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PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

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Transportation Division
PR 86.131
October 1, 1986
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R E S O L U T I O N

RESOLUTION EXTENDING MORATORIUM ON ISSUING AUTHORITIES
TO NEW CHARTER PARTY CARRIERS OF PASSENGERS

By Resolution No. FE-2320 dated June 25, 1986, we established a temporary moratorium on issuing new charter party authorities. We took that action based on concern for the public safety aspects of charter party passenger carrier operations. As we noted then, the rapid increase in the number of charter carriers in recent years has strained the oversight capabilities of the Commission and other agencies more directly charged with safety-related responsibilities. We also directed staff to conduct safety workshops and to report back to the Commission by September 30, 1986.

The workshops were held on July 21 and 25, and the staff report has been received. The staff report reviews several dozen ideas for improving passenger carrier safety. The report recommends approximately twenty of these ideas to us for policy determinations. The report notes that several of the more substantial proposals are addressed in legislation which was pending at the time of its preparation and that these would, if signed into law, require further time for implementation. The remaining safety ideas also require some additional time for review and policy decisions. Several of the ideas would require work with other state agencies and/or additional legislation, and nearly all of them would require additional resources before they could be effectively implemented. Resources are subject to the state budgetary process and this requires additional time, too.

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In the meanwhile, the same safety concerns that existed on June 25, 1986, continue unchanged today. Accordingly, a temporary extension of the moratorium on new charter authorities is necessary now. We are of the view, however, that provision should be made on equity grounds for review of applications where genuine hardship exists as consequence of the imposition of the moratorium on June 25th. Also, public need does exist for the so-called "courtesy" transportation services utilizing small vehicles that are conducted by bona-fide hotels, motels, parking lots, and the like, for their customers, and we will provide for the issuance of charter permits to these businesses for these purposes. These permits shall be subject to all existing and future safety requirements.

IT IS ORDERED that

1. The moratorium on new charter-party permits and certificates and on transfers of existing charter certificates under the Passenger Charter-party Carriers Act, Public Utilities Code Sections 5351 et seq., is continued and shall remain in effect until December 3, 1986, and may be extended by subsequent action of the Commission.

2. Exceptions to this moratorium may be granted in any of the following circumstances:

a. in an emergency situation such as a vital public need that cannot be met by existing carriers,

b. for bona-fide hotels, motels, parking lots, and other businesses which seek charter permits under PU Code Section 5385(a) to transport their customers on a "courtesy" basis in vehicles of 15 passengers or less, and for no other purposes, and

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c. in instances of genuine hardship as where the applicant purchased equipment in reasonable anticipation of receiving charter authority. The applicant shall be otherwise qualified and shall comply with all applicable statutes, rules and regulations, including any that may be forthcoming as a result of this safety investigation or otherwise.

3. Staff is directed to process applications meeting the requirement of category 2(b) above in accordance with the regular procedures for staff-delegated administration of charter authorities. Applicants seeking exemption under categories 2(a) or 2(c) shall file their applications formally with the Docket Office for Commission decision.

This matter did not appear on the Commission's public agenda. However, due to the urgency of passenger carrier safety at this time, this matter is being treated as an emergency under Section 306(b) of the Public Utilities Code.

This resolution is effective today. OCT 1 1986

I certify that this resolution was adopted by the Public Utilities Commission at its regular meeting on October 1, 1986. The following Commissioners approved it:



Executive Director

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