

SB 815

PA 785

1971

Senate -

2880, 2889

house -

5567

transportation -

391-395

H-120

**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
1971**

**VOL. 14
PART 13
5555-6226**

Tuesday, June 8, 1971

13.

MBS

Calendar No. 1563, Senate Bill No. 455, An Act Concerning Retail Installment Sale Contract Requirements, file 1545.

On page 2, Calendar No. 1564, Substitute for Senate Bill No. 467, An Act Concerning the Powers of Credit Unions to Make Unsecured Loans, file 1514.

Calendar No. 1565, Substitute for Senate Bill No. 508, An Act Concerning the Appointment of the Head Moderator for Elections and Primaries, file 1597.

Calendar No. 1567, Senate Bill No. 0652, An Act Concerning the Imposition of Finance Charges in Open End Consumer Credit Plans, file 1535.

Calendar No. 1572, Substitute for Senate Bill No. 815, An Act Concerning Motor Carriers of Property for Hire in Intrastate Commerce, file 1689.

Calendar No. 1573, Substitute for Senate Bill 0846, An Act Concerning Criminal Contempt, file 1593.

Calendar No. 1574, Substitute for Senate Bill No. 851, An Act Authorizing County Detectives to Administer Oaths, file 1536.

On page 3, Calendar No. 1575, Substitute for Senate Bill No. 868, An Act Concerning...Permitting Family Relations Officers to be Complainant to Initiate Action for all Non-support Cases, file 1523.

Calendar No. 1577, Senate Bill No. 898, An Act Providing for the Killing of Dogs by Resident State Policemen when such

S-82
CONNECTICUT
GENERAL ASSEMBLY

SENATE

PROCEEDINGS
1971

VOL. 14
PART 7
2874-3413

THE CLERK:

The following bills were passed on a Consent Motion by Senator Caldwell with the approval of the Minority Leader;

GOVERNMENT ADMINISTRATION AND POLICY: Substitute House Bill 8682. House Bill 5854. JUDICIARY: Substitute House Bill 7495. House Bill 5662; Substitute House Bill 851. GOVERNMENT ADMINISTRATION AND POLICY: Senate Bill 652; Senate Bill 1145; JUDICIARY Senate Bill 1788; Senate Bill 805; Substitute Senate Bill 1093; Substitute Senate Bill 868; Substitute Senate Bill 1441; BANKS AND REGULATED ACTIVITIES: Substitute Senate Bill 467; GOVERNMENT ADMINISTRATION AND POLICY: Senate Bill 1833; JUDICIARY Substitute Senate Bill 1296; TRANSPORTATION: Senate Bill 1115; Substitute Senate Bill 255; ELECTIONS: Substitute Senate Bill 508; JUDICIARY: Substitute Senate Bill 1022; Substitute Senate Bill 1543; TRANSPORTATION: Substitute Senate Bill 1807; JUDICIARY Substitute Senate Bill 550; substitute senate bill 823; JUDICIARY: Senate Bill 898. TRANSPORTATION Substitute Senate Bill 807; FINANCE: Substitute Senate Bill 1576; Senate Bill 1570; Substitute Senate Bill 1572; Substitute Senate Bill 1549; Substitute Senate Bill 1549; Substitute Senate Bill 1625; Substitute Senate Bill 1045; TRANSPORTATION: Substitute Senate Bill 815; EDUCATION: Substitute Senate Bill 1840; GOVERNMENT ADMINISTRATION AND POLICY: House Bill 6870; House Bill 9249; INSURANCE AND REAL ESTATE: House Bill 6995; GOVERNMENT ADMINISTRATION AND POLICY: House Bill 9242.

THE CHAIR:

Is there any objection to the passage of the bills, as called by the Clerk? If not, Senator Fauliso, do you move the passage of all said bills?

izing Investment of State Civil List Funds; Cal. 1074, File 1521, Substitute Senate Bill 1549. An Act Requireing the Preparation of Tropical and Chornological Indexing of Legal Opinions Issued by the Office of The Attorney General. On page 12, Cal. 1100, File 1301, House Bill 6870. An Act Concerninc A centralized Microfilm Service for State Agencies. Cal. 1106, File 1260, House Bill 9249, An Act Concerning a Tax Refund to Richard Stowrofski of the City Of New Britain. Page 13, Cal. 1109, File 1551, Substitute Senate Bill 1625. An act concerning exemptions of Municipalities from Payment of Gasoline Tax for Governmental Purposes. Page 14, Cal. 1118, File 1591, Substitute Senate Bill 1045, An Act Concerning Tax Payments Applicable to Oldest Obligations on Specific Property. Page 17, Cal. 1144, File 3553, House Bill 6995, An Act Concerning the Charter of Security of Connecticut Life Insurance Company; Page 21, Cal. 1167, File on desk, Substitute Senate Bill 815, An Act Concerning Motor Carrier Property for Higher Interstate Commerce. Page 22, Cal. 1178, File on desk, Raised Bill 1840. An Act Validating late application for School Construction Grants.

