

**ORIGINAL**

Decision No. 68973

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Investigation )  
into the rates, rules, regulations; )  
charges, allowances and practices )  
of all common carriers, highway )  
carriers and city carriers relating )  
to the transportation of any and )  
all commodities between and within )  
all points and places in the State )  
of California (including, but not )  
limited to, transportation for which )  
rates are provided in Minimum Rate )  
Tariff No. 15). )

Case No. 7783

SUPPLEMENTAL OPINION AND ORDER

By Decision No. 68779, dated March 23, 1965, in Case No. 7402, the Commission adopted General Order No. 84-F and found, among other things, that the Commission's minimum rate tariffs should be amended by establishing therein the rules governing C.O.D. shipments as set forth in General Order No. 84-F and that the tariff changes should be made effective concurrently with the effective date of said general order.

IT IS ORDERED that:

1. Minimum Rate Tariff No. 15 (Appendix D to Decision No. 65072, as amended) is hereby further amended by incorporating therein, to become effective June 1, 1965, the pages which are attached hereto and by this reference made a part hereof, viz.:

Second Revised Page 11  
First Revised Page 11-A

2. Common carriers subject both to General Order No. 84-F and to said Decision No. 65072, as amended, to the extent that they

elect to transport collect on delivery (C.O.D.) shipments, are hereby directed to establish in their tariffs provisions necessary to conform with the rules established by this order.

3. Tariff publications required to be made by common carriers as a result of the order herein may be made effective not earlier than the tenth day after the effective date of this order, on not less than ten days' notice to the Commission and to the public and shall be made effective not later than June 1, 1965.

4. In all other respects the aforesaid Decision No. 65072, as amended, shall remain in full force and effect.

This order shall become effective twenty days after the date hereof.

Dated at San Francisco, California, this 27th day of April, 1965.

Frederick B. Halbach  
President  
Arthur E. Mitchell  
Attorney  
William B. Beaudin  
Commissioners

I dissent.  
George G. Grover

SECTION NO. 1 - RULES AND REGULATIONS (Continued)	Item No.
<p data-bbox="426 440 1136 509" style="text-align: center;">COLLECT ON DELIVERY (C.O.D.) SHIPMENTS (Items Nos. 110 and 111)</p> <p data-bbox="216 537 1339 733">1. A collect on delivery shipment, hereinafter referred to as a C.O.D. shipment, means a shipment upon which the consignor has attached, as a condition of delivery, the collection of a specific sum or sums of moneys by the carrier making delivery thereon and the return of said moneys to the consignor or other payee designated by the consignor.</p> <p data-bbox="216 761 1339 983">2. No carrier shall handle C.O.D. shipments unless and until it has on file with the Commission a good and sufficient bond in such form as the Commission may deem proper, in a sum of not less than Two Thousand Dollars (\$2,000). The principal amount of the bond of any particular carrier may be increased from time to time where the Commission finds that the public interest so requires.</p> <p data-bbox="216 1011 1339 1587">3. The bond required by paragraph 2 hereof shall be filed by the carrier as principal and by a qualified surety insurer, authorized to do business in the State of California, as surety, payable to any person or persons to whom any amount may be due on any C.O.D. shipment transported by the carrier and not remitted to the person or persons to whom it is due within 10 days after delivery of any such C.O.D. shipment; that each bond filed pursuant to the foregoing shall specify the extent to which the carrier's operations are covered thereby; that such a bond may cover more than one operative authority held by the same carrier; that when a carrier with such a bond on file with the Commission obtains additional operative authority, said bond shall be revised or reissued to show whether or not the additional operative authority is covered thereby; and that the name of the carrier's surety company in any bond filed pursuant hereto will be made public by the Commission upon reasonable request therefor.</p> <p data-bbox="216 1615 1339 2033">4. The term of the bond shall include: that any person or persons to whom an amount may be due on any C.O.D. shipment transported by a carrier and not remitted within 10 days after delivery of said shipment may file a claim therefor with the surety; that upon the filing of the claim, the surety shall notify the Commission and the carrier in writing of such filing; that such notification to the Commission shall be addressed to the Public Utilities Commission of the State of California at its office in San Francisco; that suit against the surety shall be commenced within one year after the date the shipment was tendered to the carrier; and that the surety waives any rights it may have under Section 2845 of the Civil Code of the State of California.</p> <p data-bbox="216 2061 1339 2219">5. The bond required herein may be canceled by the surety by written notice to the Public Utilities Commission of the State of California at its office in San Francisco, such cancellation to become effective thirty days after receipt of said notice by the Commission.</p>	8110

ø6. Claims arising from failure to remit C.O.D. moneys may be filed by any person or persons to whom an amount may be due directly against the surety company and any suits against the surety must be commenced within one year from the date the shipment was tendered.

