

Regulation and Taxation
of
Highway Transportation

RECOMMENDATIONS OF
JOINT COMMITTEE OF RAILROADS AND HIGHWAY USERS
January 30, 1933

JOINT COMMITTEE OF RAILROADS AND HIGHWAY USERS

Room 381, 380 Seventh Avenue, New York City

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January 30, 1933

THE following statement is the result of three months' intensive study and discussion of the rail and highway transportation problem by members of the Joint Committee of Railroad Executives and Highway Users. It contains the Committee's recommendations on principles to govern the regulation and taxation of highway transportation. Those principles on which differences in opinion have not been reconciled are shown in parallel columns.

The report is in three parts of which two parts are published herewith. The first part contains the recommendations. The second part contains a series of notes which explain the reasons for differences where separate recommendations are made in Part I. In every case of that kind a footnote under the recommendation gives reference to the pertinent section of explanation in Part II. The third part, to be made public later, is a summary of the historical factors with an objective discussion of the issues and their significance from the broad viewpoint of public interest.

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PART I
STATEMENT OF PRINCIPLES

PART I

STATEMENT OF PRINCIPLES

DECLARATION OF POLICY

1. The public is entitled to the benefit of the most economical and efficient means of transportation by any instrumentalities of transportation which may be suited to such purpose, and no legislation should be enacted which has for its purpose the stifling of any legitimate form of transportation. The supreme test must always be the interest of the public. The public's right to the selection of the agency of transportation which it wants and which it finds most useful must be respected.

2. In principle, all those using the highways for commercial purposes in interstate and intrastate commerce should be subjected to regulation.

3. Section 500 of the Transportation Act should not be construed as an expression by Congress of preference for rail or water transportation over transportation by motor vehicle, nor as a declaration by Congress of the relative importance to the public of the several kinds of transportation.

FEDERAL LEGISLATION

Common Carriers in Interstate Commerce

4. Common carriers of persons and/or property in interstate commerce on highways should be under the jurisdiction of the Interstate Commerce Commission, or other properly constituted Federal tribunal, and should be required to obtain certificates of public convenience and necessity. In determining on the issue of such certificates the regulatory authority should give proper consideration to:

5. Necessity for and convenience to the public of the proposed service;

6. Quality and permanence of service to be offered by the applicant;
7. The existing transportation service, whether by motor vehicle, water, rail or other agencies of transportation, the continued existence of which is essential to public welfare—
 - a. as to its present adequacy and possibilities for improvement to meet all reasonable public demands; and
 - b. as to the effect thereon of the proposed service;
8. The financial responsibility of the applicant, including adequate provision for surety or insurance, bond, or agreement, for protection of other users of highways, passengers, shippers and the general public.
9. Adequate requirements should be imposed upon common carrier buses in interstate commerce to insure just and reasonable rates, with provision for publication thereof and adherence thereto, and proper inhibition against undue discrimination.

Proposed by Railroads

10. Adequate requirements should be imposed upon common carrier trucks in interstate commerce to insure just and reasonable rates, with provision for publication thereof and adherence thereto, and proper inhibition against undue discrimination.

(See Note A, par. 79-80)

Proposed by Highway Users

11. Adequate requirements should be imposed upon common carrier trucks in interstate commerce to insure just and reasonable rates, with provision for publication thereof and adherence thereto, and proper inhibition against undue discrimination, *if and when sufficient data have been collected to indicate the desirability of such regulation in public interest.*

(See Note A, par. 81-84)

12. Provision should be made for keeping of proper accounts, in form prescribed by regulatory authority, and for filing of such periodic and other reports as such authority may reasonably require.

13. Provision should be made for regulation of security issues.

14. In the interest of public safety on highways, requirements as to qualifications and hours of service for drivers, as prescribed by regulatory authority, should be observed.

15. Carriers in continuous and bona fide operation during a stated period before and up to the time that legislation requiring certificates is enacted should be granted such certificates without further proceedings if their operations are bona fide for the purpose of furnishing reasonably continuous and adequate service and if they meet other requirements of such legislation.

