



Traffic Department



Payment of Freight Charges

The Interstate Commerce Commission is given authority under the Transportation Act 1920 to prescribe regulations as to the payment of transportation charges and credit arrangements. They have just issued an order, Ex-Parte 73, effective July 1, 1920, reading as follows:

"IT APPEARING, That section 3, paragraph (2), of the interstate commerce act, as amended by section 405 of the transportation act 1920, provides:

'From and after July 1, 1920, no carrier by railroad subject to the provisions of this Act shall deliver or relinquish possession at destination of any freight transported by it 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 assure prompt payment of all such rates and charges and to prevent unjust discrimination; PROVIDED, That the provisions of this paragraph shall not be construed to prohibit any 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 or Territory or political subdivision thereof, or for the District of Columbia.'

"IT FURTHER APPEARING, That a full investigation of the matters and things involved has been had, and that the Commission, on the date hereof, has made and filed a report containing its findings of fact and conclusions thereon, which said report is hereby referred to and made a part hereof:

"IT IS ORDERED, That the following rules and regulations be, and they are hereby, prescribed to become effective on July 1, 1920, and to remain in force until the further order of the Commission:

"1 Where retention of possession of any freight by the carrier until the tariff rates and charges thereon have been paid will retard prompt delivery or will retard prompt release of equipment or station facilities, the carrier, upon taking precautions deemed by it to be sufficient to insure payment of the tariff charges within the period of credit herein specified, may relinquish possession of the freight in advance of payment of the tariff charges thereon and may extend credit in the amount of such charges to those who undertake to pay such charges, such persons being herein called shippers, for a period of ninety-six hours to be computed as follows:

"(A) Where the freight bill is presented to the shipper prior to, or at the time of, delivery of the freight the ninety-six hours of credit shall run from the first 4:00 P.M., following the delivery of the freight.

"(B) Where the freight bill is presented to the shipper subsequent to the time the freight is delivered the ninety-six hours of credit shall run from the first 4:00 P.M., following the presentation of the freight bill.

"2 Every such carrier shall present freight bills to shippers not later than the first 4:00 P.M. following delivery of the freight, except that when information sufficient to enable the carrier to compute the tariff charges is not then available to the carrier at the delivery point, the freight bills shall be presented not later than the first 4:00 P.M., following the day upon which sufficient information becomes available to the delivering agent of the carrier.

"3 Shippers may elect to have their freight bills presented by means