

[CHAPTER 318]

AN ACT

To amend the Interstate Commerce Act, as amended, to provide for the regulation of freight forwarders.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Interstate Commerce Act, as amended, is further amended by adding after part III thereof the following part IV :

"PART IV

"SHORT TITLE

"SEC. 401. This part, divided into sections according to the following table of contents, may be cited as part IV of the Interstate Commerce Act :

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- "Sec. 401. Short title.
- "Sec. 402. Definitions and exemptions.
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- "Sec. 407. Motor carrier rates applicable to small parcel forwarding.
- "Sec. 408. Authority for assembling and distribution rates.
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- "Sec. 417. Enforcement and procedure.
- "Sec. 418. Carriers the services of which freight forwarders may utilize.
- "Sec. 419. Liability for past acts and omissions.
- "Sec. 420. Special powers during time of war or other emergency.
- "Sec. 421. Unlawful acts and penalties.
- "Sec. 422. Separability of provisions.

"DEFINITIONS AND EXEMPTIONS

"SEC. 402. (a) For the purposes of this part—

"Person."

"(1) The term 'person' includes an individual, firm, partnership, corporation, company, association, or joint-stock association, and includes a trustee, receiver, assignee, or personal representative thereof.

"Commission."

"(2) The term 'Commission' means the Interstate Commerce Commission.

"State."

"(3) The term 'State' means a State of the United States or the District of Columbia.

"United States."

"(4) The term 'United States' means the States of the United States and the District of Columbia.

"Freight forwarder."

"(5) The term 'freight forwarder' means any person which (otherwise than as a carrier subject to part I, II, or III of this Act) holds itself out to the general public to transport or provide transportation of property, or any class or classes of property, for compensation, in interstate commerce, and which, in the ordinary and usual course of its undertaking, (A) assembles and consolidates or provides for assembling and consolidating shipments of such property, and performs or provides for the performance of break-bulk and distributing operations with respect to such consolidated shipments, and (B) assumes responsibility for the transportation of such property from point of receipt to point of destination, and (C) utilizes, for the whole or any part of the transportation of such shipments, the services of a carrier or carriers subject to part I, II, or III of this Act.

May 16, 1942

[S. 210]

[Public Law 558]

Regulation of freight forwarders.

54 Stat. 929.
49 U. S. C. §§ 901-923.

Part IV of the Interstate Commerce Act.

"Freight forwarder."

54 Stat. 899, 919, 929.
49 U. S. C., chs. 1, 8, 12.

Ante, p. 176; *post*, pp. 300, 746.

“(6) The term ‘interstate commerce’ means transportation (A) between a point in a State and a point in another State, whether or not such transportation takes place wholly within the United States; (B) between points within the same State but through any place outside thereof; or (C) from or to any point in the United States to or from any point outside thereof, but only insofar as such transportation takes place within the United States.

“(7) The term ‘service subject to this part’ means any or all of the service in connection with the transportation in interstate commerce which any person undertakes to perform or provide as a freight forwarder, or which such person is authorized or required by or under the authority of this part to perform or provide; but such term shall not include that part of the undertaking of any such person for the performance of which the services of an air carrier subject to the Civil Aeronautics Act of 1938, as amended, are utilized, or for the performance of which transportation by motor vehicle exempted under the provisions of section 203 (b) (7a) of this Act is utilized.

“(8) Wherever reference is made to control (in referring to a relationship between any person or persons and another person or persons), such reference shall be construed to include actual as well as legal control, whether maintained or exercised through or by reason of the method of or circumstances surrounding organization or operation, through or by common directors, officers, or stockholders, a voting trust or trusts, a holding or investment company or companies, or through or by any other direct or indirect means; and to include the power to exercise control.

“(b) The provisions of this part shall not apply (1) to service performed by or under the direction of a cooperative association, as defined in the Agricultural Marketing Act, approved June 15, 1929, as amended, or by a federation of such cooperative associations, if such federation possesses no greater powers or purposes than cooperative associations so defined, or (2) where the property with respect to which service is performed consists of ordinary livestock, fish (including shellfish), agricultural commodities (not including manufactured products thereof), or used household goods, if the person performing such service engages in service subject to this part with respect to not more than one of the classifications of property above specified.

“(c) The provisions of this part shall not be construed to apply (1) to the operations of a shipper, or a group or association of shippers, in consolidating or distributing freight for themselves or for the members thereof, on a nonprofit basis, for the purpose of securing the benefits of carload, truckload, or other volume rates, or (2) to the operations of a warehouseman or other shippers’ agent, in consolidating or distributing pool cars, whose services and responsibilities to shippers in connection with such operations are confined to the terminal area in which such operations are performed.

“GENERAL POWERS AND DUTIES OF COMMISSION

“SEC. 403. (a) It shall be the duty of the Commission to administer the provisions of this part, and to that end it shall have the authority to make and amend such rules and regulations and to issue such orders as may be necessary to carry out its provisions.

“(b) The Commission shall have authority to establish reasonable requirements with respect to continuous and adequate service.

“(c) The Commission shall have authority to prescribe reasonable rules and regulations governing the filing of surety bonds, policies of insurance, qualifications as a self-insurer, or other securities or agreements, in such reasonable amount as the Commission may require, to

“Interstate commerce.”

“Service subject to this part.”

52 Stat. 973; *post*, p. 300.
49 U. S. C. §§ 401-681.
52 Stat. 1029.
49 U. S. C. § 303 (b) (7a).
“Control” construed.

Services excluded.
Cooperative associations.
46 Stat. 11.
12 U. S. C. §§ 1141-1141j.

Service limited to one of designated property classifications.

Nonapplication to certain shippers or agents.

Rules and regulations.

Service requirements.

Securities, etc., to cover property loss or damage.

be conditioned to pay, within the amount of such surety bonds, policies of insurance, qualifications as a self-insurer, or other securities or agreements, for loss of or damage to property with respect to which a freight forwarder performs service subject to this part.

Securities to cover bodily injury, property loss, etc., from use of motor vehicles.

“(d) The Commission shall have authority to prescribe reasonable rules and regulations governing the filing of surety bonds, policies of insurance, qualifications as a self-insurer, or other securities or agreements, in such reasonable amount as the Commission may require, conditioned to pay, within the amount of such surety bonds, policies of insurance, qualifications as a self-insurer, or other securities or agreements, any final judgment recovered against a freight forwarder on account of bodily injuries to or death of any person, or loss of or damage to property (except property referred to in subsection (c) of this section), resulting from the negligent operation, maintenance, or use of motor vehicles operated by or under the direction and control of such freight forwarder, in service subject to this part, in the performance of transfer, collection, or delivery services.

Business management inquiries and reports.

“(e) The Commission shall have authority, for purposes of the administration of the provisions of this part, to inquire into and report on the management of the business of freight forwarders, and to inquire into and report on the management of the business of persons controlling, controlled by, or under a common control with freight forwarders, to the extent that the business of such persons is related to the management of the business of one or more such freight forwarders, and the Commission shall keep itself informed as to the manner and method in which the same are conducted. The Commission may obtain from such freight forwarders and persons such information as the Commission deems necessary to carry out the provisions of this part; and may transmit to Congress from time to time, such recommendations (including recommendations as to additional legislation) as the Commission may deem necessary.