Contract Carriers in Interstate Commerce

16. Contract carriers of persons and/or property in interstate commerce on highways should be required:

17. To secure a permit to operate from the duly authorized regulatory authority; provided, however, that certificated carriers of persons should not be required to secure such permits for occasional contract service;

(See Note B, par. 106-109)

18. In the interest of public safety on highways, to meet requirements as to qualifications and hours of service for drivers, as prescribed by regulatory authority;

19. To keep such records and file such reports as the regulatory authority may reasonably prescribe;

20. To make adequate provision as to financial responsibility, including surety or insurance, bond, or agreement, for protection of other users of highways, passengers, shippers and the general public in cases of personal injury and/or property damage;

21. As to contract buses in interstate commerce, to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority;

Proposed by Railroads

22. As to contract trucks in interstate commerce, to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority.

(See Note A, par. 85-86)

Proposed by Highway Users

23. As to contract trucks in interstate commerce, to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority, *if and when sufficient data have been collected to indicate the desirability of such regulation in public interest.*

(See Note A, par. 87-88)

Other Carriers in Interstate Commerce

24. Private passenger vehicles and private carriers of property should not be required to secure a permit from a Federal regulatory authority nor otherwise be subjected to Federal regulation; provided, however, that—

25. Any private carrier of property who engages in the transportation on the highway of any commodity not of his own production, for hire or for the purpose of sale by such carrier as principal or agent, unless he has a bona fide established place or places of business regularly and continuously used for sale of such commodity, and any private carrier of persons who arranges as agent or principal to transport passengers on a share-expense or other irregular fare basis, should be required:

(See Note A, par. 89-94)

26. To secure a license to operate from the duly authorized regulatory authority;
27. To have financial responsibility or adequate provision for surety or insurance, bond, or agreement, for protection of other users of highways, passengers, shippers and the general public;

28. In the interest of public safety on highways, to meet requirements as to qualifications and hours of service for drivers, as prescribed by regulatory authority.

STATE LEGISLATION

Common Carriers in Intrastate Commerce

29. Common carriers of persons and/or property in intrastate commerce on highways should be required to obtain certificates of public convenience and necessity authorizing such operation. In determining on the issue of such certificates the regulatory authority should give proper consideration to:

30. Necessity for and convenience to the public of the proposed service;
31. Quality and permanence of service to be offered by the applicant;
32. The existing transportation service, whether by motor vehicle, water, rail or other agencies of transportation, the continued existence of which is essential to public welfare—
 - a. as to its present adequacy and possibilities for improvement to meet all reasonable public demands; and
 - b. as to the effect thereon of the proposed service;
33. The financial responsibility of the applicant, including adequate provision for surety or insurance, bond, or agreement, for protection of other users of highways, passengers, shippers and the general public.

34. Adequate requirements should be imposed upon common carrier buses in intrastate commerce, to insure just and reasonable rates, with provision for the publication thereof and adherence thereto, and proper inhibition against undue discrimination.

Proposed by Railroads

35. Adequate requirements should be imposed upon common carrier trucks in intrastate commerce to insure just and reasonable rates, with provision for the publication thereof and adherence thereto, and proper inhibition against undue discrimination.

(See Note A, par. 95-96)

Proposed by Highway Users

36. Adequate requirements should be imposed upon common carrier trucks in intrastate commerce to insure just and reasonable rates, with provision for the publication thereof and adherence thereto, and proper inhibition against undue discrimination, *if and when sufficient data have been collected to indicate the desirability of such regulation in public interest.*

(See Note A, par. 97-101)

37. Provision should be made for keeping of proper accounts, in form prescribed by regulatory authority, and for filing of such periodic and other reports as such authority may reasonably require.

38. Provision should be made for regulation of security issues.

39. In the interest of public safety on highways, requirements as to qualifications and hours of service for drivers, as prescribed by regulatory authority, should be observed.

40. Carriers in continuous and bona fide operation during a stated period before and up to the time that legislation requiring certificates is enacted should be granted such certificates without further proceedings if their operations are bona fide for the purpose of furnishing reasonably continuous and adequate service and if they meet other requirements of such legislation.