ø7. The name and address of the surety company may be obtained from the Public Utilities Commission, State Building, San Francisco, California 94102.

Δ8. The bond prescribed herein shall not be required of carriers while engaged as independent-contractor subhaulers; or city carriers operating within lawfully established pickup and delivery limits as agents of a common carrier in the performance for such common carrier of transfer, pickup or delivery services provided for in the lawfully published tariffs of such common carrier.

(Continued in Item No. 111)

ø Change	}	Decision No. 68973
Δ Change, neither increase		
nor reduction		

EFFECTIVE JUNE 1, 1965

Issued by the Public Utilities Commission of the State of California,  
San Francisco, California.  
Correction No. 40

SECTION NO. 1 - RULES AND REGULATIONS (Continued)	Item No.
<p data-bbox="376 402 1301 479">COLLECT ON DELIVERY (C.O.D.) SHIPMENTS (Concluded) (Items Nos. 110 and 111)</p> <p data-bbox="218 537 1120 575">69. Every carrier handling C.O.D. shipments shall:</p> <ul style="list-style-type: none"><li data-bbox="317 601 1258 830">(a) Establish and maintain a separate bank account or accounts wherein all moneys (other than checks or drafts payable to consignor or payee designated by consignor) collected on C.O.D. shipments will be held in trust until remitted to payee, except C.O.D. moneys which are remitted within five days after delivery.</li><li data-bbox="317 856 1258 1276">(b) Establish and maintain a record or records of all C.O.D. shipments in such manner and form as will plainly and readily show the following information with respect to each shipment:<ul style="list-style-type: none"><li data-bbox="416 983 1093 1021">(1) Number and date of freight bill.</li><li data-bbox="416 1021 1202 1085">(2) Name and address of consignor or other person designated as payee.</li><li data-bbox="416 1085 1060 1123">(3) Name and address of consignee.</li><li data-bbox="416 1123 944 1161">(4) Date shipment delivered.</li><li data-bbox="416 1161 1126 1200">(5) Amount of C.O.D. moneys collected.</li><li data-bbox="416 1200 1011 1238">(6) Date C.O.D. moneys remitted.</li><li data-bbox="416 1238 1176 1276">(7) Check number or other identification of remittance to payee.</li></ul></li><li data-bbox="317 1302 1275 1658">(c) Collect the full amount of the C.O.D. moneys at the time C.O.D. shipments are delivered to the consignee and remit all such collections to consignor, or to other persons designated by the consignor on such shipments, promptly and in no event later than 10 days after delivery to the consignee, unless consignor instructs otherwise in writing. All remittances for C.O.D. shipments shall refer to or otherwise identify the C.O.D. shipment or shipments covered by the remittance.</li><li data-bbox="317 1684 1285 1824">(d) Not accept checks or drafts (other than certified checks, cashier's checks, or money orders) in payment of C.O.D. charges unless authority has been received from the consignor.</li><li data-bbox="317 1849 1357 2232">(e) Notify the consignor immediately if a C.O.D. shipment is refused or cannot be delivered on the carrier's initial attempt. Upon instructions from the consignor the carrier may attempt subsequent deliveries, the charge for each such delivery, or attempted delivery, being determined by the applicable freight charges from carrier's terminal to the point of destination. The carrier may also return the shipment to the consignor upon his request, subject to a charge equal to the applicable freight charges on the original outbound movement.</li></ul>	<p data-bbox="1374 1263 1450 1302">6111</p>

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Δ10. If, in any particular case, exemption or deviation from any of the requirements herein is deemed necessary by the carrier concerned, the Commission will consider the application of such carrier for such exemption or deviation when accompanied by a full statement of the conditions existing and the reasons why such exemption or deviation is considered necessary.

Δ11. A carrier not electing to undertake transportation of C.O.D. shipments shall be deemed to have given notice of such election by not filing the bond provided for herein for carriers handling such shipments.

∅ Change  
Δ Change, neither increase nor reduction } Decision No. 68973  
\*\*\* Paragraph eliminated }

EFFECTIVE JUNE 1, 1965

Issued by the Public Utilities Commission of the State of California,  
San Francisco, California.  
Correction No. 41