

MAINE STATE LEGISLATURE

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(Governor's Bill)
FIRST REGULAR SESSION

ONE HUNDRED AND TENTH LEGISLATURE

Legislative Document

No. 1356

H. P. 1139

House of Representatives, March 17, 1981

On Motion of Representative Davies of Orono, referred to the Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Davies of Orono.

Cosponsors: Senator Trafton of Androscoggin, Representative Tarbell of Bangor and Senator Emerson of Penobscot.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Reform the Regulation of Carriers of Passengers and Freight.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 13-A MRSA § 103, sub-§ 8 is enacted to read:

8. The validity of any corporate act by any railroad or railroad company and of any incorporation, prior to the effective date of this Act, shall be determined with reference to the law then in effect. The validity of any provision of the articles or bylaws of a railroad or railroad company existing on the effective date of this Act shall be determined with reference to the law which was in effect when the same was adopted. A provision of the articles or bylaws which was valid under the law in existence at the time the provision was adopted shall remain in effect, notwithstanding any contrary provision of this Title, until repealed or amended by voluntary act of the railroad or railroad company, but any amendment thereof shall be adopted by the procedures set out in this Title and shall, as amended, conform to the requirements of this Title.

Sec. 2. 29 MRSA c. 24 is enacted to read:

CHAPTER 24

MAINE HIGHWAY TRANSPORTATION REFORM ACT

§ 2701. Short title

This chapter shall be known and may be cited as the "Maine Highway Transportation Reform Act."

§ 2702. Policy

The Legislature finds that an efficient and safe highway transportation system is essential to the economy of the State. It is the purpose of this chapter to provide for a safe, reliable and efficient motor carrier system by permitting greater entry into and competition within the for-hire transportation industry while promulgating requirements for the safe operation of all freight and passenger carriers in the State. The Legislature further finds that efficient regulation requires that safety requirements for such carriers be administered by the Bureau of State Police.

§ 2703. Operating permit required

In order that there may be proper supervision and control of the use of the highways of this State, every person, firm or corporation transporting passengers or freight, merchandise or household goods by motor vehicle for hire upon the public highways of this State, between points within this State, or between points without the State but passing through this State, is required to obtain a permit for that operation from the Bureau of State Police. Application for these permits shall be made in the manner and form to be prescribed by the bureau in its regulations, and these permits shall issue as a matter of right upon compliance with these regulations and payment of fees. An application for a permit shall be accompanied by a fee of \$100. No permit issued under this section may be transferred, except that, where the holder of a permit has become incorporated, such holder may transfer his permit to the corporation upon the payment of any transfer fee and the filing of written notice of intent to transfer with the bureau.

§ 2704. Vehicle identification required

Each motor vehicle operated or caused to be operated under this chapter shall at all times display identification to be prescribed and furnished by the bureau in accordance with rules and regulations of the bureau promulgated therefor. The annual fee for such vehicle identification device is \$8 for each motor vehicle, and \$2 shall be charged for each transfer of such identification. The bureau may refuse to furnish identification for any motor vehicle not registered in the name of the holder of a permit.

§ 2705. Lapse of permit

If, after obtaining a permit pursuant to section 2703, the holder of such permit fails to obtain an identification device as described in section 2704 within one year after obtaining a permit or fails to renew any identification device for one year, the permit shall lapse and become void.

§ 2706. Elimination of service

No holder of a permit may eliminate service in any municipality in which it

provided service prior to the effective date of this Act, which service was authorized by a certificate issued by the Public Utilities Commission, unless that permit holder files, with the bureau and the municipality affected, a written notice of intention to eliminate such service. The written notice shall be given at least 30 days prior to eliminating the service.

§ 2707. Rules and regulations

The bureau may make such rules and regulations as it deems necessary or advisable to ensure proper administration and enforcement of this chapter and promote the safety of the operation of motor carriers over the highways. This authority includes the right to make rules and regulations relating to the length of duty of drivers operating any motor vehicle on the highways of this State engaged in for-hire transportation. These rules and regulations shall conform as nearly as practicable to the standards set forth by the appropriate federal agencies pertaining to the length of duty of drivers operating motor vehicles in interstate commerce. The bureau may enter into and make cooperative agreements with the Interstate Commerce Commission to enforce the laws and regulations of the United States and this State concerning highway transportation. The bureau may refuse to reissue any vehicle identification device issued under this chapter for any willful or continued violations of this chapter or of any rules or regulations promulgated by the bureau pursuant to the authority thereof. The bureau may file a complaint in the Administrative Court seeking revocation or suspension of an operating permit. Notwithstanding Title 5, section 10051, the bureau may suspend a permit for lack of sufficient insurance. Any suspension shall continue until the bureau is satisfied that the carrier has obtained adequate insurance. It is the duty of the State Police, sheriffs and their deputies and all other peace officers to investigate any alleged violations of this chapter and any rules and regulations promulgated by the bureau pursuant to the authority thereof, to prosecute violators of this chapter and those rules and regulations and otherwise to aid in the enforcement of the provisions thereof.

