

STATE OF CALIFORNIA PUBLIC UTILITIES COMMISSION
LICENSE SECTION



**WHAT KIND OF PASSENGER CARRIER AUTHORITY
DO I NEED?**

Who should read this information?

If you are transporting passengers over California public streets and highways, and are not sure if you need any kind of permit or certificate (authority) from the CPUC, or *what* kind you need, the answers to your questions are probably here. Please read all of this information before you begin filling out an application, and before you contact the CPUC License Section with questions. You will also find information at the end to get you off to a good start if you do decide to apply. Thank you!

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Abbreviations used

CPUC	California Public Utilities Commission
PUC	Public Utilities Code, the California code containing provisions defining and regulating the types of passenger carriers operating under CPUC jurisdiction
PUC§	Public Utilities Code Section
PSC	Passenger Stage Corporation
TCP	Transportation Charter Party. This can refer to a charter-party carrier, a charter-party permit or certificate, or a charter-party carrier number—the number assigned to a TCP carrier by the License Section.

Will you perform California intrastate transportation?

California intrastate transportation is transportation that begins and ends in California, and does not cross any state line in between. Note that the CPUC has jurisdiction only over transportation that moves over *public* highways and streets. If transportation is conducted only on private property, such as an airport, then no CPUC authority is required.

If you will perform *any* California intrastate transportation, even occasionally, then you *may* be one (or more) of the types of passenger carriers regulated by the CPUC, described below. The following information is designed to help you determine whether you need CPUC authority, and if so, what kind you need.

If you will not perform any California intrastate transportation, then you do not need CPUC authority. Read the section immediately below about interstate transportation. The rest will not apply to you.

Will you perform interstate transportation?

Interstate transportation is transportation that crosses a state line, even if the trip begins and ends in one state, like California. Interstate transportation is *not* under the jurisdiction of the California Public Utilities Commission (CPUC) but may require authority from the federal government. If you will perform *any* interstate transportation, ask the Federal Motor Carrier Safety Administration (FMCSA—part of the U.S. Department of Transportation) whether you will need federal authority:

Mailing Address: FMCSA
1200 New Jersey Avenue SE
Washington, DC 20590

Phone: (800) 832-5660 TTY: (800) 877-8339

Web site: www.fmcsa.dot.gov

Will you perform both interstate and intrastate transportation?

If you will perform both interstate and intrastate transportation, you may need both federal and CPUC authority. Ask the FMCSA whether you require federal authority, and read the information below to determine whether your intrastate transportation requires CPUC authority.

Everything that follows assumes that you will perform at least some California intrastate transportation of passengers. In doing so, you may be one (or more) of the following types of carriers, requiring CPUC authority:

1. A **passenger stage corporation** (requires a certificate)
2. A **charter-party carrier** (there are several types of certificates and permits, described in detail below)
3. A **private carrier** (requires private carrier registration).

The information on the following pages will help you determine which of these three types of passenger carriers you will be, if any. As you will see, this can be a complicated question, so please read all of the information provided. Also, you may intend to perform more than one type of transportation that may require more than one type of authority. **IMPORTANT NOTE:** Certain types of transportation are specifically exempt from regulation as passenger stage or charter-party transportation, even though they may otherwise fit the definition. If you think you may be a PSC or TCP carrier, don't make up your mind until you read everything below.

Will I need separate authorities for each vehicle I will operate?

No. Whether you are a passenger stage corporation, a charter-party carrier, or a private carrier, you may operate any number of vehicles under one certificate, permit, or registration. If you have more than one type of authority, you may also use the same vehicle to operate under all authorities you have (except that a vehicle seating more than 15, including the driver, may not be used under a charter-party "P" permit). For example, you could operate as a passenger stage corporation on one trip, and use the same vehicle on another trip as a charter-party carrier.

