~such~~  
18 information as it ~~shall-require~~ requires in order to perform  
19 its duties under this chapter.

20 (3) In addition to other reporting requirements, the  
21 commission shall require the holder of a Class D motor  
22 carrier certificate to provide sufficient information to  
23 show that the carrier is entitled to possess the Class D  
24 motor carrier certificate under the requirements of  
25 69-12-314.

1 (4) In addition to other reporting requirements, the  
2 commission shall require the holder of a Class E motor  
3 carrier certificate to demonstrate that the carrier is  
4 entitled to possess the Class E motor certificate under the  
5 requirements of [section 6]."

6 **Section 14.** Section 69-12-501, MCA, is amended to read:

7 **"69-12-501. Rate schedules to be maintained.** (1) Every  
8 Class A, or Class B, or Class E motor carrier holding a  
9 certificate must maintain on file with the commission a full  
10 and complete schedule of its rates, fares, charges,  
11 classifications, and rules of service and any and all tariff  
12 provisions relating to such the rates, fares, charges,  
13 classifications, or rules. ~~Every--schedule--on--file--and~~  
14 ~~approved-on-March-77-19617-shall-remain-in--full--force--and~~  
15 ~~effect-until-changed-or-modified-by-the-commission-or-by-the~~  
16 ~~carrier-with-the-approval-of-the-commission.~~

17 (2) ~~No A~~ change, modification, alteration, increase, or  
18 decrease in any rate, fare, charge, classification, or rule  
19 of service ~~shall~~ may not be made by any motor carrier  
20 without first obtaining the approval of the commission. The  
21 commission shall prescribe rules providing for the form and  
22 style of all schedules and tariffs and for the procedures to  
23 be followed in filing or publishing any changes or  
24 modifications of the same schedules and tariffs."

25 **Section 15.** Section 69-12-502, MCA, is amended to read:

1       "69-12-502. Prohibition on deviation from rate  
 2 schedules -- exception. ~~It shall be~~ Except as provided in  
 3 69-12-201(4), it is unlawful for any Class A, or Class B, or  
 4 Class E motor carrier to charge, demand, receive, or collect  
 5 any greater or less rate, charge, or fare than that fixed by  
 6 the commission for the transportation service provided. When  
 7 ~~Except as provided in 69-12-201(4), when~~ maximum or minimum  
 8 rates have been established for any service provided by any  
 9 Class C or Class E motor carrier, it ~~shall--likewise--be~~ is  
 10 unlawful for ~~such the~~ carrier to charge, demand, receive, or  
 11 collect any greater compensation or rate than that  
 12 established for the service by any applicable maximum rate  
 13 or any less compensation or rate than that established by  
 14 any applicable minimum rate. It ~~also shall--be~~ is unlawful  
 15 for any Class A or Class B motor carrier or any Class C or  
 16 Class E motor carrier subject to maximum or minimum rates to  
 17 refund or remit, in any manner or by any device, any portion  
 18 of the rates, fares, and charges required to be collected  
 19 under the schedule of the Class A, or Class B, or Class E  
 20 motor carrier on file with the commission or under the  
 21 maximum or minimum rates established by the commission for  
 22 the Class C or Class E motor carrier."

23       Section 16. Section 69-12-611, MCA, is amended to read:

24       "69-12-611. Leasing of power equipment. (1) All Class  
 25 A, Class B, Class C, and Class D, and Class E motor carriers

1 subject to the jurisdiction of the commission may lease  
 2 power equipment for the purpose of performing transportation  
 3 movements within the state. The leasing of such power units  
 4 must be in writing.

5       (2) All leases must contain:

6       (a) the full names and addresses of negotiating  
 7 parties;

8       (b) a complete description of each vehicle involved;

9       (c) a provision that the sole possession,  
 10 responsibility, control, and direction of each vehicle  
 11 resides with the lessee for the entire term of the lease;

12       (d) a provision that the lessee assumes full  
 13 responsibility for all regulatory fees;

14       (e) the amount of compensation to be paid for use of  
 15 the vehicle while under the lease and the method by which  
 16 such the compensation is determined;

17       (f) the renewal conditions of the lease, if any; and

18       (g) the term length of the lease.