Contract Carriers in Intrastate Commerce

41. Contract carriers of persons and/or property in intrastate commerce on highways should be required:

42. To obtain permits authorizing operation, the regulatory authority to consider effect of proposed operation upon highways and

upon safety and convenience of the traveling public; provided, however, that certificated carriers of persons should not be required to secure such permit for occasional contract service;

(See Note B, par. 106-109)

43. To keep such records and file such reports as the regulatory authority may reasonably prescribe;

44. To make adequate provision as to financial responsibility, including surety or insurance, bond, or agreement, for protection of other users of highways, passengers, shippers and the general public in cases of personal injury and/or property damage;

45. In the interest of public safety on highways, to meet requirements as to qualifications and hours of service for drivers, as prescribed by regulatory authority;

46. As to contract buses in intrastate commerce, to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority;

Proposed by Railroads

47. As to contract trucks in intrastate commerce, to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority.

(See Note A, par. 102-103)

Proposed by Highway Users

48. As to contract trucks in intrastate commerce, to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority, *if and when sufficient data have been collected to indicate the desirability of such regulation in public interest.*

(See Note A, par. 104-105)

Other Carriers in Intrastate Commerce

49. Private passenger vehicles and private carriers of property should be subject only to the requirements of State registration and police regulation; provided, however, that—

50. Any private carrier of property who engages in the transportation on the highway of any commodity not of his own production, for hire or for the purpose of sale by such carrier as principal or agent, unless he has a bona fide established place or places of business regularly and continuously used for sale of such commodity, and any private carrier of persons who arranges as agent or principal to transport passengers on a share-expense or other irregular fare basis, should be required:

(See Note A, par. 89-94)

51. To secure a license to operate from the duly authorized regulatory authority;
52. To have financial responsibility or adequate provision for surety or insurance, bond, or agreement, for protection of other users of highways, passengers, shippers and the general public;
53. In the interest of public safety on highways, to meet requirements as to qualifications and hours of service for drivers, as prescribed by regulatory authority.

ALL CARRIERS IN INTERSTATE AND INTRASTATE COMMERCE

54. All carriers should be required to observe regulations as to safety devices and measures, size, weight, speed and operation of motor vehicles.

55. Suitable provision should be made for enforcing all regulatory requirements. In view of the principle herein recommended (Paragraph 61) that highway users should pay the cost of highways of general use and contribute in part to the cost of arterial routes through cities, municipalities should not adopt restrictions beyond those imposed by State laws on traffic on such arterial routes.

(See Note C, par. 110-111, dissent by Mr. Hooper)

RAILROAD OPERATION OF MOTOR VEHICLES

56. Opportunity should be given for rail carriers to engage, either directly or through subsidiaries, in motor vehicle service on highways on equal terms with all others and without discrimination in favor of or against other transportation agencies in the same field. This should include right to purchase, equally with all others, lines then in operation as well as to establish new lines. Necessary modifications of anti-trust laws should be made for this purpose.

GRADE CROSSING ELIMINATION

57. State laws requiring railroads to make capital expenditures for grade crossing elimination in excess of capitalized savings in operating expenses therefrom should be repealed. In computing the savings the only items to be considered are those of a tangible nature, such as relief from employment of watchmen, crossing tenders or automatic devices, maintenance of crossing, and the like. When the foregoing principles are accepted, each case should be considered on its merits and final decision as to whether the crossing should be eliminated and, if to be done, the division of the cost should be determined jointly by the Public Service Commission and the Highway Commission of the State.

TAXATION

Amount of Taxes

58. The total amount of taxes to be collected should be determined by the annual highway budget.

59. The budget should take into account the economic requirements of (a) administration; (b) maintenance of existing highways; (c) interest charges on outstanding highway debt; (d) amortization or replacement charge; and (e) improvement of existing highways and/or construction of new highways.

60. Projects for improvement of or additions to existing highways should not be undertaken unless traffic surveys and/or other careful studies indicate economic justification.