TYPES OF PASSENGER AUTHORITY ISSUED BY THE CPUC

Except as noted below, the filing fee for any new PSC or TCP authority is \$500. No application will be accepted or processed without the correct filing fee. **Filing fees are not refundable.**

I. Passenger Stage Corporations (PSC) (The Primary PUC sections governing PSC's are §226, and §1031 through §1045.)

"Classic" PSC

Carriers charging individual fares are presumed to be PSC's (except for round-trip sightseeing services conducted under an "S" permit or "A" certificate, as detailed below). PSC's provide scheduled service, over fixed routes, between fixed points, such as regularly scheduled bus service. However, regularly scheduled bus service operated by a *publicly owned transit system* is not "passenger stage" service, and is not under CPUC jurisdiction.

Door-to-door Shuttle Service

Another type of PSC provides on-call service, for example, door-to-door airport shuttle service where all transportation begins or ends at the airport. Many vehicles used in the airport shuttle industry are not owned or operated by a PSC, but are charter-party carriers working as *subcarriers* (subcontractors) for a PSC. If you intend to operate as a subcarrier, apply for a charter-party carrier permit or certificate, choosing from the list below (most airport shuttle subcarriers have a "P" permit.) If you are not a subcarrier, you will need your own PSC certificate. **IMPORTANT:** having a valid PSC certificate does not guarantee that you will be allowed to pick up passengers at a given airport. Many airports have restrictions against admitting new carriers due to high traffic volume and limited curb space. Check with the airport(s) at which you intend to operate to be sure you know what they will and won't allow you to do there.

A PSC may operate a vehicle of any seating capacity. Be aware that the seating capacity of your largest vehicle will determine: (1) whether you are subject to CHP bus safety inspections, both before your certificate is issued, and annually thereafter, and (2) the level of public liability and property damage insurance you will be required to maintain on file with the CPUC.

Note that a passenger stage corporation does not have to be a "corporation". Just as with charter-party authority, or private carrier registration, you may apply for PSC authority as an individual, a general partnership, a limited liability company, or a limited liability partnership.

Vanpooling

If you will provide transportation of persons between home and work locations, or of persons having a common work-related trip purpose, when the ridesharing is incidental to another purpose of the driver, you may or may not be a PSC. Read Part III below entitled, "Rideshare Registration".

Are you a Passenger Stage Corporation?

If, after reading all of this information, including the section on Charter-party Carriers below, you decide to apply for a PSC certificate, you may obtain a sample application packet in any of the following ways:

Download it from the CPUC web site:

www.cpuc.ca.gov/static/transportation/carrierforms.htm

Request by email: licensing@cpuc.ca.gov

Request by mail: CPUC License Section
505 Van Ness Ave.
San Francisco, CA 94102

You should also read the information in Part V, below.

II. Charter-party Carriers (TCP)

As you read the following, you will find that there are many exceptions and conditions involved in determining whether a particular type of transportation is "charter-party carrier" transportation, and which type. Do not conclude that you are or are not a charter-party carrier, or which type you are, until you've read and understand this entire section.

Generally, charter-party transportation is *chartered* by a party (person or group) called the "chartering party". Usually, the chartering party is also taking the transportation, but the chartering party may also arrange the transportation for another person or group, such as an employee or client, or parents chartering a limousine for a minor son or daughter's prom night. The chartering party has control over the transportation: when and where the trip originates, what time it originates, when and where it ends, and where it goes in between. With one exception (round-trip sightseeing under an "S" permit or "A" certificate, discussed below) TCP carriers charge fares based on vehicle mileage, or time of use, or a combination of the two. They may not charge individual fares (again, with the noted exceptions).

TCP and Taxicabs Distinguished

Based on the information above, it may seem there is little or no difference between a charter-party carrier and a taxicab. In fact, the two are separate and distinct types of transportation. A charter-party carrier may not operate as a taxi. Taxis are licensed and regulated by municipalities, while charter-party carriers operate under authority from the CPUC, subject to the Public Utilities Code and CPUC regulations. Taxis have meters and top lights; charter-party vehicles do not have either one. The most important operational difference is that TCP transportation must be prearranged. Taxis may provide transportation "at the curb", that is, a customer may "arrange" taxi transportation by simply hailing a cab from the sidewalk. All transportation performed by charter-party carriers must be arranged beforehand, and the driver must have a *completed waybill* in his or her possession at all times during the trip, showing, among other things, the name and address of the person requesting or arranging the transportation (the chartering party), the time and date when the charter was arranged, and whether by telephone or written contract, the number of persons in the charter group, the name of at least one passenger, and the points of origin and destination.