§ 2708. Indemnity bonds

The Secretary of State shall not register any motor vehicle subject to this chapter and the bureau shall not issue a permit covering the operation of any such motor vehicle or vehicles until the applicant for that permit has procured a good and sufficient insurance policy or indemnity bond, in such amount as the bureau prescribes, having a surety thereon, a surety company authorized to transact business in this State or to responsible individuals, which bond shall be approved by the bureau. The insurance policy or bond shall adequately provide for cargo insurance in the case of for-hire transportation of freight or merchandise and for the collection of damages for which the holder of a permit may be liable by reason of the operation of any motor vehicle or vehicles subject to the operation of this chapter.

§ 2709. Exemptions in operation of motor vehicles

1. Exemptions. There is exempt from this chapter the operation over the highways of motor vehicles transporting freight or merchandise for hire:

- A.** While being used within the limits of a single city or town in which the vehicle is registered by the Secretary of State or in which the owner maintains a regular and established place of business, or within 15 miles, by highway in this State, of the point in such single city or town where the property is received or delivered, but no person, firm or corporation may operate, or cause to be operated, any motor vehicle for the transportation of property for hire beyond such limits without a permit as required by this chapter; nor may any such person, firm or corporation participate in the transportation of property originating or terminating beyond the limits without holding such a permit unless such property is delivered to or received from a carrier over the highways operating under a permit issued by the bureau or a railway, railway express or water common carrier, but nothing in this section may prevent a carrier from delivering and picking up with his exempt motor vehicle, in a city or town where he has a terminal, freight and merchandise transported or to be transported over territory for which a permit is required; nothing in this paragraph may permit the transportation of freight or merchandise for hire, by motor vehicle, under any circumstances by any person, firm or corporation beyond the 15-mile limit as prescribed unless such person, firm or corporation holds a permit from the bureau;
- B.** While engaged, directly or through a contractor, exclusively in construction or maintenance work for any branch of the Government of the United States, or for any department of the State, or for any county, city, town or village;
- C.** While engaged exclusively in the transportation of the United States mail;
- D.** While engaged exclusively in the transportation of fresh fruits and fresh vegetables from farms to canneries or quick freezing plants, place of storage or place of shipment, or the products of vining and cutting plants to canneries or quick freezing plants, during the harvesting season;
- E.** While engaged exclusively in the hauling of wood, pulpwood, logs or sawed lumber from the woodlot or forest area where cut or sawed to points within 100 miles thereof, by highway, or while hauling, within the distance, horses, crew, equipment and supplies to or from such woodlot or forest area;
- F.** While engaged exclusively in the transportation of livestock for exhibition purposes, including race horses, to and from agricultural fairs, race tracks and other exhibits;
- G.** While engaged exclusively in the hauling of milk and cream to receiving stations from points within a distance of 25 miles by highway from them;
- H.** Of any bona fide agricultural cooperative association transporting property exclusively for the members of such association on a nonprofit basis, or of any independent contractor transporting property exclusively for such association;
- I.** Of any independent contractor while engaged exclusively in the transportation of seed, feed, fertilizer and livestock for one or more owners or operators of farms directly from the place of purchase of the seed, feed,

fertilizer and livestock by the owners or operators of the farms to the farms, or in the transportation of agricultural products for one or more owners or operators of farms directly from the farm on which the agricultural products were grown to place of storage or place of shipment within 60 miles by highway of the farm;

J. While engaged exclusively in the transportation of Christmas trees, wreaths and greens;

K. While engaged exclusively in the transportation of disabled, collision-damaged, wrecked or repossessed highway motor vehicles within 35 miles by highway from the carrier's regular place of business;

L. While engaged exclusively in the transportation of refuse, garbage and trash to disposal areas from points within a distance of 30 miles by highway thereof; and

M. While engaged exclusively in the transportation of sand, gravel, loam, rocks, crushed rock, hot top, cold top and bituminous mixes in dump-truck type vehicles, but not including tractor-trailer vehicles.