61. Motor vehicles should pay the entire cost of the State highway system. They should pay also a part of the cost of county and/or township highways, that part to be determined by the extent to which such county and/or township highways are in general use rather than local use. Furthermore, motor vehicles should contribute in part to the cost of arterial routes through cities. The classification of highways between those of general use and those of local use, and the determination of the extent to which special motor vehicle taxes should be used to pay part of the cost of arterial routes through cities, should be made by the authorities in each State in the light of its local conditions.

62. The annual cost of highways should include administration, maintenance, interest charges on highway debt, and amortization of capital expenditures.

Division of Taxes

63. The apportionment of special taxes among motor vehicles of various types should be based upon use of facilities required, and should be sufficient to pay their fair share of total annual costs, as defined in Paragraph 62. Separate schedules should be determined for passenger automobiles, buses, and trucks.

64. The basic cost of constructing, improving and maintaining a given highway should be determined from a highway designed for private passenger vehicles and other vehicles commensurate therewith. All vehicles using such highways should pay their proportionate share of that total as a base tax. The total additional cost of construction, improvements and maintenance to make a road suitable for a type of vehicle requiring such additional cost should be shared by each vehicle of that type and each vehicle of greater size. Thus, each group should share in the base cost plus all increments of cost up to and including cost required by it.

65. For passenger automobiles there should be:
 - a. A registration fee, graduated according to weight or horsepower, and
 - b. A gasoline tax.
66. For buses and other vehicles carrying passengers for hire, there should be:
 - a. A registration fee, based on mileage operated and graduated according to seating capacity, and
 - b. A gasoline tax.
67. For trucks there should be:
 - a. A registration fee, graduated so that it will increase more than directly with weight, and
 - b. A gasoline tax.

Diversion and Evasion of Taxes

68. Special taxes levied upon motor vehicles using highways should be devoted entirely to highway purposes. There should be no diversion of such taxes in any degree to any other purpose.

69. Gasoline taxes should not be so high as to encourage evasion.

ADMINISTRATION

70. Our highways are now under the jurisdiction, responsibility and control of different governmental units, such as the State, county, and the town or township. Cities have jurisdiction over and are responsible for city streets. There should be as complete administrative coordination as possible between these governmental units, to the end that there may be realized the utmost in efficiency and economy in highway expenditures.

71. The only effective means to centralize authority, to simplify the problem of imposing and collecting charges for highways of general motor use, to prevent unreasonable duplication of charges, and to insure expenditure of the special motor vehicle funds on highways of general motor use economically justifying such expenditures, is to have the State progressively take them over. The State should be the sole agency for special automotive taxation.

RECIPROCITY BETWEEN STATES

72. States should enter into reciprocal agreements for issuance of special licenses for commercial vehicles to cover States other than the home State at equitable rates to be determined by the conditions which prevail.

PHYSICAL REGULATION

Dimensional and Weight Limitations

73. Whatever changes may be made by a State affecting existing equipment, *i.e.*, in use or manufactured prior to January 1, 1933, a reasonable period should be allowed to wear out such equipment.

74. No vehicle should exceed a total outside width, including any load thereon, of eight feet, with the exception of existing vehicles which, by reason of substitution of pneumatic tires for other types of tires, do not unreasonably exceed this limit.

75. No vehicle, unladen or with load, should exceed a height of twelve feet six inches.

76. It is recognized that provision should be made for occasional or exceptional movements of materials or objects of dimensions which may exceed established limits, and that opportunity should be offered for securing special permits.

Proposed by Railroads

77. Believing that weights and lengths are matters that should be left to the proper State regulatory authority, as they may find to be in public interest, the railroads are unable to make any definite recommendations for uniform application.

Proposed by Highway Users

78. The recommendations of the Highway Users for weights and lengths are those adopted November 17, 1932, by the American Association of State Highway Officials and the U. S. Bureau of Public Roads for the purposes of: (a) establishing one of the fundamental prerequisites of highway design; (b) promoting efficiency in interstate operation of motor vehicles; (c) securing safety in highway operation; (d) removing undesirable equipment and operations from the highways; and (e) stabilizing on a definite basis the many relationships between the highway and the motor vehicle. The Highway Users urge the acceptance of the entire code, reprinted in full as Appendix A.