19       (3) A copy of the lease must be maintained in each  
 20 leased vehicle at all times. Each leased power unit ~~so~~  
 21 leased must display in a conspicuous place on both sides of  
 22 such the vehicle the identity and address of the lessor and  
 23 lessee and the certificate number under which the power unit  
 24 is operating.

25       (4) The leasing of power units by an authorized carrier



1 to a noncertificated carrier is prohibited.”

2 NEW SECTION. Section 17. Codification instruction.

3 [Sections 6 through 10] are intended to be codified as an  
4 integral part of Title 69, chapter 12, part 3, and the  
5 provisions of Title 69, chapter 12, part 3, apply to  
6 [sections 6 through 10].

7 NEW SECTION. Section 18. Effective dates --

8 termination. (1) [Sections 1 and 3 through 18] are effective  
9 on passage and approval.

10 (2) [Section 2] is effective January 1, 1992.

11 (3) [Section 9] terminates October 1, 1992.

-End-

SENATE STANDING COMMITTEE REPORT

Page 1 of 2  
March 28, 1991

Page 2 of 2  
March 28, 1991

MR. PRESIDENT:

We, your committee on Highways and Transportation having had under consideration House Bill No. 192 (third reading copy -- blue), respectfully report that House Bill No. 192 be amended and as so amended be concurred in:

1. Title, line 9.  
Strike: "RATES,"

2. Title, line 10.  
Following: "PROVISIONS"  
Strike: ", "

3. Title, line 12.  
Strike: "69-12-501, 69-12-502,"

4. Page 6, line 9.  
Following: "A"  
Strike: "A"  
Following: "and"  
Insert: "and"

5. Page 6, line 10.  
Following: "B"  
Strike: ", and Class E"

6. Page 7, lines 6 through 10.  
Following: line 5  
Strike: lines 6 through 10 in their entirety

7. Page 7, line 21.  
Following: "A"  
Strike: "A"  
Following: "and"  
Insert: "and"  
Following: "B"  
Strike: ", and Class E"

8. Page 9, line 10.  
Following: "logs"

Insert: "if the remuneration is fixed in and transportation services are furnished under a written contract or agreement"

9. Page 10, lines 12 through 15.  
Following: "(2)" on line 12  
Strike: remainder of line 12 through "days." on line 15

10. Page 16, line 6 through page 17, line 22.  
Strike: sections 14 and 15 in their entirety  
Renumber: subsequent sections

Signed: \_\_\_\_\_

*Cecil Weeding*  
Cecil Weeding, Chairman

*JA 3/28/91*  
Amd. Coord.  
*SB 3/28 12:10*  
Sec. of Senate

HOUSE BILL NO. 192

INTRODUCED BY WANZENRIED, PETERSON, COHEN,

DOWELL, VAUGHN

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCLUDE THE TRANSPORTATION OF LOGS AS A REGULATED COMMODITY UNDER THE LAWS RELATED TO MOTOR CARRIERS; TO ESTABLISH A NEW CLASS E MOTOR CARRIER CLASSIFICATION FOR TRANSPORTING LOGS; PROVIDING QUALIFICATIONS FOR CERTIFICATION OF CLASS E MOTOR CARRIERS; PROVIDING FOR CLASS E MOTOR CARRIER RATES, CONTRACT PROVISIONS, AND CONTRACT FORMS; AMENDING SECTIONS 69-12-101, 69-12-102, 69-12-201, 69-12-205, 69-12-301, 69-12-321, 69-12-322, 69-12-407, 69-12-501, 69-12-502, AND 69-12-611, MCA; AND PROVIDING EFFECTIVE DATES AND A TERMINATION DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 69-12-101, MCA, is amended to read:

"69-12-101. Definitions. Unless the context requires otherwise, in this chapter the following definitions apply:

(1) "Between fixed termini" or "over a regular route" means the termini or route between or over which a motor carrier usually or ordinarily operates motor vehicles, even though there may be periodical or irregular departures from the termini or route.