Nothing under this chapter may apply to persons, firms or corporations operating motor vehicles carrying property of which they are the actual and bona fide owners, if such ownership is in pursuance of a primary business, other than the transportation business, of such persons, firms or corporations.

The exemptions provided in this subsection apply to any nonresident owner or operator of any motor vehicle to the extent that the State, district or country of residence grants the same or similar privileges to residents of this State.

If a state, district or country requires a permit or charges residents of this State any fee for transportation exempted under this subsection, the bureau shall require a permit and charge fees as required by this chapter.

2. Exemptions concerning transportation of newspapers. This chapter does not apply to the transportation of newspapers.

§ 2710. Exceptions

Nothing in this chapter authorizes the use by any motor vehicle of any highway or street in any municipality in violation of any charter provisions or ordinance thereof, nor may this chapter be construed as taking from or in any manner curtailing the right of any municipality to regulate and control the routing, parking, speed or safety of operation of motor vehicles operated under this chapter, or as curtailing the general police power of any such municipality over its highways or streets, nor may this chapter be construed as abrogating any law whereby any such municipality has the right to require certain conditions to be complied with before such motor vehicle is operated on the highways or streets of that municipality.

§ 2711. Penalties and evidence

1. **General penalty.** Any person, firm or corporation, or any officer, agent or employee of any corporation, who violates, orders, authorizes or knowingly permits a violation of any of the provisions of this chapter, or any rule or regulation issued by the bureau pursuant to the authority of this chapter, is guilty of a Class E crime.

If any such person, after being ordered to appear in court to answer any violation of this chapter or any rule or regulation issued by the bureau, fails to appear in court on the day specified, either in person or by counsel, the court shall notify the Secretary of State, who shall, pursuant to chapter 17, at the expiration of 10 days after mailing the person, postage prepaid, a notice of his intention to do so, suspend or revoke his license to operate any motor vehicle subject to regulation under this chapter, if licensed in this State, or suspend or revoke his right to operate any motor vehicle subject to regulation under this chapter in this State, and suspend or annul the registration of the motor vehicle operated or owned by that person so ordered to appear, if the motor vehicle is registered in this State, and the suspension, annulment or revocation shall continue in effect until that person appears in court as ordered.

If any carrier holding a permit from the bureau has been required to appear in any court, through its appointed lawful agent or attorney, and fails to comply with or satisfy any lawful order or judgment of the court issued pursuant to this chapter, the court shall notify the bureau, which shall immediately suspend the permit held by the carrier until such time as the carrier complies with or satisfies the order or judgment.

2. **Certificate.** The certificate of the Chief of the State Police shall be received in any court of law in this State as prima facie evidence of the making or issuing by the bureau of any rule or regulation authorized by this chapter to be made or issued by the bureau. The certificate of the Secretary of State or his deputy, under seal of the State, shall be received in any court of law in this State or in any proceeding before the bureau as prima facie evidence of the issuance, suspension, revocation or restoration of any operator's license, or the issuance, suspension, annulment or restoration of any certificate of registration of any motor vehicle.

§ 2712. Agents for service of process

Each holder of a permit from the bureau under this chapter shall file with the bureau, in writing, an appointment of a resident of this State to be its true and lawful agent, representative or attorney upon whom all lawful processes may be served, and who may be required to appear in court on behalf of the carrier with the same legal force and validity as if the carrier were in court. The written assent of the resident agent, representative or attorney shall be filed with the bureau and shall be valid until revoked.

Should the carrier fail to file any appointment of a resident agent,

representative or attorney as required, the bureau shall refuse to issue the permit or any renewal thereof held by the carrier until such time as the carrier files an appointment of resident agent, representative or attorney in compliance with this section.

§ 2713. Transportation Safety Fund

1. Deposit of funds. All revenues derived from fees authorized by this chapter shall be deposited with the Treasurer of State in a separate account to be known as the Transportation Safety Fund.

2. Use of funds. Subject to the approval of the Commissioner of Public Safety and subject to the Personnel Law, the Chief of the State Police may hire employees with the revenues derived from the fund and use the revenues of the fund to defray the costs incurred by the bureau to administer its statutory duties imposed by this or any other chapter. The bureau shall not be entitled to funds from the General Fund or the Highway Fund until all funds in the Transportation Safety Fund have been expended.