Investigation upon complaint, etc.

“(f) The Commission may investigate, either upon complaint or upon its own initiative, whether any freight forwarder has failed to comply with any provision of this part or with any order, rule, regulation, or requirement issued or established pursuant thereto, and, after notice and hearing, take appropriate action to compel compliance therewith. Whenever the Commission is of opinion that any complaint does not state reasonable grounds for action on its part, it may dismiss such complaint.

“RATES, CHARGES, AND PRACTICES

Duties of freight forwarders.

“SEC. 404. (a) It shall be the duty of every freight forwarder to provide and furnish, upon reasonable request therefor, the service subject to this part covered by its permit issued under this part, and to establish, observe, and enforce just and reasonable rates and charges therefor and just and reasonable classifications, regulations, and practices relating thereto and to the issuance, form, and substance of receipts and bills of lading, the manner and method of presenting, marking, packing, and delivering property for transportation in service subject to this part, the facilities for such transportation, and all other matters relating to or connected with such transportation, and every unjust or unreasonable rate, charge, classification, regulation, or practice is prohibited and declared unlawful.

Undue preference.

“(b) It shall be unlawful for any freight forwarder, in service subject to this part, to make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, port district, gateway, transit point, locality, region, district, territory, or description of traffic in any respect whatsoever; or to subject any particular person, port, port district, gateway, transit point, locality, region,

Unjust discrimination.

district, territory, or description of traffic to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever: *Provided*, That this subsection shall not be construed to apply to discriminations, prejudice, or disadvantage to the traffic of any carrier of whatever description.

“(c) It shall be unlawful for any common carrier subject to part I, II, or III of this Act to make, give, or cause any undue or unreasonable preference or advantage to any freight forwarder, whether or not such freight forwarder is controlled by such carrier, in any respect whatsoever; or to subject any freight forwarder, whether or not such freight forwarder is controlled by such carrier, to any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

“(d) Nothing in this part shall be construed to prohibit any freight forwarder from entering into an agreement with another freight forwarder for the joint loading of traffic between points in transportation subject to this part, except that the Commission may cancel, suspend, or require the modification of any such agreement which it finds, after reasonable opportunity for hearing, to be inconsistent with the national transportation policy declared in this Act.

“TARIFFS OF FREIGHT FORWARDERS

“SEC. 405. (a) Every freight forwarder shall file with the Commission and print, and keep open to public inspection, tariffs showing its rates and charges for service subject to this part, and all classifications, rules, regulations, and practices with respect thereto. Such tariffs shall become effective only after thirty days’ notice, and shall plainly state the points between which property will be transported, the classification of property, and, separately, all terminal charges, or other charges which the Commission shall require to be so stated, all privileges or facilities granted or allowed, and any rules or regulations which in any wise change, affect, or determine any part or the aggregate of such rates or charges, or the value of the service rendered to the shipper or consignee.

“(b) All rates and charges of freight forwarders for service subject to this part shall be stated in lawful money of the United States. The Commission shall by regulations prescribe the form and manner in which the tariffs to which this section applies shall be published, filed, and posted; and the Commission is authorized to reject any tariff filed with it which is not in accordance with this section and with such regulations. Any tariff so rejected by the Commission shall be void and its use shall be unlawful.

“(c) No freight forwarder shall charge or demand or collect or receive a greater or less or different compensation for or in connection with service subject to this part than the rates or charges specified therefor in its tariffs lawfully in effect; and no freight forwarder shall refund or remit in any manner or by any device any portion of the rates or charges so specified, or extend to any person any privileges or facilities in connection with such service and affecting the value thereof except such as are specified in its tariffs: *Provided*, That the provisions of section 22 of part I of this Act, as amended (relating to transportation free or at reduced rates), insofar as such provisions relate to transportation or service in the case of property, shall apply with respect to freight forwarders, in the performance of service subject to this part, with like force and effect as in the case of the persons and service to which such provisions are specifically applicable.

“(d) No change shall be made in any rate, charge, classification, regulation, or practice specified in any effective tariff of a freight forwarder for or in connection with service subject to this part,

Proviso.

Common carriers subject to part I, II, or III.
Undue preference, etc.
54 Stat. 899, 919, 929.
49 U. S. C. chs. 1, 8, 12.
Ante, p. 176: *post*, pp. 300, 746.

Joint loading of traffic.

Filing, printing, etc.

Effective dates.

Terminal charges.

Rates, etc., requirement.

Form.

Rejected tariff.

Tariffs lawfully in effect to be observed.

Rebates.

Proviso.
Transportation free or at reduced rates.
24 Stat. 387.
49 U. S. C. § 22.

Advance notice of proposed change.

except after thirty days' notice of the proposed change, filed and posted in accordance with this section. Such notice shall plainly state the change proposed to be made and the time when such change will take effect. The Commission may, in its discretion and for good cause shown, allow changes upon notice less than that herein specified, or modify the requirements of this section with respect to posting and filing of tariffs, either in particular instances or by general order applicable to special circumstances or conditions.

"(e) No freight forwarder shall engage in service subject to this part unless the rates and charges for such service have been filed and published in accordance with the provisions of this section.

"COMMISSION'S AUTHORITY OVER RATES AND PRACTICES

Complaints.

"SEC. 406. (a) Any person may make complaint in writing to the Commission that anything done or omitted to be done by any freight forwarder is or will be in violation of this part. Every complaint shall state fully the facts complained of and the reasons for such complaint. If such freight forwarder shall not satisfy the complaint within a time specified by the Commission, or there shall be any reasonable ground for investigating said complaint, it shall be the duty of the Commission to investigate the matters complained of in such manner and by such means as it shall deem proper.

Determination of lawful rates, charges, regulations, or practices.

"(b) Whenever, after hearing, upon complaint or in an investigation on its own initiative, the Commission shall be of opinion that any rate or charge demanded, charged, or collected for service subject to this part, or any classification, regulation, or practice relating thereto, is or will be unjust or unreasonable or unjustly discriminatory, or unduly preferential or prejudicial, or otherwise in violation of any provision of this part, it shall determine and prescribe the lawful rate or charge or the maximum or minimum, or maximum and minimum, rate or charge thereafter to be observed, or the lawful classification, regulation, or practice thereafter to be made effective.

Goodwill, earning power, or permit not considered.

"(c) In any proceeding to determine the justness or reasonableness of any rate or charge of any freight forwarder, for service subject to this part, there shall not be taken in consideration or allowed as evidence or elements of value of the property of such forwarder either goodwill, earning power, or the permit under which such forwarder is operating; and in applying for and receiving a permit under this part any such forwarder shall be deemed to have agreed to the provisions of this subsection on its own behalf and on behalf of all transferees of such permit.

Rate-making policy.

"(d) In the exercise of its power to prescribe just and reasonable rates and charges of freight forwarders, and classifications, regulations, and practices relating thereto, the Commission shall give due consideration, among other factors, to the inherent nature of freight forwarding; to the effect of rates upon the movement of traffic by the freight forwarders for which the rates and charges are prescribed; to the need, in the public interest, of adequate and efficient freight-forwarder service at the lowest cost consistent with the furnishing of such service; and to the need of revenues sufficient to enable freight forwarders, under honest, economical, and efficient management, to provide such service.