THE CLERK:

Mr. Majority Leader, may the Clerk interrupt, to note a technical error in the bill, just for the record? On Bill 1840, in line 22, Clerk has been shown that the word, "late appreciation" is there and apparently it should be "application". So I've made that correction.

SENATOR CALDWELL:

That's correct. On page 36, Cal. 954, File 1113, House Bill 9242. An Act Naming the Vocational Technical School of Milford; I move that suspension of the rules for all single starred items and no starred items as well.

THE CLERK:

**JOINT
STANDING
COMMITTEE
HEARINGS**

TRANSPORTATION

**PART 2
338-674**

1971

8
mr
TRANSPORTATION

MARCH 26, 1971

Chairman O'Dea(continued): also S. B. 815, which covers interstate commerce. Anyone to speak in favor of either one of these bills?

Mr. Peter Lostocco: I am appearing on behalf of the Public Utility Commission. These were Commission sponsored bills and such were proposed to provide uniform standards for the purpose of enforcing the economic and safety laws and regulations of the various states concerning highway transportation by truck. The bills contain standards which are similar to those which have been promulgated by the ICC pursuant to Public Law 89-170, which was enacted by the Congress of the United States on September, 6, 1965.

Public Law 89-170, provided that the National Association of railroad and Utility Commissioners shall determine the standards as contained in bills 807 and 815 and the standards must become effective by all Commissions in states requiring the regulation and registration of motor carrier operating within their states. The PUC has regulated transportation over Connecticut highways since the inception of the transportation statutes in 1935 and effective on January 1, 1972, all states; including Connecticut, if they intend to regulate interstate commerce within their states, must abide by the standards contained in these bills.

Public Law 89-170, also provides that in the event that a state requiring regulation of interstate operation in the respective states does not comply with the standards, that state will no longer be able to regulate interstate commerce, within their state.

The provisions of the standards contained in these bills, closely parallels the present method of regulation of interstate and intrastate transportation, as provided in Chapter 285 of the General Statutes and the principal change is the amount of the fee for a decal, which these standards provide for \$5.00, plus an additional fee for \$5.00, to be used solely for regulatory purposes, for each truck, in lieu of the present statutory charge of \$20.00 per plate.

The intent of the standard regulations, which will be standard for all states, is for uniformity in all respects in the filing of an application to the size of the decal to legalize the truck operation on Connecticut's highways.

Bill 815 is similar to bill 807 and is also sponsored by the Commission. The intent of this bill is to provide for similar rules regulations, standards and fees for those motor carriers of property operating intrastate solely within Connecticut. It would not be practicable to have the present rules, regulations and also the fees apply to the intrastate carriers and different regulations for those operating in interstate commerce within Connecticut. At present, the motor carriers are required by Statute to pay a fee of \$20.00 per vehicle and under these bills, the fees will be reduced to \$10.00 which fees were effective for several years, and until two years ago, when they were increased to \$20 per vehicle. The standards, as proposed in bill 807, provides

9
mr

TRANSPORTATION

MARCH 26, 1971

Mr. Lostocco(continued): for an additional fee of \$25.00 for any new application filed for operating authority and an additional fee of \$10.00 for each supplemental change filed by reason of additional authority being acquired by the Interstate Commerce Commission. Upon passage of these bills, effective January 1, 1972, trucks operated into Conn. and throughout the country will no longer be displaying metal plates which you have seen for many years on the front of those trucks. A one inch square decal will accomplish the same purpose by being affixed to a cab-card, which will be carried on the inside of the truck.

In connection, further with these bills, the Commission expects to issue for the year 1971, 100,000 Public Utilities Commission plates and we expect for 1972, under these proposed regulations that the Commission will issue, again, approximately 100,000 decals. Of this amount, 95% represent fees obtained from carriers operating in Conn. and through Conn., in interstate commerce.