(See Note D, par. 112)

PART II
EXPLANATORY NOTES

PART II
EXPLANATORY NOTES

NOTE A. REGULATION OF RATES

Interstate Common Carriers

Viewpoint of Railroads

79. "Adequate requirements should be imposed upon common carrier trucks in interstate commerce to insure just and reasonable rates, with provision for publication thereof and adherence thereto, and proper inhibition against undue discrimination." (Paragraph 10)

80. The Railroad representatives advocate the above provisions for the following reasons:

a. The undesirable features from the shipper's point of view of secret rates, rebates and discrimination, which are not only now possible but also actually occur, cannot otherwise be eliminated nor can there be a proper rate stabilization so essential to shippers.

b. Coordination of all forms of transportation cannot be made

Viewpoint of Highway Users

81. "Adequate requirements should be imposed upon common carrier trucks in interstate commerce to insure just and reasonable rates, with provision for publication thereof and adherence thereto, and proper inhibition against undue discrimination, *if and when sufficient data have been collected to indicate the desirability of such regulation in public interest.*" (Paragraph 11)

82. The Highway Users accept the recommendations of the Interstate Commerce Commission with respect to regulation of rates as made in Docket 23,400, pages 386-387, and reaffirmed in its 1932 annual report, page 20, viz.:

a. "No person should be permitted to operate a motor vehicle for the transportation of property

Viewpoint of Railroads

on an economic basis until there is a reasonable approach to similar regulation of the forms to be coordinated so that each form can find its own economic place in the scheme of distribution and thereby give the public that form of transportation that more nearly meets its needs in each particular instance.

c. Ample data are now available and the need is urgent for regulation of common carrier rates and charges, both of passengers and of property.

d. Such regulation is a prime necessity for effective State regulation.

e. There is no other means by which existing inequity of a partly regulated and a partly unregulated national transportation system can be removed.

Viewpoint of Highway Users

for hire, either as a common carrier or a contract carrier, over public highways in interstate commerce, without first having secured a permit.

b. "All motor carriers for hire should be required to apply to the Commission for a permit to operate and upon compliance with all the applicable provisions of the act should be entitled to such permit, which should be issued for a definite period, should be assignable with the approval of the Commission, and revocable by it for good cause shown.

c. "There should be required as prerequisites to the commencement of operations:

(1) if by common carriers,

(a) a permit, and (b) liability insurance that will assure adequate protection for loss or damage to cargo and for personal injuries and property damage; and (2) if by contract carriers, (a) a permit, and (b) liability insurance to secure the public in case of personal injury or property damage.

d. "All motor carriers for hire should be required to keep such records of operations per-

Viewpoint of Highway Users

formed by them and make such reports as the Commission may reasonably prescribe.”

83. The reasons for these recommendations are given by the Commission in its 1932 annual report, page 20, and in Docket 23,400, viz.:

a. “There is substantially no demand for public regulation of the charges of motor trucks to protect shippers against exorbitant or discriminatory charges. The demand has been chiefly from the railroads, and for the prescription of minimum rather than maximum charges.”

b. “Indications are that the number of motor truck operators is very large and that their operations are mostly on a small scale. Regulation which is appropriate and practicable in the case of a comparatively few large, well-organized companies may be quite impracticable in the case of a multitude of individuals or small concerns.”

c. As noted in Docket 23,400, page 384, “A further consideration is that the Federal Government is wholly inexperienced in this field of regulation. Under these circumstances we deem it

Viewpoint of Highway Users

wise to make haste slowly," and, as noted in the 1932 annual report, page 20, "to be guided by the experiments which the States are making in this direction, and by its [the Commission's] own experience in regulating the charges, practices and service of motor buses, if the latter regulation be established as we recommend."

