

# HOUSE BILL REPORT

## HB 1536

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### As Passed Legislature

**Title:** An act relating to permits for and advertising by household goods carriers.

**Brief Description:** Concerning permits for and advertising by household goods carriers.

**Sponsors:** Representatives Clibborn, Roach, Eddy, Morris and Simpson; by request of Utilities & Transportation Commission.

#### Brief History:

##### Committee Activity:

Transportation: 2/4/09, 2/18/09 [DP].

##### Floor Activity

Passed House: 3/4/09, 93-2.

Passed Senate: 4/7/09, 41-3.

Passed Legislature.

#### Brief Summary of Bill

- Expands the definition of household goods carrier to include carriers who advertise, solicit, offer, or enter into agreements to transport household goods.
- Removes exemptions from regulation for household goods carriers that operate within cities with populations of less than 30,000 or between two contiguous cities with populations of less than 30,000.
- Makes it a violation to engage or attempt to engage in the business of transporting household goods without a permit.
- Requires carriers whose operating authority has been cancelled to notify customers.

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#### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass. Signed by 25 members: Representatives Clibborn, Chair; Lias, Vice Chair; Roach, Ranking Minority Member; Rodne, Assistant Ranking Minority Member; Armstrong, Campbell, Cox, Driscoll, Eddy, Ericksen, Flannigan, Herrera, Johnson, Klippert, Kristiansen, Moeller, Rolfes, Sells, Shea, Simpson, Springer, Takko, Wallace, Williams and Wood.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

**Minority Report:** Do not pass. Signed by 1 member: Representative Finn.

**Staff:** David Munnecke (786-7315)

**Background:**

The Washington Utilities and Transportation Commission (UTC) regulates several types of transportation companies under Title 81, including household goods movers, who are required to obtain a permit from the UTC before operating. All of these regulated transportation companies are subject to a series of public safety and consumer protection requirements, including:

- obtaining and maintaining liability and cargo insurance;
- providing information to consumers regarding services and pricing;
- charging only the proper rates for services rendered;
- conducting background checks of potential employees' driving records;
- maintaining a drug and alcohol testing program for all employees; and
- maintaining specific vehicle safety levels.

The UTC's employees conduct safety and consumer protection audits of permitted companies to ensure statutory requirements are met. The UTC is also empowered to impose penalties for a company's failure to comply with these requirements.

**Summary of Bill:**

The definition of household goods carrier is expanded to include carriers who advertise, solicit, offer, or enter into agreements to transport household goods by motor vehicle in exchange for compensation.

Current exemptions from regulation are eliminated for household goods carriers that operate within cities with populations of less than 30,000 or between two contiguous cities with populations of less than 30,000.

A violation is created for engaging in or attempting to engage in the business of transporting household goods without a permit. This violation includes advertising, soliciting, offering, or entering into an agreement regarding the transportation of used household goods. The penalty for a violation is up to \$5,000 for each occurrence of operating or advertising without a permit and up to \$10,000 for each violation of a cease and desist order.

Household goods carriers are required to provide a physical address and telephone number in all advertising and correspondence.

Carriers whose operating authority has been cancelled by the UTC are required to notify customers and provide proof of such notice to the UTC.

**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

**Staff Summary of Public Testimony:**

(In support) People usually only hire a mover a few times in their lives and are thus not familiar with the process or the companies. The UTC requires vehicle safety inspections, insurance, and other protections that benefit customers and the general public. The UTC currently regulates approximately 200 moving companies, and there could be just as many more operating in the state that are unregulated. The UTC is working with various parties to warn people about these unregulated movers.

The current regulations for movers lack teeth, and the standard of proof is quite high. The UTC wants to get serious about enforcement and act against unregulated movers that advertise their services. This legislation would require a physical address to be listed on the web and in other advertisements so movers could be tracked. The bill would also streamline enforcement, thus protecting consumers and providing a level playing field.

This regulation is long overdue. Illegal movers are hurting consumers, workers, and the state. This legislation would also increase safety by removing unsafe vehicles and drivers from the road.

(Opposed) None.

**Persons Testifying:** Representative Clibborn, prime sponsor; David Danner, Washington Utilities and Transportation Commission; Larry Pursley, Washington Trucking Association; and Jeff DeVere, Washington State Patrol.

**Persons Signed In To Testify But Not Testifying:** None.