(2) "Certificate" means the certificate of public convenience and necessity issued under this chapter.

(3) "Compensation" means the charge imposed on motor carriers for the use of the highways in this state by motor carriers under 69-12-421.

(4) "Corporation" means a corporation, company, association, or joint-stock association.

(5) "For hire" means for remuneration of any kind, paid or promised, either directly or indirectly, or received or obtained through leasing, brokering, or buy-and-sell arrangements from which a remuneration is obtained or derived for transportation service.

(6) "Log" means a fallen or felled tree, delimbed and cut to length for transportation to a point for storage or processing.

(7) "Motor carrier" means a person or corporation, or its lessees, trustees, or receivers appointed by any court, operating motor vehicles upon any public highway in this state for the transportation of persons or property for hire on a commercial basis, either as a common carrier or under private contract, agreement, charter, or undertaking. The term includes any motor carrier serving the public in the business of transportation of ashes, trash, waste, refuse, rubbish, garbage, and organic and inorganic matter.

(8) "Motor vehicle" includes vehicles or machines,



1 motor trucks, tractors, or other self-propelled vehicles  
 2 used for the transportation of property or persons over the  
 3 public highways of the state.

4 ~~(8)~~(9) "Person" means an individual, firm, or  
 5 partnership.

6 ~~(9)~~(10) "Public highway" means a public street, road,  
 7 highway, or way in this state.

8 ~~(10)~~(11) "Railroad" means the movement of cars on rails,  
 9 regardless of the motive power used."

10 **Section 2.** Section 69-12-102, MCA, is amended to read:

11 **\*69-12-102. Scope of chapter -- exemptions.** (1) This  
 12 chapter does not affect:

13 (a) motor vehicles used in carrying property consisting  
 14 of agricultural commodities other than logs (not including  
 15 manufactured products thereof of agricultural commodities)  
 16 if the motor vehicles are not used in carrying other  
 17 property or passengers for compensation;

18 (b) the operation of school buses which are used in  
 19 conveying pupils or other students enrolled in classes to  
 20 and from district or other schools or in transportation  
 21 movements related to school activities which are sponsored  
 22 or supervised by school authorities;

23 (c) the transportation by means of motor vehicles in  
 24 the regular course of business of employees, supplies, and  
 25 materials by a person or corporation engaged exclusively in

1 the construction or maintenance of highways or engaged  
 2 exclusively in logging or mining operations, insofar as the  
 3 use of employees, supplies, and materials in construction  
 4 and production is concerned;

5 (d) the transportation of property by motor vehicle in  
 6 a city, town, or village with a population of less than 500  
 7 persons according to the latest United States census or in  
 8 the commercial areas thereof, as determined by the  
 9 commission;

10 (e) the transportation of newspapers, newspaper  
 11 supplements, periodicals, or magazines;

12 (f) tow trucks and wreckers designed and exclusively  
 13 used in towing abandoned, wrecked, or disabled vehicles or  
 14 while these tow trucks and wreckers are rendering assistance  
 15 to abandoned, wrecked, or disabled vehicles;

16 (g) motor vehicles used exclusively in carrying junk  
 17 vehicles from a collection point to a motor vehicle wrecking  
 18 facility or a motor vehicle graveyard;

19 (h) ambulances;

20 (i) the transportation of pit run or processed sand and  
 21 gravel, concrete mix, aggregate, plant mix asphalt pavement,  
 22 aggregate mix, dirt, rock, material from demolished  
 23 buildings and structures, used paving materials, used  
 24 concrete, broken concrete, riprap, and other forms and types  
 25 of materials transported solely for the purpose of

1 excavation or fill;

2 (j) the transportation by motor vehicle of not more  
3 than 15 passengers between their places of residence or  
4 termini near their residences and their places of employment  
5 in a single daily round trip if the driver is also on his  
6 way to or from his place of employment;