84. The Highway Users believe that the public interest will be best served if these recommendations are observed with the following qualifications:

a. The Highway Users are willing to concede the principle of certificates of convenience and necessity for common carriers of property in interstate commerce under the conditions herein prescribed (Paragraphs 4-8), largely as a means of quickening experimentation in this field of regulation.

b. In the interest of public safety on the highways common and contract carriers of property should observe requirements as to qualifications and hours of service for drivers, as prescribed by regulatory authority.

Interstate Contract Carriers

Viewpoint of Railroads

85. Contract carrier trucks in interstate commerce "to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority." (Paragraph 22)

86. The Railroad representatives advocate the above provisions for the following reasons:

a. The legal problems which heretofore have caused difficulty now have been solved by recent Supreme Court decisions;

b. Regulation of common carrier rates and fares cannot otherwise be made effective;

c. Stability in rate structure cannot be secured without it;

d. Coordination of rail and highway transportation cannot be successfully achieved otherwise.

e. Sound development of highway transportation cannot otherwise be achieved and the economic field within which each form of transportation can most effectively operate cannot otherwise be determined;

f. Interests of small shippers cannot otherwise be adequately safeguarded.

Viewpoint of Highway Users

87. Contract carrier trucks in interstate commerce "to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority, *if and when sufficient data have been collected to indicate the desirability of such regulation in public interest.*" (Paragraph 23)

88. The Highway Users propose that *if and when sufficient data have been collected to indicate the desirability of such regulation in public interest*, contract carrier trucks in interstate commerce should observe the above requirements. The reasons given in Paragraphs 82-84 apply to contract carriers as well as common carriers.

Other Carriers in Interstate and Intrastate Commerce

(Agreed upon by both Railroads and Highway Users)

89. "Any private carrier of property who engages in the transportation on the highway of any commodity not of his own production, for hire or for the purpose of sale by such carrier as principal or agent, unless he has a bona fide established place or places of business regularly and continuously used for sale of such commodity, and any private carrier of persons who arranges as agent or principal to transport passengers on a share-expense or other irregular fare basis, should be required:

90. "To secure a license to operate from the duly authorized regulatory authority;
91. "To have financial responsibility or adequate provision for surety or insurance, bond, or agreement, for protection of other users of highways, passengers, shippers and the general public;
92. "In the interest of public safety on highways, to meet requirements as to qualifications and hours of service for drivers, as prescribed by regulatory authority." (Paragraphs 25 to 28, inclusive, and 50 to 53, inclusive)

Interpretation of Railroads

93. In the above provisions the Railroad representatives have as their purpose the control of certain operations over the highways that are demoralizing to local markets, injurious to essential, established business, and contrary to public interest. For this purpose it is the intention to seek proper regulatory legislation through an occupational tax or otherwise.

Interpretation of Highway

Users

94. The Highway Users cannot agree to any interpretation of these provisions which would limit or hamper the use of a motor truck as an instrument of transportation by the established producer, merchant, farmer or other private carrier whose operations are outside the provisions of Paragraphs 25 and 50.

Intrastate Common Carriers

Viewpoint of Railroads

95. "Adequate requirements should be imposed upon common carrier trucks in intrastate commerce to insure just and reasonable rates, with provision for the publication thereof and adherence thereto, and proper inhibition against undue discrimination." (Paragraph 35)

96. The Railroad representatives advocate the above provisions for the following reasons:

a. It is an established policy already in most States as to carriers of persons, and in an ever increasing number of States as to carriers of property;

b. All reasons for such action applying to interstate operation apply with equal or even greater force to intrastate operation; (See Note A, par. 80)

c. It is now being urged by State public utility commissions who are bearing the responsibility for regulation of other forms of transportation;

d. The Interstate Commerce Commission, in its annual report for 1932, states that it is "to be guided by the experiments which

Viewpoint of Highway Users

97. "Adequate requirements should be imposed upon common carrier trucks in intrastate commerce to insure just and reasonable rates, with provision for the publication thereof and adherence thereto, and proper inhibition against undue discrimination, *if and when sufficient data have been collected to indicate the desirability of such regulation in public interest.*" (Paragraph 36)

98. The Highway Users are opposed to regulation of rates of common and contract carriers of property in intrastate commerce at this time, largely for the reasons given in objection to regulation of rates in interstate commerce. (See Note A, par. 82-84). Furthermore:

99. While many States have some form of rate regulation upon their books, experience does not yet indicate that such regulation can be effectively enforced.