3. Unexpended funds. Any amount of the funds expended at the end of a fiscal year shall not lapse, but shall be carried forward to be expended in succeeding fiscal years.

Sec. 3. 35 MRSA § 15, sub-§ 3 is repealed and the following enacted in its place:

3. Common carrier. "Common carrier" includes every person, firm, corporation or other transportation company which has undertaken either directly or by lease or any other arrangement, steam or power or otherwise propelled, for compensation, between the mainland of Cumberland County and Peak's Island, Great Diamond Island, Little Diamond Island, Long Island, Chebeague Island, Bailey Island and Cliff Island or between these islands.

Sec. 4. 35 MRSA § 15, sub-§ 14 is amended to read:

14. Railroad. "Railroad," as used in chapters 51 to 57, includes every commercial, interurban and other railway and each and every branch and extension thereof by whatsoever power operated, together with all tracks, bridges, trestles, rights-of-way, subways, tunnels, stations, depots, union depots, ferries, yards, grounds, terminals, terminal facilities, structures and equipment and all other real estate, fixtures and personal property of every kind used in connection therewith, owned, controlled, operated or managed for public use in the transportation of persons or property.

Sec. 5. 35 MRSA § 15, sub-§ 15 is amended to read:

15. Railroad company. "Railroad company," as used in chapters 51 to 57, includes every corporation or person, their lessees, trustees, receivers or trustees appointed by any court whatsoever, owning, controlling, operating or managing any railroad for compensation within this State.

Sec. 6. 35 MRSA § 17, sub-§ 1, first sentence, as enacted by PL 1979, c. 427, is amended to read:

Every electric, gas, telegraph, telephone and water utility **and every common carrier** subject to regulation by the commission shall be subject to an assessment of not more than .2% of the intrastate gross operating revenues of each utility to produce no more than ~~\$150,000~~ **\$600,000** in revenue annually.

Sec. 7. 35 MRSA § 17, sub-§ 4, as amended by PL 1979, c. 663, section 218, is further amended to read:

4. Use of funds. The Public Utilities Commission is authorized to ~~hire 4 fund 22 employees to be funded~~ from the revenues provided in this section to defray the costs incurred by the commission pursuant to this Title and to include administrative expenses, general regulatory expenses, consulting fees and all other reasonable costs incurred to administer this chapter and chapters 2 to 17.

Sec. 8. 35 MRSA § 66 is repealed and the following enacted in its place:

§ 66. Adherence to rate schedules; change in form of schedules

It is unlawful for any public utility to charge, demand, collect or receive a greater or less compensation, except as otherwise provided in section 103, for any service performed by it within the State or for any service in connection therewith, than is specified in such printed schedules as may at the time be in force, or to demand, collect or receive any rate, toll or charge not specified in the schedules. The rates, tolls and charges named therein shall be the lawful rates, tolls and charges until they are changed as provided in chapters 1 to 17. The commission may prescribe such changes in the form in which the schedules are issued by any public utility as may be found to be expedient.

Sec. 9. 35 MRSA §§ 67 and 68 are repealed.

Sec. 10. 35 MRSA § 70, as last amended by PL 1975, c. 771, § 394, is repealed.

Sec. 11. 35 MRSA § 211, last sentence is repealed.

Sec. 12. 35 MRSA § 212, last sentence is amended to read:

This section shall not apply to any ~~railroad corporation engaged in interstate commerce while and so long as such corporation is required by federal law to make application to and procure consent from the Interstate Commerce Commission as a condition precedent to any such abandonment of property or discontinuance of service as is herein contemplated; nor to action under any order of a court having and exercising jurisdiction over a public utility in bankruptcy, foreclosure or receivership proceedings.~~

Sec. 13. 35 MRSA § 255 is repealed.

Sec. 14. 35 MRSA § 297, 2nd ¶, first sentence, is amended to read:

Whenever any public utility, except a common carrier ~~or carrier of persons or~~

~~property for hire~~, has been notified by the commission that a public hearing will be held as provided in section 69 or section 293 and it appears to the commission that reasonable publicity has not or will not be given, by newspaper publication or otherwise, of the time and place of said hearing and the general nature thereof, the commission, in its discretion, may, by written notice to such public utility, require it to give such reasonable notice as the commission shall specify of the time and place of such public hearing to each of the subscribers affected or to be affected by such rates or service and to file at the same time in the office of the clerk of the municipalities wherein such subscribers reside such pertinent information as the commission may prescribe as to rates and services involved, including schedules of any proposed rates.