7 (k) the transportation of property by motor carrier as  
8 part of a continuous movement if such property, prior or  
9 subsequent to such part of a continuous movement, has been  
10 or will be transported by an air carrier;

11 (1) the operation of:

12 (i) a transportation system by a municipality or  
13 transportation district as provided in Title 7, chapter 14,  
14 part 2; or

15 (ii) municipal bus service pursuant to Title 7, chapter  
16 14, part 44;

17 (m) armored motor vehicles used exclusively for the  
18 transportation of coins, currency, silver bullion, gold  
19 bullion, and other precious metals, precious stones,  
20 valuable paintings, and other items of unusual value  
21 requiring special handling and security; or

22 (n) the transportation of a commodity under an  
23 agreement between a motor carrier and an office or agency of  
24 the United States government.

25 (2) This chapter does not prevent bona fide leases,

1 brokerage agreements, or buy-and-sell agreements."

2 **Section 3.** Section 69-12-201, MCA, is amended to read:

3 **"69-12-201. Supervision and regulation of motor**  
4 **carriers.** (1) The commission ~~is hereby vested with~~ has the  
5 power and authority and it is ~~hereby made~~ its duty to:

6 (a) supervise and regulate every motor carrier in this  
7 state;

8 (b) fix, alter, regulate, and determine specific, just,  
9 reasonable, equal, nondiscriminatory, and sufficient rates,  
10 fares, charges, and classifications for Class A<sub>7</sub> and AND  
11 Class B<sub>7</sub>-and-Class-E motor carriers;

12 (c) regulate the properties, facilities, operations,  
13 accounts, service, practices, and affairs of all motor  
14 carriers;

15 (d) require the filing of annual and other reports,  
16 tariffs, schedules, or other data by such motor carriers;

17 (e) supervise and regulate motor carriers in all  
18 matters affecting the relationship between such motor  
19 carriers and the traveling and shipping public.

20 (2) The commission ~~shall have power and authority~~ may,  
21 by general order or otherwise, to prescribe rules in  
22 conformity with this chapter and applicable to any and all  
23 motor carriers.

24 (3) The commission ~~also~~ may fix and determine  
25 reasonable maximum or minimum rates for the operations of

1 any Class C motor carrier when ~~the same~~ rates are required  
 2 for the best interests of public transportation.

3 (4) The commission may fix and determine reasonable  
 4 maximum or minimum rates for the operations of any Class E  
 5 motor carrier operating under contract when rates are  
 6 required for the best interests of public transportation.  
 7 ~~For purposes of this subsection, a contract rate of not less~~  
 8 ~~than 90% of the carrier's approved tariff rate is considered~~  
 9 ~~a reasonable rate. However, upon good cause shown by the~~  
 10 ~~carrier, the commission may approve a minimum rate that is~~  
 11 ~~less than 90% of the carrier's approved tariff rate."~~

12 **Section 4.** Section 69-12-205, MCA, is amended to read:

13 **"69-12-205.** Rules to reflect differences between  
 14 carrier classes. All rules in relation to schedules,  
 15 service, tariffs, rates, facilities, accounts, and reports  
 16 shall must have due regard for the differences existing  
 17 between Class A, Class B, Class C, and Class D, and Class E  
 18 motor carriers, as herein defined in this chapter, and shall  
 19 must be just, fair, and reasonable to the said classes of  
 20 motor carriers in their relations to each other and to the  
 21 public. In fixing the tariff or rates to be charged by Class  
 22 A and AND Class B ~~and Class E~~ motor carriers for the  
 23 carrying of persons and/or or property, or both, the  
 24 commission shall take into consideration the kind and  
 25 character of service to be performed, the public necessity

1 therefor of the service, and the effect of such the tariff  
 2 and rates upon other transportation agencies, if any, and  
 3 shall, as far as possible, avoid detrimental or unreasonable  
 4 competition with existing railroad service or service  
 5 furnished by a motor carrier."