Investigation of new rate, classification, etc.

"(e) Whenever there shall be filed with the Commission, under this part, any tariff stating a new rate, charge, classification, regulation, or practice, the Commission may upon complaint or upon its own initiative at once, and, if it so orders, without answer or other formal pleading, but upon reasonable notice, enter upon an investigation concerning the lawfulness of such rate, charge, classification, regulation, or practice, and, pending such hearing and the decision

thereon, the Commission, by filing with such tariff and delivering to the freight forwarder affected thereby, a statement in writing of its reasons for such suspension, may from time to time suspend the operation of such tariff and defer the use of such rate, charge, classification, regulations, or practice, but not for a longer period than seven months beyond the time when it would otherwise go into effect; and after hearing, whether completed before or after the rate, charge, classification, regulation, or practice goes into effect, the Commission may make such order with reference thereto as would be proper in a proceeding instituted after such rate, charge, classification, regulation, or practice had become effective. If the proceeding shall not have been concluded and an order made within the period of suspension, the proposed rate, charge, classification, regulation, or practice shall go into effect at the end of such period: *Provided, however*, That, subject to section 405 (b), this subsection shall not apply to any initial tariff filed prior to the expiration of ninety days after the date of enactment of this part. At any hearing involving a change in a rate, charge, or classification, or in a rule, regulation, or practice, the burden of proof shall be upon the freight forwarder to show that the proposed changed rate, charge, classification, rule, regulation, or practice is just and reasonable.

“(f) Whenever in any investigation under this part, or in an investigation instituted upon petition of the freight forwarder concerned, which petition is hereby authorized to be filed, there shall be brought in issue any rate, charge, classification, regulation, or practice of any freight forwarder, made or imposed by authority of any State, the Commission, before proceeding to hear and dispose of such issue, shall cause the State or States interested to be notified of the proceeding. The Commission may confer with the authorities of any State having regulatory jurisdiction over the class of persons subject to this part, with respect to the relationship between rate structures and practices of such persons subject to the jurisdiction of such State bodies and of the Commission; and to that end the Commission is authorized, under rules to be prescribed by it, to hold joint hearings with any such State regulatory bodies upon any matters wherein the Commission is empowered to act and where the rate-making authority of a State is or may be affected by the action taken by the Commission. The Commission is also authorized to avail itself of the cooperation, services, records, and facilities of such State authorities in the enforcement of any provision of this part. Whenever in any such investigation the Commission, after full hearing, finds that any such rate, charge, classification, regulation, or practice causes any undue or unreasonable advantage, preference, or prejudice as between persons or localities in intrastate commerce on the one hand and interstate commerce on the other hand, or any undue, unreasonable, or unjust discrimination against interstate commerce, which is hereby forbidden and declared to be unlawful, it shall prescribe the rate or charge, or the maximum or minimum, or maximum and minimum, thereafter to be charged, and the classification, regulation, or practice thereafter to be observed, in such manner as, in its judgment, will remove such advantage, preference, prejudice, or discrimination. Such rates, charges, classifications, regulations, and practices shall be observed while in effect by the freight forwarders parties to such proceeding affected thereby, the law of any State or the decision or order of any State authority to the contrary notwithstanding.

“MOTOR CARRIER RATES APPLICABLE TO SMALL PARCEL FORWARDING

“SEC. 407. In the establishment of rates or charges, classifications, rules, or regulations by common carriers by motor vehicle subject to part II of this Act, consideration may be given to the type of

Suspension.

Period of suspension.

Expiration of suspension period prior to decision.

Proviso. Exception. Ante, p. 287.

Burden of proof.

Procedure when State rates affected.

Conference with State authorities.

Joint hearings.

Use of State facilities and services.

Removal of discriminatory rates, practices, etc.

Observance of prescribed rates, etc.

49 Stat. 543.
49 U. S. C. §§ 301-327.
Ante, p. 176; post, pp. 300, 746.

property tendered for transportation by any freight forwarder engaged in service with respect to parcels which do not exceed seventy pounds in weight or one hundred inches in length and girth combined, with a view to affording, in the case of such transportation, rates or charges as low as may be consistent with the receiving of reasonably adequate compensation by the carriers transporting such property.

“AUTHORITY FOR ASSEMBLING AND DISTRIBUTION RATES

Application to freight forwarders.
54 Stat. 899, 919, 929.
49 U. S. C., chs. 1, 8, 12.
Ante, p. 176; *post*, pp. 300, 746.

“Assembling rates or charges.”

“Distribution rates or charges.”

Line haul transportation between designated points.

“SEC. 408. Nothing in this Act shall be construed to make it unlawful for common carriers subject to part I, II, or III of this Act to establish and maintain assembling rates or charges and/or distribution rates or charges, and classifications, rules, and regulations with respect thereto, applicable to freight forwarders and others who employ or utilize the instrumentalities or services of such common carriers under like conditions, which differ from other rates or charges, classifications, rules, or regulations which contemporaneously apply with respect to the employment or utilization of the same instrumentalities or services, if such difference is justified by a difference in the respective conditions under which such instrumentalities or services are employed or utilized. For the purposes of this section (1) the term ‘assembling rates or charges’ means rates or charges for the transportation of less-than-carload or less-than-truckload shipments into a point for further movement beyond as part of a carload or truckload shipment, and (2) the term ‘distribution rates or charges’ means rates or charges for the transportation of less-than-carload or less-than-truckload shipments moving from a point into which such shipments have moved as a part of a carload or truckload shipment. The provisions of this section shall not be construed to authorize the establishment of assembling rates or charges or distribution rates or charges covering the line haul transportation between the principal concentration point and the principal break-bulk point.

“ADJUSTMENT PERIOD PENDING ESTABLISHMENT OF ASSEMBLING AND DISTRIBUTION RATES

Joint rates during adjustment period.

49 Stat. 543.
49 U. S. C. §§ 301-327.
Ante, p. 176; *post*, pp. 300, 746.
Application of provisions of Part II.

Proviso.
Tariffs heretofore filed.

Tariffs heretofore rejected.

“SEC. 409. (a) In order to provide a reasonable period of adjustment within which rates and charges may be established pursuant to the provisions of section 408, nothing in this Act shall be construed to make it unlawful for freight forwarders and common carriers by motor vehicle subject to part II of this Act to operate under joint rates or charges during a period of eighteen months from the date of enactment of this part, but not thereafter. The provisions of part II of this Act shall apply with respect to such joint rates or charges and the divisions thereof, and with respect to the parties thereto, as though such joint rates or charges had been established under the provisions of such part II, and the provisions of this part shall not apply with respect thereto: *Provided*, however, That—

“(1) Joint rates or charges and concurrences, contained in tariffs heretofore filed with the Commission shall become effective, without notice, as of the date of enactment of this part, unless the parties thereto file notice with the Commission, within thirty days after the date of enactment of this part, canceling such joint rates or charges and concurrences;

“(2) Joint rates or charges and concurrences, contained in tariffs heretofore offered for filing with the Commission, but rejected by the Commission, shall become effective, without notice, as of the date of enactment of this part, if filed with the Commission within thirty days after the date of enactment of this part;

“(3) Joint rates or charges and concurrences, under which freight forwarders and common carriers by motor vehicle subject to part II of this Act were actually operating on July 1, 1941, may become effective, without notice, as of the date of enactment of this part, if tariffs covering such joint rates or charges and concurrences are filed with the Commission within thirty days after the date of enactment of this part;

Joint rates in effect July 1, 1941.