100. Rate regulation for contract carrier operation is now being suggested. How far such regulation may be in public interest; how far it is practicable to burden the administrative

Viewpoint of Railroads

the States are making in this direction." While some States have made such experimentation, it can not be had fully unless and until above requirements are embodied in law.

Viewpoint of Highway Users

forces with policing of hundreds of thousands of contract carrier operations; how far any rates can be defined for movements so diverse without "freezing" the rate structure at rail or artificially high levels, is not clear in the judgment of the Highway Users.

101. If and when the collection of factual data and the experience gleaned from regulation now imposed by State bodies indicate that regulation of the common and contract carrier engaged in intrastate commerce is practicable and desirable in public interest, the Highway Users will not oppose such action.

Intrastate Contract Carriers

102. Contract carrier trucks in intrastate commerce "to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority." (Paragraph 47)

103. The Railroad representatives advocate the above provisions for the same reasons that apply to interstate contract carriers. (See Note A, par. 86).

104. Contract carrier trucks in intrastate commerce "to observe minimum rates fixed by regulatory authority and comply with rules and practices applying to rates and service, as may be prescribed by such authority, *if and when sufficient data have been collected to indicate the desirability of such regulation in public interest.*" (Paragraph 48)

105. The Highway Users

Viewpoint of Highway Users

advocate postponement of such requirements until, as noted above, the desirability in public interest is clearly indicated. The reasons given in Paragraphs 82-84, with respect to interstate common carriers, apply here as well.

NOTE B. PERMITS

(Agreed upon by both Railroads and Highway Users)

106. Contract carriers in interstate commerce should be required "to secure a permit to operate from the duly authorized regulatory authority; provided, however, that certificated carriers of persons should not be required to secure such permits for occasional contract service." (Paragraph 17)

107. Contract carriers in intrastate commerce should be required "to obtain permits authorizing operation, the regulatory authority to consider effect of proposed operation upon highways and upon safety and convenience of the traveling public; provided, however, that certificated carriers of persons should not be required to secure such permit for occasional contract service." (Paragraph 42)

Interpretation of Railroads

108. The Railroad representatives maintain that it has been correctly held that a permit to operate is granted as a privilege. Thus the Supreme Court has recently stated in the Binford Case, "It is well established law that the highways of the state are public property; that their primary and preferred use is for private purposes; and that their

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109. The Highway Users accept the definition of permit set down by the Interstate Commerce Commission that when a motor carrier has complied with provisions for the protection of the public, as recommended by the Commission (Paragraph 82c), he is then entitled to a permit.

Interpretation of Railroads

use for purposes of gain is special and extraordinary, which, generally at least, the legislature may prohibit or condition as it sees fit.”

NOTE C. MUNICIPAL RESTRICTIONS ON MOTOR VEHICLES

(Agreed upon by both Railroads and Highway Users)

110. “In view of the principle herein recommended (Paragraph 61) that highway users should pay the cost of highways of general use and contribute in part to the cost of arterial routes through cities, municipalities should not adopt restrictions beyond those imposed by State laws on traffic on such arterial routes.” (Paragraph 55)

Dissent by Mr. Hooper

111. Mr. Hooper, in behalf of the American Automobile Association, takes exception to that part of this section which limits State regulation of municipal highways to those paid for by motor vehicle funds. It is the contention of this organization that uniform control is essential to safe highway movement and that under no conditions should municipalities have the right to go beyond the powers contained in the State laws regulating the operation of motor vehicles.

NOTE D. DIMENSIONAL AND WEIGHT LIMITATIONS

Dissent by Milk Dealers

112. The International Association of Milk Dealers do not agree to maximum lengths and weights as low as those advocated by the majority of the Highway Users.