Transferring authorities

The charter-party A, B, and C *certificates* described below may be transferred from one carrier to another for a fee of \$300. If, for example, your certificate is issued to you as an individual and you later decide to form a corporation, you may transfer the certificate to your corporation. Also, if you decide to sell your business to another party, your certificate can be transferred to that party. The transferee (the legal entity to which the certificate is transferred) will have a new TCP number. Charter-party *permits* (P, S, and Z) can not be transferred. If you are a permit holder and decide to form a corporation, you would have to apply for a new permit under the corporation and pay the new application filing fee of \$500.

Expiration and Renewal

All charter-party permits and certificates expire after 3 years. If the carrier completes and submits a renewal application with enough time for the license section to process its application, the authority will be extended for another 3 years and there will be no lapse in authority. The expiration date of your authority will appear on the permit or certificate itself. We will send you a renewal application approximately 120 days prior to your expiration date. You are required (by Commission General Order 157-D) to complete and return this to us no less than 3 months prior to expiration. The filing fee for renewal applications is \$500 for all types of permits and certificates.

The types of charter-party carrier authority

Following are the types of TCP certificates and permits issued by the CPUC. And again, even if you read one of these descriptions and think it fits the transportation you plan to perform, don't conclude that you are a charter-party carrier until you've read the section below this one entitled, "Charter-party Exemptions".

"A" Certificate: PUC 5371.1 and 5383. (The "PUC" numbers here and below refer to the sections of the California Public Utilities Code that define and describe the particular type of TCP authority).

What an "A" certificate allows:

- Chartered service
- May operate vehicles of any seating capacity
- May operate from any point to any point within California
- May also conduct round-trip sightseeing, as an "S" permit, and may charge individual fares in doing so.
- Except for round-trip sightseeing, charges must be based on vehicle mileage, time of use, or combination.
- New filing fee is \$1,500. (Renewal fee is \$500.)
- May be transferred (\$300)

"B" Certificate: PUC 5371.2 and 5383.

What a "B" certificate allows:

- Chartered service
- May operate vehicles of any seating capacity
- May not pick up passengers more than 125 air miles from the carrier's home terminal. This mileage restriction applies only to vehicles seating 10 or fewer, including the driver. If this restriction is not a concern to you, consider applying for a "B" certificate, rather than a "P" permit, below, even if you will not immediately operate a vehicle seating more than 15, including the driver. If you have a "B", and later decide to operate such a vehicle, you won't need to apply for a new authority. (The "B" also has the advantage of being transferable, whereas a "P" is not.)
- Charges based on vehicle mileage, time of use, or combination.
- May be transferred (\$300)

"C" Certificate: PUC 5371.3 and 5383.

What a "C" certificate allows:

- Provide transportation services incidental to **commercial balloon operations, commercial river rafting, or skiing** where no additional compensation is provided for the transportation. (If you will perform transportation that is incidental to a business *other than* these three, a "Z" permit, below, is the appropriate authority.)
- Commercial balloon operators: see exemption (m) under the Charter-party Exemptions section, below.
- May operate from any point to any point within California
- May be transferred (\$300)

"P" Permit: PUC 5384(b).

What a "P" permit allows:

- Chartered service
- May operate only vehicles seating 15 or fewer, including the driver. If you will operate even one vehicle seating more than 15, even occasionally, you may not do so with a "P".
- May operate from any point to any point within California
- Charges based on vehicle mileage, time of use, or combination.
- May not be transferred.

"S" Permit: PUC 5384(c).

What an "S" permit allows:

- This is for carriers conducting "round-trip sightseeing tour service."
- May operate vehicles of any seating capacity
- May operate from any point to any point within California
- May charge individual fares. May also base charges on vehicle mileage, time of use, or combination. (The "A" certificate is the only other type of TCP authority that allows individual charges, only when conducting round-trip sightseeing tour service.)
- May not be transferred.

