

221.296 LOCAL CARTAGE CARRIER.

Subdivision 1. [Repealed, 1983 c 371 s 44]

Subd. 2. [Repealed, 1985 c 299 s 43]

Subd. 3. **Permit required.** No person shall operate a local cartage carrier without a permit in full force and effect with respect to the operation. The commissioner may revoke or suspend the permit of a local cartage carrier after notice and hearing for violating a provision of this section or a rule of the commissioner governing local cartage carriers. The commissioner may by order suspend or cancel the permit under section 221.185.

Subd. 4. **Petition for permit.** A person desiring to operate as a local cartage carrier shall file a petition with the commissioner specifying the service offered, the name and address of the petitioner, the names and addresses of the officers, if a corporation, and other information as the commissioner may require. The commissioner, after notice to interested parties and a hearing, shall issue the permit upon compliance with laws and rules relating to it unless it finds that the area to be served has a sufficient number of local cartage carriers to fully and adequately meet the needs of the area, that the petitioners' vehicles do not meet the safety standards adopted by rule by the commissioner, or that petitioner is not fit and able to conduct the proposed operations. A permit once granted continues in full force and effect until abandoned or unless suspended or revoked, subject to compliance by the permit holder with the applicable provisions of law and rules of the commissioner governing local cartage carriers.

Subd. 5. **Permit fees.** Upon filing a petition for a permit the petitioner shall pay to the commissioner as a fee for the issuance of the permit, the sum of \$150, and shall thereafter pay an annual renewal fee of \$75 plus \$5 per motor vehicle if the local cartage carrier operates less than five motor vehicles, or \$100 plus \$5 per motor vehicle if the local cartage carrier operates at least five but less than 15 motor vehicles, or \$150 plus \$5 per motor vehicle if the local cartage carrier operates 15 or more vehicles. Upon issuance of the permit the commissioner shall assign the carrier a permit number, which must be painted or prominently displayed on both sides of vehicles used by the local cartage carrier under authority of the permit.

The commissioner shall issue a distinguishing annual identification card for each vehicle or power unit for which a permit has been issued. The identification card must be carried in the vehicle or power unit to which it has been assigned. An identification card may be reassigned to another vehicle or power unit upon application of the permit holder and payment of a transfer fee of \$10. An identification card issued under this section is effective only for the period for which the permit is effective.

Subd. 6. **Bond.** Local cartage carriers shall comply with the requirements of section 221.141.

Subd. 7. **Limitations.** Nothing in this section shall be construed in any manner as taking from or curtailing the right of any city to reasonably regulate or control the routing, parking, speed or the safety of operation of any motor vehicle operated by local cartage carriers, nor the general police powers of any city of its highways, nor as abrogating any provision of the charter of any city requiring conditions to be complied with before such local cartage carrier can use the highways of such city, and such rights and powers hereby stated are reserved and granted to such city; but no city shall prohibit or deny the use of the public highways within its territorial boundaries by any local cartage carrier for the transportation of property received within its boundaries to destinations beyond such boundaries, or for the transportation of property from points beyond such boundaries to destinations within the same, or for transporting property from points beyond such boundaries through such municipality to points beyond the boundaries of such municipality, where such operation is pursuant to a permit issued by the department pursuant to an order of the commission.

Subd. 8. **Permit transferable.** (a) Permits, issued under the provisions of this section may be transferred but only upon the order of the commissioner approving same after notice and hearing.

(b) The proposed seller and buyer of a permit, shall file a joint verified petition with the commissioner setting forth the legal name and address of the parties, the permit number and the description of the authority which the parties seek to sell, a verified statement of the reasons for the proposed sale, a verified statement of all outstanding claims of creditors which are attributable to the business conducted under said permit, a copy of the contract of sale and financial statement with balance sheet and income statement, if existent, of the buyer and the seller.

(c) After notice to interested parties and a hearing the commissioner shall not make an order approving and allowing the sale unless the commissioner finds that the buyer is fit and able to conduct the business authorized under said permit, that the vehicles the buyer proposes to use in conducting such business meet the safety standards of the commissioner, that the price paid for the purchase of the permit is not disproportionate to the reasonable value of the permit considering all assets and goodwill sold, that the proposed sale is in the best interest of the shipping public, and that the seller has legally engaged in the transportation of property or freight for hire on a meaningful basis as determined by the commissioner within the two-year period immediately preceding the sale as proven by accurate and complete bills of lading, company records, operation records, or other relevant evidence. For purposes of determining said two-year period, any divesting of interest or control shall be deemed the date of the sale and the commissioner shall look to the substance of the transaction rather than the form. Any agreement for the transfer or sale of a permit shall be reported and filed with the commissioner within 30 days of such agreement.

(d) If any authority to operate as a local cartage carrier, is held by a corporation, any sale, assignment, pledge or other transfer of such stock interest in the corporation which will accomplish a substantial or material change or transfer of the majority ownership of said corporation, as exercised through its stockholders, shall be reported in the manner prescribed by the rules of the commissioner within 30 days after said sale, assignment, pledge or other transfer of stock. The commissioner shall then make a finding whether or not said stock transfer does, in fact, constitute a sale, or other transfer of the permit of said corporation to a new party or parties and, if they so find, then the continuance of the permit issued to said corporation shall only be upon the corporation's complying with the standards and procedures otherwise imposed by this section.

(e) The commissioner shall allow a bona fide transfer of a permit, ex parte without hearing where the transferee of said permit is in fact a member or members of the transferor's immediate family. For the purpose of this paragraph immediate family shall consist only of the lawful spouse, adult child or children, brother or sister of the transferor. A transfer pursuant to this paragraph shall include:

(1) transfer to a corporation the stock of which is wholly owned by the transferor or immediate family members;

(2) transfer to a partnership or partner consisting solely of the immediate family as defined in this paragraph.

History: 1967 c 79 s 1; 1971 c 25 s 67; 1973 c 123 art 5 s 7; 1973 c 231 s 1,2; 1973 c 766 s 2; 1975 c 313 s 16-18; 1976 c 166 s 96-102; 1980 c 534 s 80-83; 1983 c 293 s 82; 1983 c 371 s 39-41; 1984 c 520 s 22; 1985 c 248 s 70; 1986 c 444; 1987 c 393 art 2 s 7; 1988 c 544 s 22-24; 2001 c 213 s 30