Sec. 15. 35 MRSA § 298, 2nd sentence is amended to read:

The commission may authorize reparation or adjustment where the utility admits that a rate charged was excessive or unreasonable or collected through error, and where it further appears that the utility, within 90 days ~~or in the case of railroads 6 months~~ after the rendering of any service within the State under such rate, has filed a reduced rate in place of the rate which admittedly was excessive or unreasonable or collected through error.

Sec. 16. 35 MRSA c. 51, sub-c. I, as amended, is repealed.

Sec. 17. 35 MRSA § 652, 2nd, 3rd, 4th and 5th sentences, as amended, are repealed and the following enacted in their place:

If the owner or owners of the land do not consent thereto, or if the parties do not agree as to the necessity therefor or as to the area to be taken, or if the parties are unable to agree as to the fair value of the land, the corporation may make written application to the Department of Transportation requesting its approval of the taking by the railroad corporation for any of such public uses, describing the estate and naming the persons interested. The department shall thereupon appoint a time for the hearing near the premises and require notice to be given to the persons interested, as they may direct, at least 14 days before that time. The department shall then view the premises, hear the parties, determine how much, if any, of the real estate should be taken for the reasonable accommodation of the traffic, the safe operation of the railroad and the appropriate business of the corporation, and enter an order containing a definite description thereof and furnish the corporation with a true copy thereof.

Sec. 18. 35 MRSA § 653 is amended to read:

§ 653. Change in location

Any railroad corporation ~~under the direction of the commission~~ may make any changes in the location of its road which it deems necessary or expedient and such changes shall be recorded where the original location was required by law to be recorded.

Sec. 19. 35 MRSA § 656 is repealed and the following enacted in its place:

§ 656. Branch tracks

Any railroad corporation may locate, construct and maintain branch railroad tracks to any railroad station of another corporation or to connect with another railroad or to any mills, mines, quarries, gravel pits, log landing or yard, warehouses and storehouses, airports, piers, docks, shipyards, educational institutions or manufacturing establishments erected, or in process of erection, in any town or township through which the main line of that railroad is constructed, but not within any city without the consent of the city government, and for that purpose the corporation shall have all the powers and rights granted and be subject to all the duties imposed upon it by its charter.

Sec. 20. 35 MRSA §§ 777 and 778 are repealed.

Sec. 21. 35 MRSA § 779, 2nd sentence is amended to read:

When application is made to take such grounds, the ~~commission~~ **Department of Transportation**, upon notice and hearing thereon, shall determine whether the land proposed to be taken is necessary or not and whether the land proposed to be taken is necessary or not and whether any public necessity requires it to be taken.

Sec. 22. 35 MRSA § 780 is amended to read:

§ 780. Use of passenger stations

Whenever any railroad passenger station shall be erected or maintained in any city or town in this State, any railroad corporation having or using a track or passenger station within such city or town shall have the right to run its passenger trains to and from such station, over any railroad track or tracks leading thereto, and to use the same for the purpose of delivering and receiving through passengers, under such reasonable terms and regulations and over such tracks as may be agreed upon by the owner of such station, the railroad whose tracks are used in running to and from the same and the railroad corporation so desiring its use for said purpose, and in case of disagreement, upon petition, notice and hearing thereon, the ~~commission~~ **Department of Transportation** shall fix and determine such terms, tracks and regulations. No corporation which shall deny, in any proceedings, the authority of the ~~commission~~ **Department of Transportation** to proceed and make the determination, or which shall refuse to abide by ~~their~~ **its** decision rendered therein, shall avail itself of this section.

Sec. 23. 35 MRSA § 781, as amended by PL 1977, c. 694, § 667, is repealed.

Sec. 24. 35 MRSA §§ 782, 783 and 784 are repealed.

Sec. 25. 35 MRSA § 827, as amended by PL 1977, c. 341, § 11, is further amended to read:

§ 827. Report of decisions and copies to parties interested

The ~~commission~~ **Department of Transportation** shall make a report in writing of ~~their~~ **its** decision in all matters named in section 826, file the same in ~~their~~ **its**

office, and cause a copy of such decision to be sent by mail to each of the railroad corporations and to the municipal officers of the cities or towns, as the case may be, interested therein.

Sec. 26. 35 MRSA § 964 is repealed.

