

ORIGINAL

Decision 93328 JUL 22 1981

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application)
of MARVEY CHAPMAN, DBA 'ROUND)
TOWN TOURS, for a Certificate of)
Public Convenience and Necessity)
to operate an On-Call Historical)
and Cultural Sightseeing Tour)
Service of Los Angeles,)
California.)

Application 59433
(Filed February 6, 1980)

FINAL OPINION

By Decision (D.) 91933 issued June 17, 1980, Marvey Chapman, dba 'Round Town Tours ('Round Town), was granted authority on an interim basis as a passenger stage corporation for the purpose of transporting passengers by bus on five different historical and cultural sightseeing tours of Los Angeles. Furthermore, 'Round Town was exempted from liability insurance coverage requirements of General Order 101-C.

The application was authorized on an interim basis since the Commission, at that time, was addressing in two separate proceedings the question of whether it possessed jurisdiction over providers of tour services, such as 'Round Town, who charter both the necessary equipment and the driver from an independent bus company on a per hour or per diem basis. In D.92691 and 92455 the Commission determined that such activity constitutes operations as a passenger stage corporation and requires a certificate of public convenience and necessity from the Commission. 'Round Town possesses such a certificate on an interim basis. Today, we will make our grant of authority permanent.

After our grant of temporary authority to 'Round Town in D.91933, we issued D.92675 on February 4, 1981, which denied a request for an exemption from the liability insurance coverage requirements of General Order 101-C. The Commission's rationale for the denial was stated as follows:

"The Commission requires passenger carriers to carry minimum levels of public liability and property damage insurance in order to protect their passengers, and other persons in the event of a loss of life or property. While it is true that the Commission's minimum insurance requirements for passenger stage corporations (G.O. 101-C) and for charter party carriers (G.O. 115-B) are similar, there is simply no assurance that the public will, in fact, receive such protection unless there is on file in the Commission's offices a Certificate of Insurance of the appropriate type and levels of coverage, in the name of, and covering the activities of the operating carrier in question. If we were to grant the request, we would be exposing the public to the risk that, at an inopportune moment, the tour bus could be involved in an accident with either no insurance coverage in effect (eg: through the unintentional utilization of an uninsured vehicle), or with coverage of questionable applicability and/or scope (eg: the insurance company which issued a charter party policy to carrier 'A' may not have envisioned that it was also assuming exposure for losses incurred in the point-to-point per capita passenger stage operations conducted by the operator)."

The logic of this rationale and the need for consistent application of regulatory principles compels us to revoke the exemption granted 'Round Town from the liability insurance coverage requirements of General Order 101-C, and 'Round Town will be required to provide the insurance coverage prescribed in General Order 101-C within 90 days of today's date.

Conclusions of Law

1. 'Round Town should be granted permanent authority to operate as a passenger stage corporation.
2. 'Round Town's exemption from the liability insurance coverage requirements of General Order 101-C should be revoked.

FINAL ORDER

IT IS ORDERED that:

1. The temporary certificate of public convenience and necessity granted in D.91933 to Marvey Chapman, dba 'Round Town Tours, to operate as a passenger stage corporation, under Public Utilities Code Section 1032, for the purpose of transporting passengers by bus on five different historical and cultural sightseeing tours of Los Angeles is made permanent.
2. The exemption from the liability insurance coverage requirements of General Order 101-C granted to applicant in D.91933 is rescinded.

3. Within 90 days of today's date, applicant shall demonstrate to the Commission staff her compliance with the liability insurance coverage requirements of General Order 101-C.

This order becomes effective 30 days from today.

Dated JUL 22 1981, at San Francisco, California.

John E. Quinn
President
Richard J. Boyle
Leonard J. ...
Arthur ...
Paula M. ...
Commissioners