6 **Section 5.** Section 69-12-301, MCA, is amended to read:

7 **"69-12-301.** Classification of motor carriers. (1) Motor  
 8 carriers are hereby divided into four five classes to be  
 9 known as:

- 10 (a) Class A motor carriers;
- 11 (b) Class B motor carriers;
- 12 (c) Class C motor carriers;
- 13 (d) Class D motor carriers; and
- 14 (e) Class E motor carriers.

15 (2) Class A motor carriers ~~shall embrace~~ include all  
 16 motor carriers operating between fixed termini or over a  
 17 regular route and under regular rates or charges, based upon  
 18 either station-to-station rates or upon a mileage rate or  
 19 scale.

20 (3) Class B motor carriers ~~shall embrace~~ include all  
 21 motor carriers operating under regular rates or charges  
 22 based upon either station-to-station rates or upon a mileage  
 23 rate or scale and not between fixed termini or over a  
 24 regular route.

25 (4) Class C motor carriers ~~shall embrace~~ include all

1 motor carriers operating motor vehicles for distributing,  
 2 delivering, or collecting wares, merchandise, or commodities  
 3 or transporting persons, where the remuneration is fixed in  
 4 and the transportation service furnished under a contract,  
 5 charter, agreement, or undertaking.

6 (5) Class D motor carriers embraces include all motor  
 7 carriers operating motor vehicles transporting (including  
 8 pickup and disposal) ashes, trash, waste, refuse, rubbish,  
 9 garbage, and organic and inorganic matter.

10 (6) Class E motor carriers include all motor carriers  
 11 operating motor vehicles transporting logs IF THE  
 12 RENUMERATION IS FIXED IN AND TRANSPORTATION SERVICES ARE  
 13 FURNISHED UNDER A WRITTEN CONTRACT OR AGREEMENT."

14 NEW SECTION. Section 6. Class E motor carrier  
 15 certificate. (1) Class E motor carriers shall conduct  
 16 operations pursuant to a certificate of public convenience  
 17 and necessity issued by the commission authorizing the  
 18 transportation of logs. Class E motor carriers, when  
 19 applying for new or additional authority, shall file an  
 20 application with the commission in accordance with the  
 21 requirements of this chapter and the rules of the  
 22 commission.

23 (2) A motor carrier may not possess a Class E motor  
 24 carrier certificate or operate as a Class E motor carrier  
 25 unless the motor carrier actually engages in the

1 transportation of logs on a regular basis as part of the  
 2 motor carrier's usual business operation.

3 NEW SECTION. Section 7. Contracts for transportation  
 4 of logs by Class E motor carriers -- determination of rates  
 5 -- penalty. (1) A person or corporation proposing to  
 6 contract with a Class E motor carrier for the intrastate  
 7 transportation of logs shall at the time of the initial  
 8 contact regarding a specific job inform the carrier of the  
 9 time of payment and of any special conditions connected with  
 10 the job. Before the carrier picks up the load, the  
 11 information required under subsection (2) must be furnished  
 12 in writing to the carrier on a form developed by the  
 13 commission or on a form containing the same information  
 14 provided by the person proposing the contract.

15 (2) ~~Class E motor carriers may not operate with more~~  
 16 ~~than two contracts in effect at one time. Class E motor~~  
 17 ~~carrier contracts must be in writing and must be in effect~~  
 18 ~~for a minimum of 30 days. The commission shall by rule~~  
 19 ~~prescribe the provisions it determines are necessary for~~  
 20 ~~Class E motor carrier contracts, including but not limited~~  
 21 ~~to the rate to be charged and its method of calculation, the~~  
 22 ~~time and method of payment, any special conditions of~~  
 23 ~~loading or routes demanded by the shippers, and the time of~~  
 24 ~~performance.~~

25 (3) A person, corporation, or motor carrier violating

1 this section or a provision of a contract described in this  
 2 section is subject to a civil penalty, to be collected and  
 3 deposited in the general fund by the commission after notice  
 4 and hearing, in an amount not less than \$25 or more than  
 5 \$500 for the first violation and not less than \$25 or more  
 6 than \$1,000 for each subsequent violation.

