

WEST VIRGINIA
SECRETARY OF STATE

KEN HECHLER

ADMINISTRATIVE LAW DIVISION

Form #5

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OFFICE OF THE SECRETARY OF STATE
STATE OF WEST VIRGINIA

NOTICE OF AGENCY ADOPTION OF A PROCEDURAL OR INTERPRETIVE RULE
OR A LEGISLATIVE RULE EXEMPT FROM LEGISLATIVE REVIEW

AGENCY: Public Service Commission of West Virginia TITLE NUMBER: 150

CITE AUTHORITY: SS24-1-7, 24-2-2, 24-2-12, 24A-1-1, 24A-2-3, 24A-2-5, 24A-3-3,
24A-3-6, 24A-5-5

RULE TYPE: PROCEDURAL _____ INTERPRETIVE _____

EXEMPT LEGISLATIVE RULE X

CITE STATUTE(S) GRANTING EXEMPTION FROM LEGISLATIVE REVIEW

§24-1-7

AMENDMENT TO AN EXISTING RULE: YES X, NO _____


IF YES, SERIES NUMBER OF RULE BEING AMENDED: 14

TITLE OF RULE BEING AMENDED: Rules and Regulations Governing the
Filing and Approval of Surety Bonds, Policies of Insurance, Qualifications
as a Self-Insurer, or other Securities and Agreements by Motor Carriers

IF NO, SERIES NUMBER OF NEW RULE BEING ADOPTED: _____

TITLE OF RULE BEING ADOPTED: _____

THE ABOVE RULE IS HEREBY ADOPTED AND FILED WITH THE SECRETARY OF STATE. THE
EFFECTIVE DATE OF THIS RULE IS March 10, 1992



Boyce A. Griffith, Chairman
Public Service Commission
of West Virginia

ABSTRACT OF PROMULGATION HISTORY

This rulemaking amends the Commission's Rules and Regulations Governing the Filing and Approval of Surety Bonds, Policies of Insurance, Qualifications as a Self-Insurer, or Other Securities and Agreements by Motor Carriers, subject to provisions of Chapter 24-A of the West Virginia Code, 1931, as amended.

The Commission re-examined the Rules and Regulations Governing the Filing and Approval of Surety Bonds, Policies of Insurance, Qualifications as a Self-Insurer, or Other Securities and Agreements by Motor Carriers and determined that these rules require certain revisions. The rules were last revised to be effective on the 1st day of July, 1978, and the Commission believes that further revision will benefit motor carriers and the general public.

The Commission determined that it was necessary to initiate a general rulemaking proceeding for the purpose of promulgating proposed amendments to the Commission's Rules and Regulations Governing the Filing and Approval of Surety Bonds, Policies of Insurance, Qualifications as a Self-Insurer, or Other Securities and Agreements by Motor Carriers, in the state of West Virginia, pursuant to §§24-1-7, 24-2-2, 24-2-12, 24A-1-1, 24A-2-3, 24A-2-5, 24A-3-3, 24A-3-6, and 24A-5-5 of the West Virginia Code, as those sections are read in pari materia with §§29A-3-1 through 29A-3-9 of the Code, and thereby amend Rule II of M.C. General Order No. 6-F to increase the bodily injury liability and property damage liability insurance minimum limits.

3. RULE II - Minimum Amounts Prescribed

The minimum amounts referred to in Rule I are hereby prescribed as follows:

A. Motor carriers--bodily injury liability--property damage liability -

Kind of equipment	Limit for bodily injuries to or death of one person.	Limit for bodily injuries to or death of all persons injured or killed in any one accident (subject to a maximum of \$50,000 for bodily injuries to or death of one person)	Limit for loss or damage in any one accident to property of others (excluding cargo)
Passenger equipment (seating capacity): 5 passengers or less 6 to 12 passengers, inclusive.. 13 to 20 passengers, inclusive.. 21 to 30 passengers, inclusive.. 31 passengers, or more..... Freight equipment: All motor vehicles used in the transportation of property.....	\$ 50,000 100,000 100,000 100,000 100,000 100,000	\$ 100,000 250,000 300,000 375,000 450,000 300,000	\$ 25,000 25,000 50,000 50,000 75,000 100,000

B. Motor Common Carriers-- Cargo Liability -

Security required to compensate shippers or consignees for loss of or damage to property belonging to shippers or consignees and coming into the possession of motor common carriers in connection with their transportation service, (1) for loss or damage to property carried on any one motor vehicle--\$20,000.00; (2) for loss of or damage to or aggregate of losses or damages of or to property occurring at any one time and place--\$40,000.00; provided, that this requirement shall not apply to the transportation of (a) low-grade commodities, (b) wrecked or disabled motor vehicles, (c) coal, (d) logs, or (e) trash, rubbish or garbage.

FISCAL NOTE

This is a fiscal note issued pursuant to §§24-1-7, 24-2-12, 24A-1-1, 24-2-3, 24A-3-65, and 24A-5-5 of the West Virginia Code, as these sections are read in pari materia, with §§29A-3-1 through 29A-3-9 of the West Virginia Code, relating to Motor Carrier General Order No. 6-G, In the Matter of Commission Proposed Rules and Regulations Governing the Filing and Approval of Surety Bonds, Policies of Insurance, Qualifications as a Self-Insurer, or Other Securities and Agreements by Motor Carriers, which were last amended in 1978, effective July 1, 1978.

I. OBJECTIVES OF THE RULE

The purposes of this proposed legislative rule are (1) to amend and reenact existing Commission rules and regulations pertaining to motor carriers in order to upgrade insurance provisions of common and contract carriers of passengers and property; (2) to update insurance requirements; and (3) reduce losses due to underinsured carriers.

II. COST OF IMPLEMENTING THE PROPOSED RULES:

A. Cost of Implementation for the State:

There will be no implementation cost relating to this rulemaking for the State of West Virginia.

B. Cost of Implementation for Persons Affected by the Proposed Rule:

The Commission is of the opinion that additional costs incurred by motor carriers as a result of the implementation of this rule will vary from carrier to carrier, and may be substantial for some carriers. Such increased costs may be reflected in increased rates for consumers of transportation services.

III. THE EFFECT THIS MEASURE WILL HAVE ON THE COSTS OR REVENUES OF STATE GOVERNMENT (Information required by fiscal notes for either House of the Legislature.)

If the proposed legislative rule is adopted in its entirety, any effect on gross revenues flowing to the Commission, or costs incurred by the Commission, will be de minimis in nature.

IV. ECONOMIC IMPACT OF THE RULE ON THE STATE OR ITS RESIDENTS

The Commission foresees that there may be some unpredictable economic impact by this rule on the State or on its residents since the changes proposed by this rulemaking may be reflected in rates charged by motor carriers to the travelling or shipping public. On the other hand, losses otherwise incurred due to underinsured motor carriers may redound to the general public.

DATE: January 10, 1992 AGENCY: Public Service Commission of WV

SIGNATURE OF AUTHORIZED REPRESENTATIVE 