Lisa Ann L. Mangat, Director

PUBLIC UTILITIES CODE SECTIONS4660-4672 CHAPTER 4.5. FOR-HIRE VESSELS (and related provisions)

4660. As used in this chapter, "for-hire vessel operator" means any person owning, controlling, operating, or managing a for-hire vessel for the transportation of persons for compensation in this state, except a common carrier by vessel as defined in subdivision (b) of Section 211. Nothing in this section shall exempt those common carriers by vessel excepted from this section from any insurance requirements required by the commission for common carriers as defined in subdivision (b) of section 211.

RELATED PROVISIONS: PUC §211 and §212 (partial)

- 211. "Common carrier" means every person and corporation providing transportation for compensation to or for the public or any portion thereof, except as otherwise provided in this part.
- "Common carrier" includes:
- (a) [Intentionally omitted]
- (b) Every corporation or person, owning, controlling, operating, or managing any vessel used in the transportation of persons or property for compensation between points upon the inland waters of this state or upon the high seas between points within this state, except as provided in Section 212. "Inland waters" as used in this section includes all navigable waters within this state other than the high seas.
- (c) [Intentionally omitted]

212. "Common carrier" shall not include:

- (a) Any corporation or person owning, controlling, operating, or managing any vessel, by reason of the furnishing of water transportation service between points upon the inland waters of this state or upon the high seas between points within this state for affiliated or parent or subsidiary companies or for the products of other corporations or persons engaged in the same industry, if the water transportation service is furnished in tank vessels or barges specially constructed to hold liquids or fluids in bulk and if the service is not furnished to others not engaged in the same industry.
- (b) Any corporation or person who operates any vessel for the transportation of persons for compensation, between points in this state if one terminus of every trip operated by the corporation or person is within the boundaries of a United States military reservation and is performed under a contract with an agency of the federal government which specifies the terms of service to be provided; and provided that the corporation or person does not perform any service between termini within this state which are outside of a United States military reservation. For the purposes of this subdivision, the conditions of this exemption shall be reviewed by the Public Utilities Commission annually as of the first day of January of each year.
- (c) [Intentionallyomitted]
- (d) [Intentionallyomitted]
- (e) [Intentionallyomitted]

4661. As used in this chapter, "for-hire vessel" includes any vessel, by whatsoever power operated, carrying passengers for hire, except a seaplane on the water, and vessels exempt from taxation under section 4 of article XIII of the Constitution of the State of California.

RELATED PROVISION: CALIFORNIA CONSTITUION, ARTICLE 13 TAXATION

SEC. 4. The Legislature may exempt from property taxation in whole or in part:

- (a) The home of a person or a persons spouse, including an unmarried surviving spouse, is the person, because of injury incurred in the military service, is blind in both eyes, has lost the use of 2 or more limbs, or is totally disabled, or if the person has, as a result of a service-connected injury or disease, died while on active duty in military service, unless the home is receiving another real property exemption.
- (b) Property used exclusively for religious, hospital, or charitable purposes and owned or held in trust by corporations or other entries (1) that are organized and operating for those purposes,(2) that are nonprofit, and (3) no part of whose net earnings inures to the benefit of any private shareholder or individual.
- (c) Property owned by the California school od Mechanical Arts, California Academy of Sciences or Cogswell Polytechnical College, or held in trust for the Huntington Library and Art Gallery, or their successors.
- (d) Real property not used for commercial purposes that is reasonably and necessarily required for parking vehicles of persons worshipping on land exempt by section 3(f).

4662. As used in this chapter, "person" means any individual, firm, partnership, private, municipal or public corporation, limited liability company, company, association, joint stock association, trustee, receiver, assignee, or other similar representative.

4663. The Public Utilities Commission shall require every for-hire vessel operator to procure, and continue in effect so long as the for-hire vessel operator continues to offer his services for compensation, adequate protection against liability imposed by law upon a for-hire vessel operator for the payment of damages for personal bodily injuries, including death resulting therefrom, and property damage as a result of an accident.

4664. The commission shall, after a public hearing, set the amount of liability insurance, required by Section 4663, which is reasonably necessary to provide adequate compensation for damage incurred through an accident involving a for-hire vessel operator.

4665. The protection required under Section 4663 shall be evidenced either by the deposit with the commission, covering each vessel used or to be used in for-hire vessel operations for compensation, of:

- (a) A policy of insurance, issued by a company licensed to write such insurance in the state, or by nonadmitted insurers subject to Section 1763 of the Insurance Code, if such policies meet the rules promulgated therefor by the commission; or
- (b) A bond of a surety company licensed to write surety bonds in the state; or
- (c) Such evidence of the qualification of the for-hire vessel operator as a self-insurer as may be authorized by the commission.

- 4666. With the consent of the commission a copy of an insurance policy, certified by the company issuing it to be a true copy of the original policy, or a photostatic copy thereof, or an abstract of the provisions of the policy, or a certificate of insurance issued by the company issuing the policy, may be filed with the commission in lieu of the original or a duplicate or counterpart of the policy.
- 4667. The protection against liability shall be continued in effect so long as the for-hire vessel operator continues to offer his services for compensation. The policy of insurance or surety bond shall not be cancelable on less than thirty (30) days' written notice to the commission, except in the event of cessation of operations as a for-hire vessel operator.
- 4668. The commission may establish such rules as are necessary to enforce this article.
- 4669. Any for-hire vessel operator who knowingly refuses or fails to procure protection against liability, as required by Section 4663, is guilty of a misdemeanor.
- 4670. Following an administrative hearing, the commission may impose a penalty of not less than fifty dollars (\$50) nor more than one thousand dollars (\$1,000) upon any for-hire vessel owner or operator who violates any provision of this article or who fails to obey, observe, or comply with any rule established by the commission pursuant to Section 4668. For purposes of this section, Section 4671, and Section 4672, "owner" means the corporation or person who is registered as the owner of the vessel or who has a legal right to operate the vessel pursuant to a lease or rental agreement. For purposes of this section, Section 4671, and Section 4672, "operator" means the "for-hire vessel operator" as defined in Section 4660.
- 4671. (a) Upon filing of the evidence of liability protection pursuant to Section 4663, the commission shall provide a certificate of filing to the for-hire vessel owner or operator. The certificate shall be no larger than 81/2 by 11 inches in size. The for-hire vessel owner or operator shall post the certificate of filing on the vessel in a prominent location which is visible to the passengers.
- (b) No certificate that has been canceled, suspended, or revoked, or that is not valid shall be posted on a vessel.
- 4672. Upon receiving notification of impending cancellation of liability protection pertaining to a for-hire vessel owner or operator, the commission shall, effective upon the date of the cancellation, revoke the certificate provided to the owner or operator pursuant to Section 4671 and shall notify the owner or operator of this revocation. The owner or operator shall return the revoked certificate to the commission.