"Z" Permit: PUC 5384(a)

What a "Z" permit allows:

- These are "specialized carriers", who do not hold themselves out to serve the general public, but only:
 - a) provide service under contract with industrial and business firms, governmental agencies, and private schools OR
 - b) transport agricultural workers to and from farms for compensation OR
 - c) conduct transportation services, which are incidental to another business. (However, note that if the transportation is incidental to either commercial balloon operations, commercial river rafting, or skiing, the appropriate authority is a "C" certificate, above.)
- May operate vehicles of any seating capacity
- May operate from any point to any point within California
- May not be transferred.

Does a “tour company” require charter-party authority?

If you collect money from tourists for a tour package, that includes a bus tour, for which you contract with a charter-party carrier holding CPUC authority, then you do not require your own CPUC authority. In that case, you are the party that charters the transportation. What kind of TCP authority does the *bus company* need? It depends. If they provide a tour guide to ride with the passengers and point out sights and information along the way, then they need either an “S” permit or an “A” certificate. If *you* (the tour company) employ or otherwise provide a tour guide, then the bus company is strictly providing a bus and driver, not “sightseeing service” and could do so under a “B” certificate (or an “A” or “S”).

Charter-party Exemptions

As provided in PUC §5353, the following specific types of transportation are outside the definition of a charter-party carrier. To meet one of these exemptions, all (100%) of the transportation you provide meet that exemption, as described below. If you do meet one of these exemptions, you are not a charter-party carrier. See Part IV on “Private Carriers”, below. If you need further clarification of any of the following exemptions, contact the License Section.

- (a) Transportation service rendered wholly within the corporate limits of a **single city** or **city and county** and licensed or regulated by ordinance (“city and county” here means San Francisco).
- (b) Transportation of **school pupils** conducted by or under contract with the governing board of any school district entered into pursuant to the Education Code.
- (c) Common carrier transportation services between fixed points or over a regular route which requires a **passenger stage** certificate.
- (d) Transportation services occasionally afforded for **farm employees** moving to and from farms on which employed when the transportation is performed by the employer in an owned or leased vehicle, or by a nonprofit agricultural cooperative association organized and acting within the scope of its powers under Chapter 1 (commencing with Section 54001) of Division 20 of the Food and Agricultural Code, and without any requirement for the payment of compensation therefor by the employees.
- (e) Transportation service rendered by a **publicly owned transit system**.
- (f) Passenger vehicles carrying passengers on a **noncommercial enterprise basis**.
- (g) **Taxicab** transportation service licensed and regulated by a city or county, by ordinance or resolution, rendered in vehicles designed for carrying not more than eight persons excluding the driver.
- (h) **Rideshare** exemption—See Part III below entitled, “Rideshare Registration”.)
- (i) Vehicles used *exclusively* to provide **medical transportation**, including vehicles employed to transport developmentally disabled persons for regional centers established pursuant to Chapter 5 (commencing with Section 4620) of Division 4.5 of the Welfare and Institutions Code. This has been interpreted to include visits to a doctor or dentist, or transportation of persons to or from hospitals, clinics or doctors’ offices for medical care, treatment or diagnosis, even when they do not have ambulatory problems and are physically capable of using other means of transportation, and also to include transportation of persons in wheelchairs or gurneys and those accompanying them, even if the transportation

has no apparent medical connection, provided the vehicle is being used *solely* for this purpose.

