

R E S O L U T I O N

RESOLUTION ADOPTING ENFORCEMENT PROCEDURES AND FINES AND
PENALTIES THAT WILL BE CONSIDERED BY THE COMMISSION AND
THE TRANSPORTATION DIVISION STAFF IN DISPOSING OF VIOLATIONS
COMMITTED UNDER THE GENERAL FREIGHT REREGULATION PROGRAM

WHEREAS: The success of the new general freight regulatory program we adopted in Decision 86-04-045 depends largely upon voluntary compliance by both carriers and shippers alike with the rules and regulations we promulgate.

WHEREAS: We believe that adherence to such rules and regulations will be enhanced by announcing in advance the enforcement procedures that will be used and the fines and penalties that will be considered by the Commission and the staff in disposing of violations.

THEREFORE, BE IT RESOLVED:

1. Under our general freight reregulation program we will continue to authorize the Transportation Division staff to informally process violations by imposing punitive fines not exceeding \$5,000 through the citation forfeiture procedure, and/or by levying fines in the amount of the undercharges under the undercharge citation procedure. The staff may invoke these procedures without giving carriers any prior warning. The Commission, as a matter of policy, will strongly consider issuance of a formal investigatory order when the allegations specified in the staff citations are denied by carriers.
2. We will also consider the issuance of investigatory orders on cases involving voluminous undercharges and on flagrant violations, where maximum punitive fines are sought, including cases which in the opinion of the staff, warrant the strongest possible action, i.e., the suspension of the carrier's operating authority.

3. We will also consider the exercise of the authority vested in us by Section 3804.1 of the Public Utilities Code by imposing penalties up to the statutory maximum amount upon culpable shippers that violate Sections 3669 or 3670 of the Public Utilities Code.
4. To ensure that fines will not be considered by carriers as a mere cost of doing business, as a matter of policy we will drastically restrict the granting of authorization to pay the punitive fines in installments.

The effective date of this resolution is the date hereof.

I hereby certify that the foregoing resolution was duly introduced, passed and adopted at a regular meeting of the Public Utilities Commission of the State of California, held on SEP 17 1986.

The following Commissioners voted favorably:



Executive Director

DONALD VIAL
President
VICTOR CALVO
PRISCILLA C. GREW
FREDERICK R. DUDA
STANLEY W. HULETT
Commissioners