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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Investigation on the Commission's
own motion into the operations and
practices of Econo Line Express, a
corporation, and John D. Jacobs an
individual formerly doing business
as Econo Line Freight Systems,

Respondents.

FILED
PUBLIC UTILITIES COMMISSION
April 22, 1992
SAN FRANCISCO OFFICE
I.92-04-021

ORDER INSTITUTING INVESTIGATION

ECONO LINE EXPRESS, a California corporation, (Econo Line) whose mailing address is Post Office Box 6044, Fremont, California 94538, and whose physical address is 880 North Eighth Street, San Jose, CA 95112, is engaged in the business of transporting property over the public highways of this state for compensation. Econo Line operates pursuant to a Highway Contract Carrier Permit, issued April 29, 1968 and a Highway Common Carrier Certificate, issued April 30, 1980 (T-89,081).

JOHN D. JACOBSON, an individual formerly doing business as Econo Line Freight Systems, (Jacobson) whose mailing address is Post Office Box 578, San Jose, California 95106, and whose physical address is 880 North Eighth Street, San Jose, California 95112, was engaged in the business of transporting property over the public highways of this state for compensation. Jacobson operated pursuant to a Highway Common Carrier Certificate, issued January 19, 1988 and revoked December 1, 1991 (T-157,742). Jacobson is Vice-President of respondent Econo Line.

It appears that the Department of the California Highway Patrol (CHP), pursuant to Vehicle Code Section 34505.6, requested that we suspend respondent Econo Line's operating authority for consistent failure to comply with the Vehicle Code and Title 13 of the California Code of Regulations relative to

motor carrier safety and that, in response thereto, we suspended respondent Econo Line's highway common carrier certificate and highway contract carrier permit as required by P.U. Code Sections 1070.5 and 3774.5.

It further appears that respondent Econo Line may have operated as a Highway Contract Carrier and/or a Highway Common Carrier providing transportation services over the public highways of this state for compensation, during a period in which its operating authority was suspended, in violation of Public Utilities Code (P.U. Code) Sections 3775 and/or 1063.

It further appears that respondents Econo Line and Jacobson may have entered into lease agreements whereby possession and control of motor vehicles may have been transferred from Econo Line to Jacobson for the purpose of evading regulation in violation of General Order No. 130.

It further appears that on June 12, 1991, the Transportation Division staff served upon respondent Econo Line a citation forfeiture proposing a fine in lieu of formal action and that since that time Econo Line has failed to either pay the fine, request a hearing or present an adequate explanation for its failure to respond.

Good Cause appearing; therefore,

IT IS ORDERED that an investigation on the Commission's own motion is hereby instituted into the operations, rates, charges, and practices of respondents Econo Line and Jacobson for the purpose of determining:

1. Whether respondent Econo Line has violated P.U. Code Sections 1063 or 3775 or both of them by operating during a period in which its highway common carrier certificate and highway contract carrier permit were suspended.

2. Whether respondent Econo Line has violated P.U. Code Sections 702 or 3737 or both of them by transferring possession and control of motor vehicles to respondent Jacobson for the purpose of evading regulation.

3. Whether respondent Jacobson has violated P.U. Code Section 702 by receiving from respondent Econo Line possession and control of motor vehicles for the purpose of evading regulation.

4. Whether any or all of respondent Econo Line's operating authority should be cancelled, revoked, or suspended, or in the alternative, a fine imposed pursuant to Sections 1070 and 3774 of the Code.

5. Whether respondents should be ordered to cease and desist from any and all unlawful operations and practices.

6. Whether any other orders that may be appropriate should be entered in the lawful exercise of the Commission's jurisdiction.

A public hearing in this matter shall be held before an Administrative Law Judge of the Commission at a time and place to be determined, at which time and place all interested parties may appear and be heard.

The Executive Director is directed to cause a certified copy of this order to be personally served on each respondent.

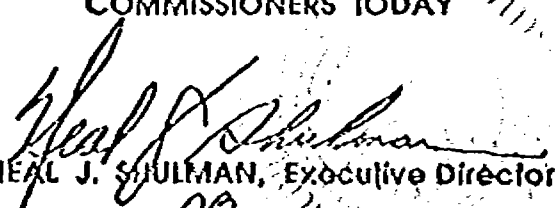
This order is effective today.

Dated April 22, 1992, at San Francisco, California.

DANIEL Wm. FESSLER
President

JOHN B. OHANIAN
PATRICIA M. ECKERT
NORMAN D. SHUMWAY
Commissioners

I CERTIFY THAT THIS DECISION
WAS APPROVED BY THE ABOVE
COMMISSIONERS TODAY


NEAL J. SHULMAN, Executive Director