7 NEW SECTION. Section 8. Form for contracts for  
 8 transportation of logs. The commission shall develop a form  
 9 that may be used by persons contracting with Class E motor  
 10 carriers as provided in [section 7]. The form must include  
 11 space for noting the rate and time of payment and for  
 12 listing any special conditions that may be included in the  
 13 contract. The commission shall make the forms available to  
 14 persons proposing to contract with a Class E motor carrier.

15 NEW SECTION. Section 9. Class E motor carrier  
 16 certificates for existing log transportation businesses. For  
 17 the period between October 1, 1991, and October 1, 1992, a  
 18 person or corporation engaged in the business of  
 19 transporting logs in Montana at any time between April 1,  
 20 1990, and October 1, 1991, is not subject to [section 6(1)]  
 21 and must be granted a statewide Class E motor carrier  
 22 certificate upon applying to the commission and submitting  
 23 proof that the person was engaged in transporting logs  
 24 between April 1, 1990, and October 1, 1991. The commission  
 25 shall develop and make available the necessary forms.

1 NEW SECTION. Section 10. Transportation of logs under  
 2 Class E authority only. A Class A, Class B, Class C, or  
 3 Class D motor carrier may not transport logs without first  
 4 obtaining Class E authority.

5 Section 11. Section 69-12-321, MCA, is amended to read:

6 "69-12-321. Hearing on application for motor carrier  
 7 certificate. (1) Upon the filing of such an application by a  
 8 Class A, Class B, Class C, or Class D, or Class E motor  
 9 carrier, except a Class C motor carrier authorized to  
 10 operate under the terms of a contract as provided in  
 11 69-12-324, or upon the filing of a request for a transfer of  
 12 authority, the commission shall give notice thereof of the  
 13 filing of the application to any interested party. The  
 14 commission shall fix a time and place for a hearing thereon  
 15 on the application whenever a protest or a request for a  
 16 hearing is received. The hearing ~~is to~~ must be set for a  
 17 date not later than 60 days after receipt of a protest or a  
 18 hearing request by the commission. Whenever no protests or  
 19 hearing requests are received, the commission may act on the  
 20 application without a hearing as prescribed by commission  
 21 rules.

22 (2) Any A motor carrier referred to in 69-12-322, the  
 23 department of highways, the governing board or boards of any  
 24 such county, town, or city into or through which the route  
 25 or service as proposed may extend, and any person or



1 corporation concerned are ~~hereby-declared-to-be~~ interested  
2 parties to the proceedings and may offer testimony for or  
3 against the granting of the certificate.

4 (3) The contracting parties referred to in 69-12-313(4)  
5 must appear and offer testimony in support of the applicant.

6 (4) However, an application by a Class A, Class B,  
7 Class C, ~~or Class D,~~ or Class E motor carrier for a  
8 certificate may be disallowed without a public hearing  
9 thereon when it appears from the records of the commission  
10 that the route or territory sought to be served by the  
11 applicant has previously been made the basis of a public  
12 investigation and finding by the commission that public  
13 convenience and necessity do not require the proposed motor  
14 carrier service unless it is made to affirmatively appear in  
15 the application by a recital of the facts that conditions  
16 obtaining over the route or in the territory and affecting  
17 transportation facilities therein have materially changed  
18 since ~~said~~ the previous public investigation and finding and  
19 that public convenience and necessity do now require the  
20 motor carrier operation."

21 **Section 12.** Section 69-12-322, MCA, is amended to read:

22 "69-12-322. Notice of hearing. (1) Whenever a hearing  
23 is scheduled, whether as a result of a protest or request or  
24 upon the commission's own motion, the commission shall cause  
25 a copy of the petition and notice of hearing thereon to be

1 served upon an officer or owner of any motor carrier that in  
2 the opinion of the commission might be affected by the  
3 granting of ~~any--such~~ the certificate and shall notify any  
4 other affected party at least 10 days before the date of  
5 hearing.

