

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Resolution No. M-4748

{ RESOLUTION ADOPTING LEVEL OF TRANSPORTATION }
{ RATE FUND FEE THAT SHOULD BE IMPOSED }
{ FOR FISCAL YEAR 1988-89 }

Section 5003.1 of the Public Utilities Code Provides:

"Every express corporation, freight forwarder, motor transportation broker, and every person or corporation owning or operating motor vehicles in the transportation of property for hire upon the public highways under the jurisdiction of the commission shall, at the time of the filing such report, pay to the commission a fee equal to one-third of one percent of the amount of such gross operating revenue; provided, however, that for any particular fiscal year the commission, with the approval of the Department of Finance, may fix said fee at less than one-third of one percent of said amount."

Public Utilities Code Section 5003.2 (Amended Chapter 381, Statutes of 1987) provides:

5003.2 (a) Notwithstanding Section 5003.1, the commission shall require every highway carrier otherwise subject to Section 5003.1 for whom the commission does not establish minimum rates, or requires rates to be on file with the commission, to pay a fee equal to 1/10 of 1 percent of the amount of gross operating revenue. This reduced fee shall remain in effect until June 30, 1988.

(b) Until June 30, 1988, the commission may raise the fee imposed by Section 5003.1 upon those persons and corporations subject to that section for whom the commission establishes minimum rates or requires rates to be on file, up to a maximum of one-half of 1 percent of gross operating revenue, if the commission decides this increase is necessary to maintain adequate financing during this period.

The Transportation Rate Fund Fee for the 1987-88 fiscal year is 1/10 of 1% of gross operating revenue for all carriers whose rates are not regulated by this Commission, and 1/3 of 1% of gross operating revenue for those carriers whose rates are subject to regulation by the Commission. The Commission finds that for fiscal year 1988-89 the Transportation Rate Fund Fee should be set as follows:

- o One-tenth of one percent (.001) of gross operating revenue for all highway carriers of property, if AB 4561 is not signed into law; or

- o One-tenth of one percent (.001) of gross operating revenue for highway carriers of property whose rates are not regulated by the Commission, and two-tenths of one percent (.002) of gross operating revenue for highway carriers of property whose rates are regulated, if AB 4561 is signed into law.

IT IS ORDERED that:

For the fiscal year 1988-89, the fee provided for in Sections 5003.1 and 5003.2 of the Public Utilities Code is hereby fixed as follows:

- o One-tenth of one percent (.001) of gross operating revenue for all highway carriers of property, if AB 4561 is not signed into law; or
- o One-tenth of one percent (.001) of gross operating revenue for highway carriers of property whose rates are not regulated by the Commission, and two-tenths of one percent (.002) of gross operating revenue for highway carriers of property whose rates are regulated, if AB 4561 is signed into law.

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on JUN 8 1988. The following Commissioners approved it:

STANLEY W. HULETT
President
DONALD VIAL
FREDERICK R. DUDA
G. MITCHELL WILK
JOHN B. OHANIAN
Commissioners



VICTOR WEISSER
Executive Director

1988-89 FUND CONDITION

TRANSPORTATION RATE FUND

Gross revenue subject to fee (000s):

1st quarter, 1987-88	\$1,403,286
2nd quarter, 1987-88	1,603,258
3rd quarter, 1986-87	1,368,935
4th quarter, 1986-87	1,213,210
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Total	\$5,588,689

Estimated reserve, July 1, 1988 \$10,181,000

Revenues:

Quarterly fees:

1st quarter:

Rate-regulated (0.00333)	\$3,037,000
Rate-exempt (0.0010)	491,000
*2nd-4th quarters (0.0010)	4,185,000

Total, quarterly fees \$7,713,000

Quarterly fees (\$10)	911,000
Penalties	339,000
Regulatory licenses	1,994,000
Sale of documents	324,000
Income from SMIF	734,000
Interest income on loans	1,262,000
Miscellaneous	2,000

Total, Revenues \$13,279,000

Transfers:

From FUC Trans Reimb Acct, Ch 221/84 (loan repayment)	1,500,000
From FUC Utils Reimb Acct, Ch 221/84 (loan repayment)	1,700,000

Total, Resources \$26,660,000

Expenditures:

1988-89 Governor's Budget	\$18,188,000
Legislative changes	-202,000
Estimated 1988-89 employee compensation adjustment	288,000

Total, Expenditures \$18,274,000

Estimated Reserve, June 30, 1989 \$8,386,000

* Assumes AB 4561 does not become law

1988-89 FUND CONDITION

TRANSPORTATION RATE FUND

Gross revenue subject to fee (000s):

1st quarter, 1987-88	\$1,403,286
2nd quarter, 1987-88	1,603,258
3rd quarter, 1986-87	1,368,935
4th quarter, 1986-87	1,213,210
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Total	\$5,588,689

Estimated reserve, July 1, 1988 \$10,181,000

Revenues:

Quarterly fees:

1st quarter:

Rate-regulated (0.00333) \$3,037,000

Rate-exempt (0.0010) 491,000

*2nd-4th quarters:

Rate-regulated (0.0020) 5,441,000

Rate-exempt (0.0010) 1,465,000

Total, quarterly fees

\$10,434,000

Quarterly fees (\$10) 911,000

Penalties 339,000

Regulatory licenses 1,994,000

Sale of documents 324,000

Income from SMIF 734,000

Interest income on loans 1,262,000

Miscellaneous 2,000

Total, Revenues

\$16,000,000

Transfers:

From FUC Trans Reimb Acct,
Ch 221/84 (loan repayment) 1,500,000From FUC Utils Reimb Acct,
Ch 221/84 (loan repayment) 1,700,000

Total, Resources

\$29,381,000

Expenditures:

1988-89 Governor's Budget \$18,188,000

Legislative changes -202,000

Estimated 1988-89 employee
compensation adjustment 288,000

Total, Expenditures

\$18,274,000

Estimated Reserve, June 30, 1989 \$11,107,000

* Assumes AB 4561 becomes law

AMENDMENTS TO AB 4561 (POLANCO) AS INTRODUCED FEBRUARY 19, 1988

AMENDMENT 1

On Page 2 strike Lines 1-18 and insert a new Section 1 as follows:

"SECTION 1. Section 5003.2 of the Public Utilities Code is amended to read:

5003.2 (a) Notwithstanding Section 5003.1, the commission shall require every highway carrier otherwise subject to Section 5003.1 for whom the commission does not establish minimum rates, or require rates to be on file with the commission, to pay a fee equal to 1/10 of 1 percent of the amount of gross operating revenue. ~~This reduced fee shall remain in effect until July 1, 1988.~~

(b) ~~Until July 1, 1988,~~ The commission may raise the fee imposed by Section 5003.1 upon those persons and corporations subject to that section for whom the commission establishes minimum rates or requires rates to be on file, up to a maximum of one-half of 1 percent of gross operating revenue, if the commission decides this increase is necessary to maintain adequate financing ~~during this period.~~

(c) ~~From July 1, 1987, to June 30, 1987, the commission shall conduct a study to determine the actual costs to the commission for the services it is required to provide, or does provide, to highway carriers subject to Section 5003.1 for whom the commission does not establish minimum rates or require rates to be on file with the commission, the Department of Finance, and representatives of the carrier industry shall assess the results of the study, to advise whether a permanent reduced fee for highway carriers should be established."~~

AMENDMENT 2

On Page 2, insert Section 2 as follows:

"This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to extend the program which expires on June 30, 1988, it is necessary that this act take effect immediately."

March 29, 1988