“(4) After the expiration of six months from the date of enactment of this part, (i) no new or additional joint rates or charges or divisions may be established under authority of this section, and (ii) no change shall be made in any joint rate or charge or division established, or which becomes effective, pursuant to this subsection, except as may be expressly authorized or required by order of the Commission in the exercise of its powers under part II of this Act;

New or additional joint rates, restriction.

Changes in joint rates.

“(5) Any joint rate or charge or concurrence established, or which becomes effective, pursuant to this subsection may at any time be canceled or withdrawn in accordance with the provisions of part II of this Act;

Cancellation or withdrawal.

“(6) The filing of tariffs under paragraph (2) or (3) of this subsection may be in accordance with the requirements with respect to the form and manner of filing tariffs in effect under part II of this Act prior to December 31, 1936;

Form and manner of filing.

“(7) For the purpose of computing the period of thirty days prescribed in paragraph (1), (2), or (3) of this subsection, the date of mailing by registered mail shall be deemed the date of filing; and

Computation of 30-day period.

“(8) As used in this subsection the term ‘rates or charges’ includes classifications, rules, and regulations with respect thereto.

“Rates or charges.”

“(b) If the Commission shall find that the purposes of this section may be carried out within a shorter time than such period of eighteen months, it shall by order fix a date prior to the expiration of such period after which the joint rates or charges and concurrences referred to in this section shall no longer be lawfully in effect.

Power of Commission to shorten adjustment period.

“PERMITS

“SEC. 410. (a) No person shall engage in service subject to this part unless such person holds a permit, issued by the Commission, authorizing such service; except that (1) any person engaged in service subject to this part when this section takes effect may continue to engage in such service for a period of one hundred and eighty days thereafter without a permit, and (2) if application for a permit is made to the Commission by such person within such period, such person may, under such regulations as the Commission shall prescribe, continue to engage in such service subject to this part until otherwise ordered by the Commission.

Permits to engage in service.

“(b) Application for a permit shall be made in writing to the Commission, be verified under oath, and shall be in such form and contain such information and be accompanied by proof of service upon such interested parties as the Commission shall, by regulations, require.

Application; form; contents; service.

“(c) The Commission shall issue a permit to any qualified applicant therefor, authorizing the whole or any part of the service covered by the application, if the Commission finds that the applicant is ready, able, and willing properly to perform the service proposed, and that the proposed service, to the extent authorized by the permit, is or will be consistent with the public interest and the national transportation policy declared in this Act; otherwise such application shall be denied. No such permit shall be issued to any common

Conditions for issuance.

54 Stat. 899, 919, 929.
49 U. S. C., chs. 1, 8,
12.
Ante, p. 176; *post*,
pp. 300, 746.

Competition with
other forwarders not
ground for denial.

Permits, matters
specified.
Nature of property;
extent of territory.

Terms, conditions,
etc.

Suspension or termi-
nation of permits.

Provisos.
Conditions for revo-
cation.

Suspension of right
to engage in service.

Ante, pp. 287, 286,
286.

Transfer of permit.

Proviso.
Protection of inter-
ests of employees.

carrier subject to part I, II, or III of this Act; but no application made under this section by a corporation controlled by, or under common control with, a common carrier subject to part I, II, or III of this Act, shall be denied because of the relationship between such corporation and such common carrier.

“(d) The Commission shall not deny authority to engage in the whole or any part of the proposed service covered by any application made under this section solely on the ground that such service will be in competition with the service subject to this part performed by any other freight forwarder or freight forwarders.

“(e) Any permit issued under this section shall specify the nature or general description of the property with respect to which service subject to this part may be performed, and the territory within which, and the territories from which and to which, service subject to this part may be performed, under authority of such permit. At the time of issuance, and from time to time thereafter, there shall be attached to the exercise of the privileges granted by any such permit such reasonable terms, conditions, and limitations as are necessary to carry out the requirements of this part or those lawfully established by the Commission pursuant thereto; but no such terms, conditions, or limitations shall restrict the right of the freight forwarder to add to its equipment, facilities, or services within the scope of such permit, as the development of the business and the demands of the public shall require.

“(f) Permits shall be effective from the date specified therein, and shall remain in effect until suspended or terminated as herein provided. Any such permit may, upon application of the holder thereof, in the discretion of the Commission, be amended or revoked, in whole or in part, or may upon complaint, or on the Commission's own initiative, after notice and hearing, be suspended, modified, or revoked, in whole or in part, for willful failure to comply with any provision of this part, or with any lawful order, rule, or regulation of the Commission promulgated thereunder, or with any term, condition, or limitation of such permit: *Provided, however*, That no such permit shall be revoked (except upon application of the holder) unless the holder thereof fails to comply, within a reasonable time, not less than thirty days, to be fixed by the Commission, with a lawful order of the Commission, commanding obedience to the provision of this part, or to the rule or regulation of the Commission thereunder, or to the term, condition, or limitation of such permit, found by the Commission to have been violated by such holder: *Provided further*, That the right to engage in service subject to this part under authority of any permit or any application filed pursuant to the provisions of this section may be suspended by the Commission, upon reasonable notice of not less than fifteen days to the forwarder, but without hearing or other proceedings, for failure to comply, and until compliance, with the provisions of section 405 (a) or with any lawful order, rule, or regulation of the Commission promulgated thereunder or under the provisions of section 403 (c) or (d).

“(g) Any such permit, or any right to engage in service subject to this part pending disposition of any application made to the Commission for a permit, and any right to a permit when issued, may be transferred, in accordance with such rules and regulations as the Commission shall prescribe to insure compliance with the provisions of this part, if the Commission finds that, with respect to the service covered by such right or permit, the transferee thereof satisfies the conditions prescribed in subsection (c) with respect to the original issuance of permits: *Provided, however*, That if the proposed transfer would affect the interests of employees of a freight forwarder, the

Commission shall require, as a prerequisite thereto, a fair and equitable arrangement to protect the interests of the employees affected.

“(h) Permits issued under this part shall not authorize the holder thereof to conduct any direct railroad, water, or motor-carrier operations, except motor-vehicle operations in transportation which, pursuant to the provisions of section 202 (c) (1) of this Act, is to be regulated as service subject to this part.

“(i) No freight forwarder which is controlled by, or under common control with, a common carrier subject to part I, II, or III of this Act shall abandon all or any portion of its service subject to this part unless and until there shall first have been obtained from the Commission a certificate that such abandonment is consistent with the public interest and the national transportation policy declared in this Act. Any such abandonment contrary to the provisions of this paragraph may be enjoined by any court of competent jurisdiction at the suit of the United States, the Commission, any commission or regulating body of the State or States affected, or any party in interest; and any such freight forwarder or any such carrier controlling or under common control with such freight forwarder which, or any director, officer, receiver, operating trustee, lessee, agent, or person acting for or employed by such freight forwarder or carrier who, knowingly authorizes, consents to, or permits any violation of the provisions of this subsection shall upon conviction thereof be punished by a fine of not more than \$5,000.