- (j) Transportation services rendered **solely within the Lake Tahoe Basin**, comprising that area included within the Tahoe Regional Planning Compact as set forth in Section 66801 of the Government Code, when the operator of the services has obtained any permit required from the Tahoe Basin Transportation Authority or the City of South Lake Tahoe, or both.
- (k) Subject to Section 34507.6 of the Vehicle Code, transportation service provided by the operator of an **automobile rental business** in vehicles owned or leased by that operator, without charge other than as may be included in the automobile rental charges, to carry its customers to or from its office or facility where rental vehicles are furnished or returned after the rental period.
- (l) Subject to Section 34507.6 of the Vehicle Code, transportation service provided by the operator of a **hotel, motel, or other place of temporary lodging** in vehicles owned or leased by that operator, without charge other than as may be included in the charges for lodging, between the lodging facility and an air, rail, water, or bus passenger terminal or between the lodging facility and any place of entertainment or commercial attraction, including, but not limited to, facilities providing snow skiing. Nothing in this subdivision authorizes the operator of a hotel, motel, or other place of temporary lodging to provide any round-trip sightseeing service without a permit, as required by subdivision (c) of Section 5384.
- (m) Transportation of **hot air balloon ride passengers** in a balloon chase vehicle from the balloon landing site back to the original take-off site, provided that the balloon ride was conducted by a balloonist who meets all of the following conditions:
 - (A) Does not fly more than a total of 30 passenger rides for compensation annually.
 - (B) Does not provide any preflight ground transportation services in their vehicles.
 - (C) In providing return transportation to the launch site from landing does not drive more than 300 miles annually.
 - (D) Files with the commission an exemption declaration and proof of vehicle insurance, as prescribed by the commission, certifying that the operator qualifies for the exemption and will maintain minimum insurance on each vehicle of one hundred thousand dollars (\$100,000) for injury or death of one person, three hundred thousand dollars (\$300,000) for injury or death of two or more persons and one hundred thousand dollars (\$100,000) for damage to property.(Commercial balloon operators may not provide any round-trip sightseeing service without a TCP "S" permit.)
- (n) Transportation services incidental to operation of a **youth camp** that are provided by either a nonprofit organization that qualifies for tax exemption under Section 501(c)(3) of the Internal Revenue Code or an organization that operates an organized camp, as defined in Section 18897 of the Health and Safety Code, serving youth 18 years of age or younger. To meet this exemption, you must comply with all of the following requirements:
 - (A) Register as a private carrier with the commission pursuant to Section 4005.

- (B) Participate in a pull notice system for employers of drivers as prescribed in Section 1808.1 of the Vehicle Code.
- (C) Ensure compliance with the annual bus terminal inspection required by subdivision (c) of Section 34501 of the Vehicle Code.
- (D) Obtain the following minimum amounts of general liability insurance coverage for vehicles that are used to transport youth:
 - (i) A minimum of five hundred thousand dollars (\$500,000) general liability insurance coverage for passenger vehicles designed to carry up to eight passengers. For organized camps, as defined in Section 18897 of the Health and Safety Code, an additional two hundred fifty thousand dollars (\$250,000) general umbrella policy that covers vehicles.
 - (ii) A minimum of one million dollars (\$1,000,000) general liability insurance coverage for vehicles designed to carry up to 15 passengers. For organized camps, as defined in Section 18897 of the Health and Safety Code, an additional five hundred thousand dollars (\$500,000) general umbrella policy that covers vehicles.
 - (iii) A minimum of one million five hundred thousand dollars (\$1,500,000) general liability insurance coverage for vehicles designed to carry more than 15 passengers, and an additional three million five hundred thousand dollars (\$3,500,000) general umbrella liability insurance policy that covers vehicles.

Are you a Charter-party Carrier?

After reading all of this information, if you've decided to apply for a TCP certificate or permit, you may obtain a Charter-party Carrier information and application packet in any of the following ways:

Download it from the CPUC web site:

www.cpuc.ca.gov/static/transportation/carrierforms.htm

Request by email: licensing@cpuc.ca.gov

Request by mail: CPUC License Section
505 Van Ness Ave.
San Francisco, CA 94102

You should also read the information in Part V, below.

III. Rideshare Registration

If you will provide transportation of persons between home and work locations, or of persons having a common work-related trip purpose, when the ridesharing is incidental to another purpose of the driver, read exemption (h) immediately below. Note that one condition of the exemption is that *your primary purpose can not be to make a profit* (although you are allowed to recover actual costs incurred in owning and operating the vehicle). If you do not meet the exemption for that reason, or any other reason, then you must obtain PSC authority.

(h) transportation of persons **between home and work** locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which are used for the purpose of **ridesharing**, as defined in Section 522¹ of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver. This exemption also applies to a vehicle having a seating capacity of more than 15 passengers if the driver files with the commission evidence of liability insurance protection in the same amount and in the same manner as required for a passenger stage corporation, and the vehicle undergoes and passes an annual safety inspection by the Department of the California Highway Patrol. The insurance filing shall be accompanied by a one-time filing fee of seventy-five dollars (\$75). This exemption does not apply if the primary purpose for the transportation of those persons is to make a profit. "Profit," as used in this subdivision, does not include the recovery of the actual costs incurred in owning and operating a vanpool vehicle, as defined in Section 668² of the Vehicle Code.

