

Decision No. 21163

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the establishment of regulations governing the handling of C.O.D. shipments and accounting for collections made thereon by "transportation companies" and "passenger stage corporations.")
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) Case No. 2676
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)

Frank Karr, R. E. Wedekind and L. B. Young,
for Pacific Electric Railway and Pacific Coast
Motor Coach Company, Interested parties.

A. A. Camile and F.M. Ford for California Transit
Company, Interested party.

Robert B. Toogood, for Pickwick Stages System,
Interested party.

Douglas Brookman, for United Parcel Service,
Interested party.

R. E. Holmes, for Holmes Express, Interested party.

CARR, Commissioner -

O P I N I O N

On April 8, 1929, the Railroad Commission of the State of California issued an order, on its own motion, instituting an investigation in the matter of establishing regulations governing the handling of C.O.D. shipments and accounting for collections made thereon by "transportation companies" and "passenger stage corporations" as such are defined by the Public Utilities Act and the Auto Stage and Truck Transportation Act. The order was issued following receipt of numerous complaints that C.O.D. collections were not properly handled by carriers to the detriment of shippers.

A public hearing was held in the Courtroom of the Commission on May 21, 1929, at which time the matter was taken under submission.

In its notice to carriers advising of the institution of the investigation and of the hearing thereon the Commission gave notice that it proposed to issue a general order governing C.O.D. collections, reading as follows:

"IT IS HEREBY ORDERED that each automotive 'transportation company' as defined in the Auto Stage and Truck Transportation Act, and each 'passenger stage corporation' as defined in the Public Utilities Act, handling C.O.D. shipments shall, immediately upon collection of any and all moneys, and in no event later than ten (10) days after delivery to the consignee, unless consignor instructs otherwise, remit to the consignor all moneys collected by it on such shipment."

No opposition to the promulgation of said order was developed, the discussion of the proposed order revealing, rather, an agreement with its purpose. Such changes as were suggested, with particular reference to a requirement as to payments by consignees in cash or by certified check, can best be taken care of by such rules as the carriers may deem it advisable to publish in their tariffs. The proposed order should, however, be amended so as to require publication in the tariffs of the carriers affected of the C.O.D. rule proposed in said order.

Full consideration of the record adduced at the public hearing justifies, in my opinion, the issuance by the Railroad Commission of the order amended in accordance with the findings herein. The following form of order is recommended:

O R D E R

An investigation having been instituted on the Commission's own motion into the method of handling C.O.D. collections by transportation companies and automotive passenger stage corporations as such are defined by the Public Utilities Act and the Auto Stage and Truck Transportation Act and the establishment by general order of regulations governing C.O.D. collections, a public hearing having

been held and the matter being under submission and ready for decision,

THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA HEREBY FINDS AS A FACT that certain rules and regulations governing collections on C.O.D. shipments and the making of returns thereon as prescribed in this Commission's proposed general order, as set forth herein, are just and reasonable. Therefore,

IT IS HEREBY ORDERED that from and after the effective date of this order the following rule shall be in full force and effect. Said regulations shall be known as General Order No. 84.

"IT IS HEREBY ORDERED that each automotive 'transportation company' as defined in the Auto Stage and Truck Transportation Act, and each 'passenger stage corporation' as defined in the Public Utilities Act, handling C.O.D. shipments shall, immediately upon collection of any and all moneys, and in no event later than ten (10) days after delivery to the consignee, unless consignor instructs otherwise, remit to the consignor all moneys collected by it on such shipment.

IT IS HEREBY FURTHER ORDERED that the above C.O.D. rule be published in the tariffs of the respective carriers within a reasonable time."

The effective date of this order shall be June 10, 1929, 1929.

The foregoing opinion and order are hereby approved and ordered filed as the opinion and order of the Railroad Commission of the State of California.

Dated at San Francisco, California, this 28 day of May, 1929.

Paul S. Lott
Chairman
Leon O. White
W. J. Linn
COMMISSIONERS.