Permits not authority for direct carrier operations.

Post, p. 300.

Abandonment of service.
54 Stat. 899, 919, 929.
49 U. S. C., chs. 1, 8, 12.
Ante, p. 176; *post*, pp. 300, 746.

Injunction against unauthorized abandonment.

Penalty.

“RELATIONSHIPS BETWEEN FREIGHT FORWARDERS AND OTHER PERSONS

“SEC. 411. (a) (1) It shall be unlawful for a freight forwarder, or any person controlling, controlled by, or under common control with a freight forwarder, to acquire control of a carrier subject to part I, II, or III of this Act; except that this subsection shall not limit the right of any carrier subject to part I, II, or III of this Act to acquire control of any other carrier subject to part I, II, or III of this Act in accordance with the provisions of section 5 of part I of this Act.

Unlawful acts.
Acquiring control of certain carriers.

54 Stat. 899, 919, 929.
49 U. S. C., chs. 1, 8, 12.
Ante, p. 176; *post*, pp. 300, 746.
24 Stat. 380.
49 U. S. C. § 5.

“(2) It shall be unlawful to continue to maintain control accomplished or effectuated after this subsection takes effect and in violation of its provisions.

Continuance of control after effective date.

“(b) It shall be unlawful for any person whose principal business is that of manufacturing and selling and/or buying and selling articles or commodities, and whose business operations are of such a character that services of a freight forwarder or forwarders (or similar assembling, consolidating, and shipping operations performed by such person for itself) are commonly used in connection with the transportation of such articles or commodities, or for any person controlling, controlled by, or under common control with such person, to engage in service subject to this part: *Provided, however*, That the Commission shall have power to issue a permit, under section 410, to any such person upon a finding that the proposed service will be consistent with the public interest and with the national transportation policy declared in this Act and that the applicant is otherwise qualified under section 410: *And provided further*, That any such person who has been continuously engaged in business as a freight forwarder since October 1, 1941, and is on the date of enactment of this part so engaged, shall have the same authority to continue to engage in service subject to this part, until otherwise ordered by the Commission, as is granted to other persons under the provisions of section 410 (a).

Persons prohibited from engaging in freight forwarding service.

Provisos.
Issuance of permits on certain findings.
Ante, p. 291.

Authority to continue as freight forwarders.

Personal pecuniary interests.

54 Stat. 899, 919, 929.
49 U. S. C., chs. 1, 8,
12.
Ante, p. 176; *post*,
pp. 300, 746.

“(c) After the expiration of six months from the date of enactment of this part it shall be unlawful for any director, officer, employee, or agent of any common carrier subject to part I, II, or III of this Act or of any person controlling, controlled by, or under common control with such a common carrier, in his or their own personal pecuniary interest, to own, lease, control, or hold stock in, any freight forwarder, directly or indirectly; but this subsection shall not forbid or preclude the holding of a director’s qualifying shares of stock from which no personal pecuniary benefit is derived by the holder.

Investigations.

Action to prevent continuance of violations.

“(d) The Commission is hereby authorized, upon complaint, or upon its own initiative without complaint, but after notice and hearing, to investigate and determine whether any person is violating the provisions of subsection (a), (b), or (c). If the Commission finds after such investigation that such person is violating any of such provisions, it shall by order require such person to take such action as may be necessary, in the opinion of the Commission, to prevent continuance of such violation. The provisions of this subsection shall be in addition to, and not in substitution for, any other enforcement provisions contained in, or applicable for purposes of enforcement of, this part.

Process to restrain violation or compel obedience.

“(e) The district courts of the United States shall have jurisdiction upon the complaint of the Commission, alleging a violation of any of the provisions of subsection (a), (b), or (c) or disobedience of any any order issued by the Commission thereunder by any person, to issue such writs of injunction or other proper process, mandatory or otherwise, as may be necessary to restrain such person from violation of such provision or to compel obedience to such order.

Supplemental orders.

“(f) The Commission may from time to time, for good cause shown, make such orders supplemental to any order made under the foregoing provisions of this section as it may deem necessary or appropriate.

Control by designated common carriers not unlawful.
54 Stat. 899, 919, 929.
49 U. S. C., chs. 1, 8,
12.
Ante, p. 176; *post*,
pp. 300, 746.

“(g) Nothing in this Act shall be construed to make it unlawful for any common carrier subject to part I, II, or III of this Act, or any person controlling such a common carrier, to have or to acquire control of a freight forwarder or freight forwarders; and, in any case where such control exists, no rate, charge, classification, rule, regulation, or practice of the common carrier or of any freight forwarder controlled by such common carrier, or under common control with such common carrier, shall be held to be unlawful under any provision of this Act because of the relationship between such common carrier and such freight forwarder.

“ACCOUNTS, RECORDS, AND REPORTS

Authority of Commission.

“SEC. 412. (a) For purposes of administration of the provisions of this part, the Commission is hereby authorized to require annual, periodical, or special reports from freight forwarders, and to prescribe the manner and form in which such reports shall be made, and to require from such forwarders specific, full, true, and correct answers to all questions upon which the Commission may deem information to be necessary. Such annual reports shall give an account of the affairs of the freight forwarder in such form and detail as may be prescribed by the Commission. The Commission may, in its discretion, for purposes of administration of the provisions of this part, prescribe a uniform system of accounts applicable to freight forwarders, and the period of time within which they shall have such uniform system of accounts, and the manner in which such accounts shall be kept. The Commission may also require any such forwarder to file with it a true copy of any contract or agreement between such forwarder and any person in relation to transportation facilities, service, or traffic affected by the provisions of this part.

Uniform system of accounts.

Filing of contracts, etc.

“(b) Such annual reports shall contain all the required information for the period of twelve months ending on the 31st day of December in each year, unless the Commission shall specify a different date, and shall be made out under oath and filed with the Commission at its office in Washington within three months after the close of the year for which the report is made, unless additional time be granted in any case by the Commission. Such periodical or special reports as may be required by the Commission under subsection (a) hereof shall also be under oath, whenever the Commission so requires.

“(c) The Commission may, in its discretion, prescribe the forms of any and all accounts, records, and memoranda to be kept by freight forwarders, with respect to service subject to this part, and the length of time such accounts, records, and memoranda shall be preserved, including the accounts, records, and memoranda of the movement of traffic, as well as of the receipts and expenditures of money; and it shall be unlawful for freight forwarders to keep any accounts, books, records, and memoranda contrary to any rule, regulation, or order of the Commission with respect thereto.