If you do meet this exemption, you will not require PSC or TCP authority (but you may require Private Carrier registration—see Part IV, below).

Note that if you will use a vehicle seating 15 passengers or fewer, including the driver, then you meet the exemption. If you operate a larger vehicle, you can *also* meet the exemption if you do all of the following:

1. Register for the exemption with the CPUC, certifying that you meet the conditions of exemption (h), above.
2. File evidence of liability insurance protection with the CPUC in the amount and manner required by Commission General Order 101.
3. Pay a one-time filing fee of \$75.
4. Submit to and pass a vehicle safety inspection by the California Highway Patrol, initially and annually.

Features of Rideshare Registration

- Allows transportation ridesharing between home and work locations, or of persons having a common work-related trip purpose, in vehicles seating more than 15, including the driver, when the ridesharing is incidental to another purpose of the driver.
- May operate from any point to any point within California
- Not a charter-party carrier.
- Does not expire. Remains active as long as insurance is maintained on file, and vehicle(s) is/are inspected annually by the CHP.
- Not for profit. You may recover from passengers the actual costs incurred in owning and operating the vehicle.
- Fee for filing insurance is \$75 (one time).

¹ VC §522: "Ridesharing" means two or more persons traveling by any mode, including, but not limited to, carpooling, vanpooling, buspooling, taxipooling, jitney, and public transit.

² VC §668: A "vanpool vehicle" is any motor vehicle, other than a motortruck or truck tractor, designed for carrying more than 10 but not more than 15 persons including the driver, which is maintained and used primarily for the nonprofit work-related transportation of adults for the purposes of ridesharing.

IV. Private Carriers

If you are not a passenger stage corporation, and you are not charter-party carrier of passengers, and you will operate any vehicle seating more than 10 passengers, including the driver, then you are a private carrier. If you are a private carrier, you must do the following:

1. Obtain a "CA" number from the California Highway Patrol. Contact the CHP at (916) 445-1865. They will schedule a vehicle inspection, if required.
2. After you have your CA number, register with the CPUC as a Private Carrier. The filing fee is \$35. You may obtain a Private Carrier information and registration packet in any of the following ways:

Download it from the CPUC web site:

www.cpuc.ca.gov/static/transportation/carrierforms.htm

Request by email: licensing@cpuc.ca.gov

Request by mail: CPUC License Section
ATTN: Private Carrier Registration
505 Van Ness Ave.
San Francisco, CA 94102

Be sure to put your CA number on all documents you send to the License Section, including your check.

If you are transporting passengers, but are not a passenger stage corporation, or a charter-party carrier of passengers, or a private carrier, then you do not require any operating authority or registration from the CPUC.

V. I've decided to apply. Now what?

First, get the appropriate application packet, as described above. Read all of the information in the packet carefully before you complete the forms. KEEP A COPY OF EVERYTHING YOU SEND US for your own records. Also read the following.

Think about who or what will apply (and have CPUC authority)

This is your first major decision after deciding to apply. Several types of legal entities may apply for authority. On the first page of your application, you will check a box indicating whether you are applying as an individual, a partnership, or a corporation (you would also check "Corporation" to apply as a limited liability corporation (LLC) or limited liability partnership (LLP)). The name you enter next to the box you check will be

your CARRIER NAME, the legal entity to which your permit or certificate will be issued. You may want to talk to a lawyer about the legal implications of operating under each of these types of entities. Here are just a few things to consider:

1. Look on our web site at <http://docs.cpuc.ca.gov/tmis/>. Click on any carrier's File Number ("PSG" Number). Unless the carrier is revoked, you will see that carrier's name, mailing address, physical address, and phone number. Keep in mind that whatever address and phone number you place on your application—including your home address and phone number—they are **public information**, posted on our web site, and available to any member of the public. *We will not accept a P.O. Box or mail drop* for a physical address. If you apply as an individual, your name will be part of that public information. If you apply as a general partnership, the names of all partners are public information. Of course, if you are an officer of a corporation, your name is also public information, though it may not be quite as visible as though you were to apply as an individual. Many carriers choose to have a separate business address and phone number.
2. If you apply as a general partnership, be aware that if any partner leaves the business (including by death) then the partnership no longer exists. You and/or the remaining partners must apply for new authority as individual(s) or a new partnership, corporation, etc., which means you will have a new TCP or PSC number. A corporation, LLC, or LLP has the advantage that it can change officers, partners, etc., and continue as the same legal entity that holds the operating authority.