6 (2) Notice of ~~such~~ the hearing shall must be published:

7 (a) in the legal advertising section of a local  
8 newspaper or newspapers deemed determined by the commission  
9 to have a circulation sufficient to reach the consuming  
10 public in the area under consideration for applications for  
11 Class C or Class E authority and geographically limited  
12 Class B authority; and

13 (b) in appropriate newspapers deemed determined by the  
14 commission to have sufficient statewide circulation in the  
15 case of applications for Class A authority and  
16 geographically broad contemplated Class B authority."

17 **Section 13.** Section 69-12-407, MCA, is amended to read:

18 "69-12-407. Records and reports. (1) All records,  
19 books, accounts, and files of every Class A, Class B, Class  
20 C, ~~and Class D,~~ and Class E motor carrier in this state, so  
21 far as ~~the--same--shall~~ they relate to the business of  
22 transportation conducted by ~~such~~ the motor carrier, shall  
23 must at all times be subject to examination by the  
24 commission or by any authorized agent or employee of the  
25 commission. The commission shall prescribe a uniform system

1 of accounts and uniform reports covering the operations of  
 2 such Class A, Class B, Class C, and Class D, and Class E  
 3 motor carriers, and every motor carrier authorized to  
 4 operate as-such in accordance with the provisions of this  
 5 chapter shall keep its records, books, and accounts  
 6 according to such the uniform system, insofar as possible.

7 (2) Before April 1 of each year, unless this deadline  
 8 has been extended for good cause by the commission, every  
 9 motor carrier authorized to engage in such business shall  
 10 file with the commission a report, under oath, on a form  
 11 prescribed and furnished by the commission. Those carriers  
 12 filing an annual report with the interstate commerce  
 13 commission shall, in addition to filing the report  
 14 prescribed by the public service commission, submit to the  
 15 public service commission a copy of the annual report filed  
 16 with the interstate commerce commission. In addition to such  
 17 annual reports every motor carrier shall prepare and file  
 18 with the commission, at the time or times and in the form to  
 19 be prescribed by the commission, annual reports, special  
 20 reports, and statements giving to the commission such  
 21 information as it shall-require requires in order to perform  
 22 its duties under this chapter.

23 (3) In addition to other reporting requirements, the  
 24 commission shall require the holder of a Class D motor  
 25 carrier certificate to provide sufficient information to

1 show that the carrier is entitled to possess the Class D  
 2 motor carrier certificate under the requirements of  
 3 69-12-314.

4 (4) In addition to other reporting requirements, the  
 5 commission shall require the holder of a Class E motor  
 6 carrier certificate to demonstrate that the carrier is  
 7 entitled to possess the Class E motor certificate under the  
 8 requirements of [section 6]."

9 ~~Section 14--Section 69-12-501-MCA-is-amended-to-read:~~  
 10 ~~"69-12-501--Rate-schedules-to-be-maintained--(1)--Every~~  
 11 ~~Class--A, or Class B--or-Class-E motor-carrier-holding-a~~  
 12 ~~certificate-must-maintain-on-file-with-the-commission-a-full~~  
 13 ~~and--complete--schedule-of--its--rates,--fares,--charges,~~  
 14 ~~classifications,--and-rules-of-service--and--any--and--all--tariff~~  
 15 ~~provisions--relating--to--such the rates,--fares,--charges,~~  
 16 ~~classifications,--or--rules. Every--schedule--on--file--and~~  
 17 ~~approved--on--March--7--1961--shall--remain--in--full--force--and~~  
 18 ~~effect--until--changed--or--modified--by--the--commission--or--by--the~~  
 19 ~~carrier--with--the--approval--of--the--commission.~~

20 ~~(2)--No a change,--modification,--alteration,--increase,--or~~  
 21 ~~decrease--in--any--rate,--fare,--charge,--classification,--or--rule~~  
 22 ~~of--service--shall may--not be--made--by--any--motor--carrier~~  
 23 ~~without--first--obtaining--the--approval--of--the--commission. The~~  
 24 ~~commission--shall--prescribe--rules--providing--for--the--form--and~~  
 25 ~~style--of--all--schedules--and--tariffs--and--for--the--procedures--to~~