(See Appendix A)

APPENDIX A

(Approval of entire code recommended by Highway Users)

GROSS WEIGHT, DIMENSIONS AND SPEED FOR VEHICLES OPERATING ON THE HIGHWAYS

**Adopted by the American Association of State Highway Officials in
Convention at Washington, D. C., November 17, 1932 and
recommended for adoption by all States**

It is the opinion of the Association that the adoption of a uniform standard to govern gross weight, dimensions, and speeds for motor vehicles operating on the highways is a fundamental necessity for the following reasons:

- (a) To establish one of the fundamental prerequisites of highway design.
- (b) To promote efficiency in the interstate operation of the motor vehicle.
- (c) To secure safety in highway operation.
- (d) To remove from the highways undesirable equipment and operations.
- (e) To stabilize on a definite basis the many relationships between the highway and the motor vehicle.

These conclusions have been reached after many years of consideration on the part of the Highway Transport Committee of the Association, supplemented by painstaking research by a number of the State Highway Departments and the Bureau of Public Roads.

The Association therefore makes the following recommendations to the proper State authorities having control of traffic on the highways:

(1) WIDTH

No vehicle shall exceed a total outside width, including any load thereon, of 8 feet, except vehicles now in operation which, by reason of the substitution of pneumatic tires for other types of tires, exceed the above limit.

(2) HEIGHT

No vehicle unladen or with load shall exceed a height of 12 feet 6 inches.

(3) LENGTH

(a) No vehicle shall exceed a length of 35 feet extreme over-all dimension, inclusive of front and rear bumpers.

(b) Combinations of vehicles shall consist of not more than two units, and, when so combined, shall not exceed a total length of 45 feet.

(c) The truck tractor and semi-trailer shall be construed to be one vehicle for the purpose of determining lengths.

(d) For occasional movements of materials or objects of dimensions which exceed the limits herein provided, a special permit shall be required.

(4) SPEED

(a) Minimum speed. No motor vehicle shall be unnecessarily driven at such a slow speed as to impede or block the normal and reasonable movement of traffic, except when reduced speed is necessary for safe operation or when a vehicle or a combination of vehicles is necessarily, or in compliance with law, proceeding at reduced speed.

(b) Maximum speed. No bus or truck shall be operated at a speed greater than 45 miles per hour. Passenger automobiles may be operated at such speeds as shall be consistent at all times with safety and the proper use of the roads.

(c) Vehicles equipped with solid rubber or cushion tires shall be operated at a speed not in excess of 10 miles per hour.

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(5) AXLE LOAD

(a) The wheels of all vehicles, including trailers, except those operated at 10 miles per hour or less, shall be equipped with pneumatic tires.

(b) No wheel equipped with high-pressure, pneumatic, solid rubber or cushion tires shall carry a load in excess of 8,000 pounds, or any axle load in excess of 16,000 pounds.

Research indicates that low-pressure pneumatic tires can carry 9,000 pounds per wheel without increasing pavement slab stresses.

An axle load shall be defined as the total load on all wheels whose centers may be included between two parallel transverse vertical planes 40 inches apart.

(c) These limitations are recommended for all main rural and intercity roads, but should not be construed as inhibiting heavier axle loads in metropolitan areas if any State desires.

(d) These weight specifications for wheel and axle loads may be restricted by the State Highway Department for a reasonable period where road sub-grades are materially weakened from thawing after deep frost, or from a continued saturated condition of the soil.

(6) GROSS WEIGHTS

Subject to the limitation imposed by the recommended axle loads, no vehicle shall be operated whose total gross weight, with load, exceeds that given by the formula $W=c(L \text{ plus } 40)$ where:

W=total gross weight, with load, in pounds;

c=a coefficient to be determined by the individual States;

L=the distance between the first and last axles of a vehicle or combination of vehicles, in feet.

A value of 700 is recommended for "c" as the lowest which should be imposed, but this should not be construed as inhibiting greater values.

NOTE: This gross weight recommendation is particularly applicable to bridges, since axle loads and length limitations are determinative in their practical application.