The difference between "Carrier Name" and "DBA"

Again, the name under which you apply (individual, partnership, corporation, etc.) will be your "carrier name", the name (the legal entity) to which your permit or certificate will be issued, and which must appear *exactly* on all your insurance certificates. This is not to be confused with any *fictitious business name* or "DBA" (Doing Business As) you may choose to use.

Example 1: John Doe applied as an individual, doing business as "Acme Limousine Service". In that case, "*John Doe*" is the carrier name and the permit or certificate holder, and not "Acme Limousine Service".

Example 2: Mr. Doe forms a corporation, "Doe Transportation, Inc." doing business as "Acme Limousine Service". "Doe Transportation, Inc." is the carrier name and the permit or certificate holder, and not "Acme Limousine Service".

If you show a DBA on your application, we will print that DBA on your permit or certificate, and will post it on our web site. Otherwise, there is usually no reason to state your DBA on any insurance certificate or document you send us. We are primarily interested in your carrier name.

Your File Number

The License Section tracks the records of well over 7,000 carriers. How do we do that? File Numbers! Within a few weeks after applying, you will receive a letter from the License Section. On that letter (and every letter you ever receive from us) you will see a File Number, beginning with "PSG" followed by some numbers, for example, "PSG012345". Please keep that number handy and refer to it whenever you call, write, or email the License Section! (You can ignore the leading "0", so in the above example, all we need is "PSG12345".) When your authority is issued, the numbers of your File

Number will also be the numbers of your permit or certificate, for example, "PSC 12345" or "TCP 12345-B". Whenever you contact the License Section, refer to that number (it doesn't matter whether you use "PSG", "TCP" or "PSC".) If you're a Private Carrier, your File Number is the "CA Number" you'll get from the CHP before you send us your registration application. Always refer to that number when you contact us.

Once I apply for my authority, may I start operating?

No! Submitting an application and getting a file number does not give you authority to operate. Only "active" authority allows you to operate. You may operate when you receive a permit or certificate from the License Section stating that you can operate, and not until then.

If my application is not 100% complete and error-free, will it be denied?

No (at least not right away). Typically, within 1 - 4 weeks after we receive your application, it will be reviewed by a technician who will determine what information and documents are lacking or incomplete. You will receive a letter telling you anything and everything you need to do before your authority can be issued. Thirty days later, if those items have not been completed, you will receive a second letter telling you what remains to be done. Thirty days after that, you will receive a "Final Notice", advising you that if the remaining items are not completed within 20 days, we may deny your application. You will have plenty of opportunities to get everything done before we will deny your application. HOWEVER, there is a limit to how long we will keep an application pending before we deny it. Do not send us an application if you're not absolutely sure you'll be ready to start operating (and paying for all the necessary insurance) within 2-3 months.

Do I need to have a vehicle before I apply?

No, but you'll need to have one before we'll issue your authority. So, again, don't apply until you're absolutely sure you'll have that vehicle within 2-3 months.

Buses

A vehicle seating more than 10 passengers, including the driver, is a "bus" by California law when operated by a charter-party carrier, a passenger stage corporation, or a private carrier. Any bus you will operate must undergo and pass a safety inspection by the California Highway Patrol before we can issue your operating authority. As part of your application, you will fill out a "Terminal Inspection Fee Statement" and pay an additional \$15 per bus. We will forward this to the CHP, along with other information you provide. The CHP will contact you to schedule an inspection.

How long will it take to get my permit or certificate issued?

