

CHAPTER 16

INTERSTATE / INTRASTATE OPERATION

There is rarely any question as to the applicability of the Federal Highway Administration Rules to commercial vehicle operations that is actually interstate in its nature. The problem arises when a commercial vehicle operation operates wholly within one state (intrastate) and it is thus assumed that the Federal rules do not apply.

There are two reasons why a carrier should comply with the Federal rules, even when operating within one state:

1. The Federal regulations state that if a commercial vehicle is engaged in any interstate commerce, then all truck operations involving hazardous materials in quantities that require placarding of the vehicle, are subject to the Federal regulations, regardless of whether commercial vehicles operate intra- or inter-state.

What is not generally known about this principle is that it is the commodity, not the vehicle that determines whether the movement is intra- or inter-state. For example, a customer orders a product that the private carrier does not have in stock. The carrier orders it from an out-of-state supplier. When it has been received at his dock, he reloads it on his own truck for delivery to the customer, who is in the same state. That "continuing movement" of the product on his own truck is considered to be interstate commerce.

Contrary wise, the carrier orders 1,000 pounds of parts from an out-of-state supplier and puts it in stock for sale to any customer. Even though he later ships some of the parts on his truck, the interstate nature of the move ceased when the material went into his warehouse stock.

2. Virtually all of the 50 states have adopted the Federal safety regulations in whole or part for truck operations within their states, and the remainder are in the process of doing so. In those cases where a person never operates a truck beyond the borders of his/her state, there is still a strong likelihood that his own state regulations will impose at least some of the Federal rules on his/her operations.
3. However, as directed by Congress, the Research and Special Programs Administration has proposed to apply the hazmat regulations to intrastate commerce as well. Final Action is not expected until January 1996.

For these reasons it is logical to assume that the Federal Highway Administration Safety Regulations, including the special rules about transporting hazardous materials, are the proper concern of everyone in the distribution business.