Revenues on this basis will be decreased by approximately one million dollars but the changes are necessary in order that the State of Connecticut may continue to regulate interstate commerce within this state.

The Commission requests earnestly that your Committee rule favorably on these bills so the State of Conn. may continue to enforce economic regulations with in Connecticut.

Chairman O'Dea: Thank you, Mr. Lostocco. Any questions?

Rep. Reinhold: One quick question, Mr. Chairman. Mr. Lostocco, I am Rep. Reinhold, of the 171st. District; has this regulation already been passed by many of the States in the country?

Mr. Lostocco: Yes, sir. All of them will have to comply by January 1, but at present, we believe that there are 20 states that have used them. Some of used them for two years, and others have for one year. Yes?

Rep. Cretella: Mr. Lostocco, I noticed that this is repealing section 16-298. I noticed that the original language is printed in there; leaves some of the original language, but doesn't seem to make sense. Right now does it read " that they must apply to the Conn. Public Utility Commission for a permit of registration"? Is that where the line starts? Do you see where I am talking about?

Mr. Lostocco: Is it in the first paragraph? Right now they don't apply for a permit of registration. This does provide for that. This is what this will actually cover; a certificate of registration on the interstate part of it. And in section 16-298-----

Rep. Cretella: What did the section provide, before this, that is what I wanted to know?

10
mr
TRANSPORTATION

MARCH 26, 1971

Mr. Lostocco: Just an application to provide interstate transportation on Connecticut highways to the PUC.

Chairman O'Dea: Thank you, Mr. Lostocco. Rep. O'Neill, do you want to speak on a bill?

Rep. O'Neill: Mr. Chairman and members of the Committee; I am from the 52nd. District. I am here this morning to speak on behalf of H. B. 8051. This particular bill, Ladies and Gentlemen of the Committee, would allow the antique car "buffs" - the people who are doing such an excellent job in restoring the antiques to their full, authentic original status - to use license plates that were originally issued for the year of the vehicle. Per se, if we had a 1910 automobile, and the man had a 1910 Conn. license plate, it would be applicable to that automobile. And, he could use it on that car. Now, this would not mean any loss of revenue to the state, they would expect to pay the same registration fee. The automobile would not be used for normal highway transportation, only to and from the various events and functions where the automobiles are displayed and at rallies. I think that it is a good bill, Mr. Chairman, and I think that it goes a long way in keeping Connecticut well aware of its past history, in the transportation and automotive field. I do not want to go into great detail on the bill, but I know that there are people here this morning who have examples of these original plates and I think for sure that they will go into detail and explain fully, the bill to you. And I hope you will give it favorable consideration.

Chairman O'Dea: Thank you very much. Is there anyone else to speak in favor of bills 807 and 815?

Mr. John Blasko: I am Executive Vice President of the Motor Transportation Association of Connecticut, appearing here in support of bills 807 and 815. These bills have come about as a result of Public Act 89-170, reflecting the concern of the state Regulatory Commissioners, the Interstate Commerce Commission and the U. S. Congress, relative to the barriers being built by the states in restraint of interstate commerce. These bills are the first step in the direction of restoring a degree of uniformity in the regulation of motor carriers and should be passed. The PUC plate fee is not in any way related to use of the highways and in many states, and Connecticut, is levied under the guise of making certain that carriers are in compliance with insurance requirements, fundamentally - an unnecessary duplication, since insurance requirements of all interstate carriers, are also filed with the interstate commerce commission and rigidly enforced.

However, In Connecticut, we have a PUC plate fee, on top of the motor carrier road tax, on top of a registration fee; all in addition to fuel and property taxes and the ordinary taxes such as corporation, sales and use taxes which are paid by all businesses. Similar taxes are levied under various names by all the states

11
mr

TRANSPORTATION

MARCH 26, 1971

Mr. Blasko(continued): and necessarily so. Severe and costly complications arise in the various means of application, of, as well as the level of state taxes on business and industry doing business in more than one state. Though this is a problem for all business and industry, I am most particularly concerned with motor carriers and can best illustrate the ridiculous nature of the problem with just a couple of examples of application of what are commonly known as third structure taxes - taxes levied by the state above and beyond the basic registration fee and fuel taxes.