“(d) The Commission or its duly authorized special agents, accountants, or examiners shall at all times have access to and authority, under its order, to inspect and examine any and all lands, buildings, or equipment of freight forwarders; and shall have authority to inspect and copy any and all accounts, books, records, memoranda, correspondence, and other documents of freight forwarders, and such accounts, books, records, memoranda, correspondence, and other documents of any person controlling, controlled by, or under common control with any freight forwarder, as the Commission deems relevant to such person's relation to or transactions with such freight forwarder. Freight forwarders and persons shall submit their accounts, books, records, memoranda, correspondence, and other documents for the inspection and copying authorized by this subsection, and freight forwarders shall submit their lands, buildings, and equipment for examination and inspection, to any duly authorized special agent, accountant, or examiner of the Commission upon demand and the display of proper credentials.

“(e) The Commission may issue orders specifying such operating, accounting, or financial papers, records, books, correspondence, or documents of freight forwarders as may after a reasonable time be destroyed, and prescribing the length of time the same shall be preserved.

“(f) As used in this section the words ‘keep’ and ‘kept’ shall be construed to mean made, prepared, or compiled, as well as retained.

“BILLS OF LADING AND DELIVERY OF PROPERTY

“SEC. 413. The provisions of section 20 (11) and (12) of part I of this Act, together with such other provisions of such part (including penalties) as may be necessary for the enforcement of such provisions, shall apply with respect to freight forwarders, in the case of service subject to this part, with like force and effect as in the case of those persons to which such provisions are specifically applicable, and the freight forwarder shall be deemed both the receiving and delivering transportation company for the purposes of such section 20 (11) and (12). When the services of a common carrier by motor vehicle subject to part II of this Act are utilized by a freight forwarder for the receiving of property from a consignor in service subject to this part, such carrier may, with the consent of the freight forwarder, execute the bill of lading or shipping receipt for the freight forwarder. When the services of a common carrier by motor vehicle subject to part II of this Act are utilized by a freight forwarder

Annual reports.

Special reports.

Forms of accounts, records, and memoranda.

Inspection of lands, buildings, and equipment.

Examination of accounts, etc.
Copies.

Destruction or preservation of records, etc.

“Keep” and “kept.”

34 Stat. 595; 41 Stat. 494.
49 U. S. C. § 20 (11), (12).

Application of provisions to freight forwarders.

Services of common carrier by motor vehicle.

49 Stat. 543.
49 U. S. C. §§ 301-327.

Ante, p. 176; *post*, pp. 300, 746.

for the delivery of property to the consignee named in the freight forwarder's bill of lading, shipping receipt, or freight bill, the property may, with the consent of the freight forwarder, be delivered on the freight bill, and receipted for on the delivery receipt, of the freight forwarder.

“COLLECTION OF RATES AND CHARGES

Payment before delivery.
49 Stat. 543.
49 U. S. C. §§ 301-327.
Ante, p. 176; *post*, pp. 300, 746.

“SEC. 414. In the case of service subject to this part, it shall be unlawful for a freight forwarder, or a common carrier by motor vehicle subject to part II of this Act whose services are utilized by a freight forwarder, to deliver or relinquish possession of property to the consignee named in the bill of lading, shipping receipt, or freight bill of the freight forwarder until all tariff rates and charges thereon have been paid, except under such rules and regulations as the Commission may from time to time prescribe to govern the settlement of all such rates and charges and to prevent unjust discrimination or undue preference or prejudice: *Provided*, That the provisions of this section shall not be construed to prohibit any such forwarder or carrier from extending credit in connection with rates and charges on freight transported for the United States, for any department, bureau, or agency thereof, or for any State, Territory, or political subdivision thereof, or for the District of Columbia.

Proviso.
Extension of credit for government freight.

“ALLOWANCES TO SHIPPERS FOR TRANSPORTATION SERVICE

Publication of allowances.

Determination of reasonable amount.

“SEC. 415. If the owner of property transported in service subject to this part directly or indirectly renders any service connected therewith, or furnishes any instrumentality used therein, the charge and the allowance therefor, to such owner, shall be published in tariffs filed in the manner provided in this part and shall be no more than is just and reasonable and the Commission may, after hearing on a complaint or on its own initiative, determine what is a reasonable charge as the maximum to be paid by the freight forwarder or forwarders for the services so rendered or for the use of the instrumentality so furnished, and fix the same by appropriate order.

“NOTICES, ORDERS, AND SERVICE OF PROCESSES

Designation of agent.

Method of service.

Service on attorney in fact.

Suspension, etc., of orders.

Effective dates.

“SEC. 416. (a) It shall be the duty of every freight forwarder to file with the Commission a designation in writing of the name and post-office address of an agent upon whom or which service of notices or orders may be made under this part. Such designation may from time to time be changed by like writing similarly filed. Service of notices or orders in proceedings under this part may be made upon such forwarder by personal service upon it or upon an agent so designated by it, or by mail addressed to it or to such agent at the address filed. In default of such designation, service of any notice or order may be made by posting in the office of the Secretary of the Commission. Whenever notice or order is served by mail, as provided herein, the date of mailing shall be considered as the time of service.

In proceedings before the Commission involving the lawfulness of rates, charges, classifications, or practices, service of notice upon an attorney in fact of a freight forwarder who has filed a tariff in behalf of such freight forwarder shall be deemed to be due and sufficient service upon the freight forwarder.

“(b) The Commission may suspend, modify, or set aside its orders upon such notice and in such manner as it shall deem proper.

“(c) Except as otherwise provided in this part, all orders of the Commission shall take effect within such reasonable time, not less than thirty days, as the Commission may prescribe and shall continue

in force until its further order, or for a specified period of time, according as shall be prescribed in the order, unless the same shall be suspended, modified, or set aside by the Commission, or be suspended or set aside by a court of competent jurisdiction.

“(d) It shall be the duty of every freight forwarder, its agents, and employees to observe and comply with such orders so long as the same shall remain in effect.

Observance.

“ENFORCEMENT AND PROCEDURE

“SEC. 417. (a) The provisions of sections 12 and 17 of part I of this Act, together with such other provisions of such part (including penalties) as may be necessary for the enforcement of such provisions, and of the Compulsory Testimony Act (27 Stat. 443), and of the Immunity of Witnesses Act (34 Stat. 798; 32 Stat. 904, ch. 755, sec. 1), shall apply with full force and effect in the administration and enforcement of this part.

24 Stat. 383, 385.
49 U. S. C. §§ 12, 17.

49 U. S. C. §§ 46-48.

“(b) If any freight forwarder fails to comply with or operates in violation of any provision of this part, or any rule, regulation, requirement, or order thereunder, or of any term or condition of any permit, the Commission or the Attorney General of the United States (or, in case of such an order, any party injured by the failure to comply therewith or by the violation thereof) may apply to any district court of the United States having jurisdiction of the parties for the enforcement of such provision of this part or of such rule, regulation, requirement, order, term, or condition; and such court shall have jurisdiction to enforce obedience thereto by a writ or writs of injunction or other process, mandatory or otherwise, restraining such carrier and any officer, agent, employee, or representative thereof from further violation of such provision of this part or of such rule, regulation, requirement, order, term, or condition, and enjoining obedience thereto.

Failure to comply
with regulations.
Post, p. 746.

Enforcement of obe-
dience.