That will depend largely upon how complete and accurate your application is when you submit it, *and* how responsive you are to our requests for additional information or documents. So pay careful attention to the instructions in the application packet, and to your mail from the License Section! Applicants who are attentive to these details can typically have their authority issued within about 4-6 weeks.

How and when should I arrange to have insurance filed with the CPUC?

All carriers (TCP, PSC, and Private Carriers) must have public liability and property damage insurance on file with the CPUC before we will issue operating authority to

them. The certificate required for TCP and PSC carriers is a "PL 914". For Private Carriers, it is a "TL 1000". In addition, TCP and PSC carriers who have employees must have a certificate of workers' compensation insurance on file with us—a "TL 938", or certificate from State Compensation Insurance Fund.

The most common cause of delays in issuing operating authorities may be that the carrier name of the applicant (the name of the individual, partnership, corporation, etc.) does not exactly match the "name of insured" on the insurance certificate(s). This is sometimes a result of confusing "carrier name" with "DBA" (see the discussion on that, above). If you apply as a general partnership, the names of all partners must appear. If you apply as a corporation, LLC, or LLP, the full and correct name of that corporation, etc., as it appears in the records of the Secretary of State, must appear.

The cost of insurance is a very important part of your business plan, so it's something you should consider carefully before deciding to apply. That means *before you apply*, you should shop and compare the rates and service provided by various insurers. One way to find insurers who make filings with the CPUC is to look at the carriers on our web site at <http://docs.cpuc.ca.gov/tmis>. Click on the File Number of any carrier, and you'll see detailed information about that carrier, including the name and address of its insurance company. Of course, you can also ask people you know in the industry.

As for timing your insurance filing(s), we suggest the following. When you select your insurer(s), be sure they are ready to send the necessary certificate(s) to us on a moment's notice. As soon as you hear from the License Section that your application is otherwise complete, contact your insurer(s) and have them send us the PL914, and TL938, if necessary. We suggest that you do not have your insurance filed with us before you have met all other requirements, or are very close to doing so. Keep in mind that there may be additional requirements you must complete through the DMV or CHP, and you may experience delays with those agencies that are beyond your control and ours. The risk in having your insurance filed too soon is that you will find yourself paying for insurance before you are able to operate and bring in any revenue.

What are my responsibilities after my authority is issued?

Keep your Authority Active

Once you have your authority, you must keep it active in order to continue operating. That means working with your insurer(s) to keep your insurance active and on file with us at all times. It also means paying your quarterly or annual fees on time (you will receive notification in the mail when these are due, and all necessary forms and information) *and* generally paying prompt and careful attention to mail you receive from the CPUC. Under normal circumstances, we will notify you of any impending suspension, and tell you what you must do to prevent it, in plenty of time for you to do so. Of course, it is your responsibility to be sure the CPUC knows of any change in your mailing address. You'll find a form on our web site for that purpose. If your authority is suspended, revoked, or expired you may not operate. You may verify the status of your authority any time on our web site, which is updated daily. Only "active" authority allows you to operate.

Obey All Laws

You are also responsible for knowing and obeying the laws and regulations that apply to your business, including the following:

Commission General Orders. General Order 157-D contains rules and regulations for charter-party carriers, while General Order 158-A applies to passenger stage corporations. General Orders are available on line at <http://www.cpuc.ca.gov/PUC/documents/go.htm>.

The Public Utilities Code. Sections pertaining specifically to charter-party carriers are §5351 through §5420. Those pertaining specifically to Passenger Stage Corporations are §1031 through §1045. Private Carriers are governed by §4000 through §4022. Many of these sections contain references to other California codes, such as the Vehicle Code. Carriers are also responsible for obeying those laws as well. All California codes are on line at <http://www.leginfo.ca.gov/calaw.html>.

If you have thoroughly read the above material and are still not sure whether you need CPUC authority, or which type, or if you have other questions, you may contact the License Section for assistance.

Email: licensing@cpuc.ca.gov

Mail: CPUC License Section
505 Van Ness Ave.
San Francisco, CA 94102

Phone: (800) 877-8867

Your input telling us how we can make the information above more clear or useful to our customers in the future is welcome! You may provide that to: licensing@cpuc.ca.gov

THANK YOU!