A Connecticut for-hire carrier, operating in surrounding states, has to do the following: In Massachusetts, (taking a couple of examples) register each truck with the Massachusetts Department of Public Utilities; pay a plate fee of \$5.00 per vehicle and all vehicles entering the state with over 20 gallons of fuel; secure a license \$1.00 per fleet, and an additional of \$1.00 per unit for diesel units; keep a record of all mileage in that state and either purchase enough fuel in the state to cover his mileage there or pay the tax thereon, without getting the fuel; In Vermont, he has to register each unit at \$10.00 each and pay \$5 per round trip; in New York, all units over 9 tons gross weight, register with tax department at \$5 per unit, keep record of mileage, paying from .6 to 3.5 cents per mile and in addition, purchase fuel to cover the mileage or pay the tax thereon. In New Jersey (and this is really a beauty) only trucks with more than two axles have to register for fee of \$3.00, keep mileage records and purchase equivalent fuel or pay the taxes thereon. In addition, New Jersey, which does not regulate interstate for-hire carriers at all, has what they call a counterpart fee which in essence provides that New Jersey will impose on out of state trucks, equivalent fees, which are imposed by other states on New Jersey vehicles - thus the Connecticut carrier is levied with a \$20 PUC plate fee per vehicle in spite of the fact interstate carriers are not regulated in New Jersey.

In recognition of this growing problem of increasing barriers to interstate commerce, and not restricted just to motor carriers, Senator Ribicoff on January 27, 1971 introduced S. B. 317, with these comments, and I quote:

"Mr. President; I am once again introducing the Interstate Taxation Act; a measure designed to bring order into the present chaotic system of taxing interstate commerce. It seems almost anachronistic that in the year 1971, we still have impediments to the free flow of commerce between 50 states. But with the present diversity and proliferation of individual state taxation programs, there is just too much red tape involved for those seeking to conduct interstate business. The difficulties are far more serious when the businesses concerned are too small to absorb the added costs of trying to conform to the multiplicity of tax regulations and requirements.

When the founding fathers granted the power to the Congress to regulate interstate commerce, they recognized that in order for

12
mr

TRANSPORTATION

MARCH 26, 1971

Mr. Blasko(continued): this nation to prosper, manufacturers, wholesalers and retailers from all parts of the country must have free access to each and every state. But with the increasing demands placed on state and local governments for public services, new sources of revenues have had to be created. The increased burdens of providing schools, roads, sewage systems, and fire and police protection have led to the imposition of a variety of local taxes on commerce to meet these needs.

As a result of the creative imagination of the tax collecting bodies, the burden of taxation has become overwhelming. When a business today seeks to sell a number of states, it is faced with a formidable array of rules, regulations, and procedures which serve to inhibit smaller businesses from expanding into new areas."

I am enclosing the full text of Sen. Ribicoff's remarks, as well as Maryland's Senator Mathias's supporting statement. The two bills under consideration here do not eliminate the problem - but they do represent a major step forward toward uniformity, as directed by Public Act 89-170, and I earnestly urge recommended approval by this Committee.

Chairman O'Dea: Thank you, Mr. Blasko. Anyone else in favor?

Mr. John Hedges: I am Staff Member, Connecticut Business and Industry Association. I have been the Traffic Manager for the Manufacturers Association of Connecticut for the last 15 years. I, too, would like to support these two bills, 807 and 815, because we, already, in the very nature of regulating the transportation, have enough complexity built in. Anything that enables the motor carriers serving our people, our business and industry here in Connecticut more efficiently, cuts down a little bit of the red tape, the paper work - we most strongly support. We would hope that this Committee will favorably report these two bills. Thank you.

Chairman O'Dea: Thank you, Mr. Hedges. Is there anyone else in favor? Is anyone opposed to 807 and 815? The hearing is closed.

We will now hear S. B. 816 (Sen. Rudolf) AN ACT CONCERNING THE REGISTRATION OF COMMERCIAL MOTOR VEHICLES. Anyone in favor? Anyone opposed?

Mr. Edward Carroll: Representing Department of Motor Vehicles, we are opposed to 816. The basis of our opposition is that there are nine million dollars in registration fees involved here and we are fearful that we will lose some of those fees. Thank you.

Chairman O'Dea: Thank you, Mr. Carroll. Anyone else opposed?

Mr. Joseph Scheyd: Mr. Chairman and Members of the Committee; I represent the Connecticut Association of Assessing Officers. My appearance today, is to register opposition to bill 816. The primary concern of our association, has been and continues to be the erosion of the local tax base.