“(c) The Commission shall enter of record a written report of hearings conducted upon complaint, or upon its own initiative without complaint, stating its conclusions, decision, and order; and shall furnish a copy of such report to all parties of record. The Commission may provide for the publication of such reports in the form best adapted for public information and use, and such authorized publications shall, without further proof or authentication, be received as competent evidence of such reports in any court of competent jurisdiction.

Reports of hearings.

“(d) The copies of classifications and tariffs of rates and charges, and of all contracts, agreements, and arrangements of freight forwarders filed with the Commission under this part, and the statistics, tables, and figures contained in the annual or other reports of freight forwarders made to the Commission under this part, shall be preserved as public records in the custody of the secretary of the Commission, and shall be received as prima facie evidence of what they purport to be for the purpose of investigations by the Commission and in all judicial proceedings; and copies of and extracts from any of said classifications, tariffs, contracts, agreements, arrangements, or reports, made public records as aforesaid, certified by the secretary, under the Commission's seal, shall be received in evidence with like effect as the originals.

Preservation of des-
ignated matter as pub-
lic records.

Certified copies re-
ceived in evidence.

“CARRIERS THE SERVICES OF WHICH FREIGHT FORWARDERS MAY UTILIZE

“SEC. 418. It shall be unlawful, except in the performance within terminal areas of transfer, collection, or delivery services, for freight forwarders to employ or utilize the instrumentalities or services of

Restrictions on use
of carrier services.

any carriers other than common carriers by railroad, motor vehicle, or water, subject to this Act; express companies subject to this Act; air carriers subject to the Civil Aeronautics Act of 1938, as amended; common carriers by motor vehicle engaged in transportation exempted under the provisions of section 203 (b) (7a) of this Act; common carriers by motor vehicle exempted under the provisions of section 204 (a) (4a) of this Act; or common carriers by water engaged in transportation exempted under the provisions of section 303 (b) of this Act.

52 Stat. 973; *post*,
 p. 300.
 49 U. S. C. §§ 401-
 681.
 52 Stat. 1029.
 49 U. S. C. § 303 (b)
 (7a).
 54 Stat. 921, 931.
 49 U. S. C. §§ 304 (a)
 (4a), 903 (b).

“LIABILITY FOR PAST ACTS AND OMISSIONS

“SEC. 419. No person shall be subject to any punishment or liability under the provisions of this Act on account of any act done or omitted to be done, prior to the effective date of this part, in connection with the establishment, charging, collection, receipt, or payment of rates of freight forwarders, or joint rates or divisions between freight forwarders and common carriers by motor vehicle subject to this Act.

“SPECIAL POWERS DURING TIME OF WAR OR OTHER EMERGENCY

“SEC. 420. The provisions of section 1 (15), (16), and (17) of part I of this Act shall be applicable, in the case of service subject to this part, with respect to freight forwarders and other persons, and the service, equipment, and facilities of freight forwarders, with like force and effect as in the case of the carriers and other persons, and the service, equipment, and facilities, to which such provisions are specifically applicable.

41 Stat. 476.
 49 U. S. C. § 1 (15),
 (16), (17).

“UNLAWFUL ACTS AND PENALTIES

“SEC. 421. (a) Any person who knowingly and willfully violates any provision of this part, or any rule, regulation, requirement, or order thereunder, or any term or condition of any permit, for which no penalty is otherwise provided, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$100 for the first offense and not more than \$500 for any subsequent offense. Each day of such violation shall constitute a separate offense.

Willful violations of
 certain rules.

Penalty.

“(b) Any freight forwarder or any officer, agent, employee, or representative thereof who, by any device or means, shall knowingly and willfully assist, or shall willingly suffer or permit, any person to obtain service subject to this part at less than the rates or charges lawfully in effect, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$500 for the first offense and not more than \$2,000 for any subsequent offense.

Affording service at
 less than lawful rates.

Penalty.

“(c) Any person who shall by any device or means, whether with or without the consent or connivance of any freight forwarder or its officer, agent, employee, or representative, knowingly and willfully obtain service subject to this part at less than the rates or charges lawfully in effect, or shall knowingly and willfully, directly or indirectly, by false claim, false billing, false representation, or other device or means, obtain or attempt to obtain any allowance, refund, or repayment in connection with or growing out of such service, whether with or without the consent or connivance of such forwarder or its officer, agent, employee, or representative, whereby the compensation of such forwarder for such service, either before or after payment, shall be less than the rates or charges lawfully in effect, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$500 for the first offense and not more than \$2,000 for any subsequent offense.

Obtaining service at
 less than lawful rates.

False claims, etc.

Penalty.

“(d) Any freight forwarder, or any officer, agent, employee, or representative thereof, who shall willfully fail or refuse to make a report to the Commission as required under this part, or to make specific and full, true, and correct answer to any question within thirty days from the time it is lawfully required by the Commission so to do, or to keep accounts, records, and memoranda in the form and manner prescribed by the Commission, or shall knowingly and willfully falsify, destroy, mutilate, or alter any such report, account, record, or memorandum, or shall knowingly and willfully file with the Commission any false report, account, record, or memorandum, or shall knowingly and willfully neglect or fail to make full, true, and correct entries in such accounts, records, or memoranda of all facts and transactions appertaining to the business of the freight forwarder, or shall knowingly and willfully keep any accounts, records, or memoranda contrary to the rules, regulations, or orders of the Commission with respect thereto, shall be guilty of a misdemeanor and upon conviction thereof shall be subject for each offense to a fine of not more than \$5,000. As used in this subsection, the word ‘keep’ shall be construed to mean make, prepare, or compile, as well as retain.

Failure to make reports, keep accounts, etc.

False statements and omissions.

Penalty.

“Keep.”

“(e) Any special agent, accountant, or examiner of the Commission who knowingly and willfully divulges any fact or information which may come to his knowledge during the course of any examination or inspection made under authority of this part, except as he may be directed by the Commission or by a court or judge thereof, shall be guilty of a misdemeanor, and upon conviction thereof shall be subject to a fine of not more than \$500 or imprisonment for not exceeding six months, or both.

Unauthorized divulging of information by Commission employees.

Penalty.

“(f) It shall be unlawful for any freight forwarder or any officer, agent, employee, or representative of such forwarder, or for any other person authorized by such forwarder or any such person to receive information, knowingly and willfully to disclose to, or permit to be acquired by, any person other than the shipper or consignee, without the consent of such shipper or consignee, any information concerning the nature, kind, quantity, destination, consignee, or routing of any property tendered or delivered to such forwarder in service subject to this part, which information may be or is used to the detriment or prejudice of such shipper or consignee, or which may or does improperly disclose his business transactions to a competitor; and it shall also be unlawful for any person to solicit or knowingly and willfully receive any such information which may be or is so used. Any person violating any provisions of this subsection shall be guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$100 for the first offense and not more than \$500 for any subsequent offense. Each day of such violation shall constitute a separate offense. Nothing in this part shall be construed to prevent the giving of such information in response to any legal process issued under the authority of any court, or to any officer or agent of the Government of the United States or of any State, Territory, or District thereof, in the exercise of his powers, or to any officer or other duly authorized person seeking such information for the prosecution of persons charged with or suspected of crimes, or to another freight forwarder, or its duly authorized agent, for the purpose of adjusting mutual traffic accounts in the ordinary course of business of such forwarders.