1 be---followed---in---filing---or---publishing---any---changes---or  
 2 modifications-of-the-same schedules-and-tariffs."  
 3 Section-15.---Section-69-12-502, MCA, is amended to read:  
 4 "69-12-502.---Prohibition---on---deviation---from---rate  
 5 schedules ---exception---It shall be Except-as-provided-in  
 6 69-12-201(4), it is unlawful for any Class A, or Class B, or  
 7 Class-B motor-carrier to charge, demand, receive, or collect  
 8 any-greater-or-less-rate, charge, or fare than that fixed by  
 9 the-commission-for-the-transportation-service-provided. When  
 10 Except-as-provided-in-69-12-201(4), when maximum-or--minimum  
 11 rates--have-been-established-for-any-service-provided-by-any  
 12 Class-C or-Class-B motor-carrier, it shall--likewise--be is  
 13 unlawful-for-such the carrier to charge, demand, receive, or  
 14 collect---any---greater---compensation--or--rate--than--that  
 15 established-for-the-service-by-any-applicable--maximum--rate  
 16 or--any--less--compensation-or-rate-than-that-established-by  
 17 any-applicable-minimum-rate. It also shall--be is unlawful  
 18 for--any--Class-A-or Class B-motor-carrier-or-any-Class-C or  
 19 Class-E motor-carrier-subject-to-maximum-or-minimum-rates-to  
 20 refund-or-remit, in-any-manner-or-by-any-device, any-portion  
 21 of-the-rates, fares, and-charges-required--to--be--collected  
 22 under--the--schedule--of-the-Class-A, or Class B, or-Class-B  
 23 motor carrier-on-file-with--the--commission--or--under--the  
 24 maximum--or--minimum-rates-established-by-the-commission-for  
 25 the-Class-C or-Class-B-motor carrier."

1 **Section 14.** Section 69-12-611, MCA, is amended to read:  
 2 "69-12-611. Leasing of power equipment. (1) All Class  
 3 A, Class B, Class C, and Class D, and Class E motor carriers  
 4 subject to the jurisdiction of the commission may lease  
 5 power equipment for the purpose of performing transportation  
 6 movements within the state. The leasing of such power units  
 7 must be in writing.  
 8 (2) All leases must contain:  
 9 (a) the full names and addresses of negotiating  
 10 parties;  
 11 (b) a complete description of each vehicle involved;  
 12 (c) a provision that the sole possession,  
 13 responsibility, control, and direction of each vehicle  
 14 resides with the lessee for the entire term of the lease;  
 15 (d) a provision that the lessee assumes full  
 16 responsibility for all regulatory fees;  
 17 (e) the amount of compensation to be paid for use of  
 18 the vehicle while under the lease and the method by which  
 19 such the compensation is determined;  
 20 (f) the renewal conditions of the lease, if any; and  
 21 (g) the term length of the lease.  
 22 (3) A copy of the lease must be maintained in each  
 23 leased vehicle at all times. Each leased power unit so  
 24 leased must display in a conspicuous place on both sides of  
 25 such the vehicle the identity and address of the lessor and

1 lessee and the certificate number under which the power unit  
2 is operating.

3 (4) The leasing of power units by an authorized carrier  
4 to a noncertificated carrier is prohibited."

5 NEW SECTION. Section 15. Codification instruction.  
6 [Sections 6 through 10] are intended to be codified as an  
7 integral part of Title 69, chapter 12, part 3, and the  
8 provisions of Title 69, chapter 12, part 3, apply to  
9 [sections 6 through 10].

10 NEW SECTION. Section 16. Effective dates --  
11 termination. (1) [Sections 1 and 3 through ~~10~~ 16] are  
12 effective on passage and approval.

13 (2) [Section 2] is effective January 1, 1997.

14 (3) [Section 9] terminates October 1, 1992.

-End-