Sec. 27. 35 MRSA § 965 is repealed and the following enacted in its place:

§ 965. Elimination of service

No railroad or railroad company may eliminate service to any point served prior to the effective date of this Act unless the railroad or railway company has filed with the Department of Transportation and with any municipality affected by the elimination of service and, in the case where service is eliminated solely to one shipper, with that shipper, a written notice of intention to eliminate such service. Such written notice shall be given at least 30 days prior to eliminating the service.

Sec. 28. 35 MRSA § 966 is repealed.

Sec. 29. 35 MRSA § 967, as amended by PL 1977, c. 234, § 9, is repealed.

Sec. 30. 35 MRSA §§ 968-971 are repealed.

Sec. 31. 35 MRSA § 1138 is repealed and the following enacted in its place:

§ 1138. Organization certificate filed with Secretary of State

Whenever a corporation is organized under section 1093, 1131 or 1135, or under any other law by which a return is not specifically required, the corporation shall file with the Secretary of State a certificate signed and sworn to by the president, treasurer and a majority of the directors of such corporation, therein setting forth the name of the corporation and all facts as to such organization which are necessary to give full information in relation thereto. The organization of such corporation shall date from and, it shall have the authority and rights of a corporation, only after filing the certificate.

Sec. 32. 35 MRSA § 1194 is amended to read:

§ 1194. Orders of commission

~~All orders of the commission made under this chapter may be enforced in the manner provided in chapters 1 to 17~~ The Superior Court is given full jurisdiction to enforce compliance with any order issued prior to the effective date of this Act by the Public Utilities Commission or any order issued by the Department of Transportation under this chapter. It shall be the duty of ~~said commission~~ the Department of Transportation to see that the rights of the public under this chapter are fully protected.

Sec. 33. 35 MRSA cc 91, 93, 95 and 97, as amended, are repealed.

Sec. 34. Transitional provisions. All of the records of the Transportation Division of the Public Utilities Commission shall remain in the custody and

control of the Public Utilities Commission, unless the Chairman of the Public Utilities Commission, the Commissioner of Public Safety and the Commissioner of Transportation decide otherwise. All equipment and property funded, prior to the effective date of this Act, by the Highway Fund shall be apportioned between the Public Utilities Commission, the Department of Transportation and the Bureau of State Police in accordance with any recommendation made jointly by the Chairman of the Public Utilities Commission, the Commissioner of Transportation, the Commissioner of Public Safety and the Commissioner of Finance and Administration and approved by the Governor.

STATEMENT OF FACT

This bill deregulates the intrastate trucking, bus, moving van and railroad businesses. Free competition will allow for a more effective transportation system and assist in the economic development of the State.

It will get the State out of economic regulation of these industries and allow free competition in the marketplace.

The bill also requires all carriers, with certain enumerated exceptions, buses and vans to meet minimum safety and insurance requirements to be set by the Department of Public Safety.

The entire transportation section of the Public Utilities Commission will be eliminated, saving the State 28 positions in this agency, and permitting the Public Utilities Commission to concentrate its efforts on regulating utility monopolies.

Railroads will continue to be subject to extensive safety regulations by the Department of Transportation.

An Attorney General's investigative report in 1978 found that Public Utility Commission regulation of motor carriers overly protects the carriers, creates higher cost of service, increases rates and promotes inefficiency. The study concluded that "arbitrary price changes, interlining regulations and back haul restrictions significantly affect consumers and the business world in a very adverse way. Rates do not reflect the costs of service."

Deregulation of intrastate motor carriers in Delaware and New Jersey has resulted in lower rates and industry stability, while maintaining present levels of service. In addition, Arizona and Florida have recently deregulated their intrastate trucking industries. In movement toward less government regulation and greater reliance on the competitive marketplace, reform of the transportation industries is an important step.

This was recently recognized by the United States Congress, which legislated an end to intrastate truck economic regulation in 1980.

This bill establishes a Transportation Safety Fund to finance many safety and insurance regulatory responsibilities imposed on the Department of Public Safety

under this law. The revenues produced from a continuation of present truck identification and related fees for use by the Transportation Safety Fund will allow the Department of Public Safety to fund up to 12 employees to carry out the provisions of this bill. These employees will assume the responsibilities that are presently being handled by the 28 employees of the Transportation Division of the Public Utilities Commission. The Transportation Division of the Public Utilities Commission will no longer be funded, resulting in a net reduction in the state payroll expenses. In addition, more time would be available to the Public Utilities Commission to concentrate on the demanding tasks of regulating the electric, telephone and other utilities. Enforcement activities would be concentrated in the state's enforcement agency, resulting in more effective operations.