Unauthorized disclosures by freight forwarders, etc.

Unlawful solicitation or receipt of information.

Penalty.

Exceptions.

“(g) The provisions of the Elkins Act of February 19, 1903, as amended (U. S. C., 1940 ed., title 49, secs. 41, 42, and 43), shall apply to service subject to this part, and to freight forwarders and shippers in respect to such service, and shall apply for purposes of

Application of Elkins Act. 32 Stat. 847.

enforcement of this part; and the provisions of such Act shall be considered to apply in addition to, and not to the exclusion of, the provisions of this part.

“SEPARABILITY OF PROVISIONS

“SEC. 422. If any provision of this part, or the application thereof to any person or circumstances, is held invalid, the other provisions of this part, and the application of such provision to any other person or circumstances, shall not be affected thereby.”

AMENDMENT TO SECTION 202 (C)

SEC. 2. Section 202 (c) of the Interstate Commerce Act, as amended, is amended to read as follows:

“(c) Notwithstanding any provision of this section or of section 203, the provisions of this part, except the provisions of section 204 relative to qualifications and maximum hours of service of employees and safety of operation and equipment, shall not apply—

“(1) to transportation by motor vehicle by a carrier by railroad subject to part I, or by a water carrier subject to part III, or by a freight forwarder subject to part IV, incidental to transportation or service subject to such parts, in the performance within terminal areas of transfer, collection, or delivery services; but such transportation shall be considered to be and shall be regulated as transportation subject to part I when performed by such carrier by railroad, as transportation subject to part III when performed by such water carrier, and as transportation or service subject to part IV when performed by such freight forwarder;

“(2) to transportation by motor vehicle by any person (whether as agent or under a contractual arrangement) for a common carrier by railroad subject to part I, an express company subject to part I, a motor carrier subject to this part, a water-carrier subject to part III, or a freight forwarder subject to part IV, in the performance within terminal areas of transfer, collection, or delivery service; but such transportation shall be considered to be performed by such carrier, express company, or freight forwarder as part of, and shall be regulated in the same manner as, the transportation by railroad, express, motor vehicle, or water, or the freight forwarder transportation or service, to which such services are incidental.”

AMENDMENT OF SECTION 219

SEC. 3. Section 219 of the Interstate Commerce Act, as amended, is amended to read as follows:

“SEC. 219. The provisions of section 20 (11) and (12) of this Act, together with such other provisions of such part (including penalties) as may be necessary for the enforcement of such provisions, shall apply with respect to common carriers by motor vehicle with like force and effect as in the case of those persons to which such provisions are specifically applicable.”

AMENDMENTS TO CIVIL AERONAUTICS ACT OF 1938

SEC. 4. (a) The first sentence of subsection (b) of section 1003 of the Civil Aeronautics Act of 1938, as amended, is amended to read as follows:

“Air carriers may establish reasonable through service and joint rates, fares, and charges with other common carriers; except that with respect to transportation of property, air carriers not directly engaged in the operation of aircraft in air transportation (other

54 Stat. 920.
49 U. S. C. § 302 (c).

Nonapplicability of part II.
49 Stat. 543, 544, 546; ante, p. 176.
49 U. S. C. §§ 302, 303, 304.

To incidental motor terminal services by rail or water carrier, or forwarder.

54 Stat. 899, 929.
Ante, pp. 177, 284; post, p. 746.

To incidental motor terminal services by any person, for designated carriers or forwarder.

49 Stat. 563; post, p. 746.
49 U. S. C. § 319.
34 Stat. 595; 41 Stat. 404.
49 U. S. C. § 20 (11), (12).

52 Stat. 1020.
49 U. S. C. § 643 (b).

Air carriers.
Through service and joint rates, etc.

than companies engaged in the air express business) may not establish joint rates or charges, under the provisions of this subsection, with common carriers subject to the Interstate Commerce Act.”

(b) Subsection (b) of section 412 of the Civil Aeronautics Act of 1938, as amended, is amended to read as follows:

52 Stat. 1004.
49 U. S. C. § 492 (b).

“Approval by Authority

“(b) The Authority shall by order disapprove any such contract or agreement, whether or not previously approved by it, that it finds to be adverse to the public interest, or in violation of this Act, and shall by order approve any such contract or agreement, or any modification or cancellation thereof, that it does not find to be adverse to the public interest, or in violation of this Act; except that the Authority may not approve any contract or agreement between an air carrier not directly engaged in the operation of aircraft in air transportation and a common carrier subject to the Interstate Commerce Act, as amended, governing the compensation to be received by such common carrier for transportation services performed by it.”

Agreements between certain carriers.
Power of approval.

Exception.

24 Stat. 379.
49 U. S. C. chs. 1, 8,
12.
Ante pp. 176, 284;
post, p. 746.

NUMBERING OF SECTION 23 OF INTERSTATE COMMERCE ACT

SEC. 5. Section 10 of the Act entitled “An act to amend an act entitled ‘An act to regulate commerce,’ approved February fourth, eighteen hundred and eighty-seven”, approved March 2, 1889 (U. S. C., 1940 ed., title 49, sec. 49), which has been commonly cited and referred to as section 23 of the Interstate Commerce Act, as amended, is hereby designated and numbered as section 23 of the Interstate Commerce Act, as amended.

25 Stat. 862.

EFFECTIVE DATES

SEC. 6. Part IV of the Interstate Commerce Act shall take effect on the date of enactment of this Act, except that section 405 shall take effect sixty days after the date of enactment of this Act, and section 404, 406, 413, 414, and 417, shall take effect ninety days after the date of enactment of this Act: *Provided, however*, That the Interstate Commerce Commission shall, if found by it to be necessary or advisable in the public interest, by general or special order, postpone the taking effect of any of the provisions of this part to such time, but not beyond the 1st day of September 1942, as the Commission shall prescribe.

Ante, p. 284.

Post, p. 746.

Proviso.
Power of postponement.

Approved, May 16, 1942.

[CHAPTER 319]

AN ACT

To amend the National Housing Act, and for other purposes.

May 26, 1942
[H. R. 6927]
[Public Law 559]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 603 (a) of the National Housing Act, as amended, is hereby amended by (1) striking out the word “section” where it appears in the second and third provisos and inserting in each such place the word “title”; (2) striking out “\$300,000,000” and inserting in lieu thereof “\$800,000,000”; (3) striking out of the third proviso “July 1, 1942” in each place where it appears and inserting in lieu thereof “July 1, 1943”; and (4) striking out of the third proviso “September 8, 1939” and inserting in lieu thereof “May 27, 1941”.

National Housing Act Amendments of 1942.
55 Stat. 56, 686.
12 U. S. C., Supp. I, § 1738 (a).
Insurance of mortgages.

SEC. 2. Section 603 (b) (2) of such Act, as amended is hereby amended by (1) striking out “\$4,000” and inserting in lieu thereof “\$5,400”; (2) striking out “\$6,000” and inserting in lieu thereof

Amount of principal obligation.
55 Stat. 56.
12 U. S. C., Supp. I, § 1738 (b) (2).