

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In re Application of

DOLLY, INC.

**For a Permit to Operate as a Motor Carrier
of Household Goods and a Permit to
Operate as a Motor Freight Common
Carrier**

Docket No: TV-180605

**CROSS EXAMINATION EXHIBIT
TO TESTIMONY OF**

Susie Paul

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Email string between staff and WMC

December 13, 2018

Barnett, Donna L. (BEL)

From: Paul, Susie (UTC)
Sent: Friday, March 18, 2016 2:01 PM
To: Jim Tutton
Cc: Hazzard, Pat (UTC)
Subject: FW: Intrastate App Based Movers

Hi Jim,

The topic of brokers was referred to our assistant attorney general's office for an opinion. I'll let you know when we receive a response. Also, Ghostuck and Dolly remain on our radar.

It was good seeing you at the household goods training!

Take care,

Susie.

From: Hazzard, Pat (UTC)
Sent: Friday, March 18, 2016 1:23 PM
To: Jim Tutton <jim@watrucking.org>
Cc: Paul, Susie (UTC) <spaul@utc.wa.gov>
Subject: RE: Intrastate App Based Movers

Hi Jim - I have asked Susie to take a look at this and get back to you. It may take a little while given other work priorities, but we will get back to you, promise!

From: Jim Tutton [<mailto:jim@watrucking.org>]
Sent: Friday, March 18, 2016 11:28 AM
To: Hazzard, Pat (UTC) <phazzard@utc.wa.gov>
Subject: Intrastate App Based Movers

Good Morning Pat –

I'm wondering if someone at the WUTC can educate me on the Commission's definition of a "Broker" found in WAC 480-12-100, shown below, that I have highlighted in red? The phrase "... transportation of property by two or more common carriers." is unclear to me. I read that to mean - to be classified as a Broker, the transportation of the property would need to be hauled by two or more common carriers.

In addition, I would like to fully understand the phrase "transportation of property" used in the WUTC definition. I would think a truckload or less of hardware items being trucked to a hardware store would be no different than a truckload or less of personal household goods being transported to a residence; in each instance by a legally operating for hire motor carrier.

At the federal level, the definition of a "Broker" is –

Broker: *A company that arranges for the truck transportation of cargo belonging to others, utilizing for-hire carriers to provide the actual truck transportation. A broker does not assume responsibility for the cargo and usually does not take possession of the cargo.* (<https://www.fmcsa.dot.gov/protect-your-move/how-to/glossary>)

At the intrastate level in Washington State, the definition of a "Broker" is -

WAC 480-12-100

Forwarders and brokers.

(1) For the purpose of these rules a "forwarder" shall be defined as a person engaged in the business of soliciting, collecting or assembling shipments for the purpose of combining the same into a shipment of such size as to be entitled to a quantity rate and who forwards such shipment in his own name and at his own risk by a common carrier at such quantity rate.

(2) A "broker" is a person engaged in the business of providing, contracting for or undertaking to arrange for, transportation of property by two or more common carriers.

(a) A broker's compensation shall be in the form of a fixed fee or percentage of the total tariff charges which shall be fixed and established by the commission based upon evidence submitted by the affected party or parties, which in every instance must be collected from the shipper by the broker and no charge for any service shall be collected from the carrier. Every common carrier broker shall collect his fee, or percent of the total revenue charges, as a separate item and in accordance with the provisions of WAC [480-12-340](#) credit, extension of, by common carriers. Unless specifically authorized by the commission no common carrier broker authorized to collect charges from shippers for common carrier brokerage service shall collect from said shipper the common carrier tariff charges arising from the highway transportation of the property: Provided, That these provisions will not apply to any person holding a broker permit issued by the commission prior to April 16, 1971. Such brokers may continue to operate under the terms and conditions specified in their broker permit and under the commission rules which were in effect at the time their broker permit was issued.

(3) A carrier holding a highway transportation permit or an agent of such carrier, may not act as a shipper's agent, except as may be specifically authorized by a common carrier forwarder permit or a common carrier broker permit.

(4) A permit shall not be issued authorizing any one person to operate both as a broker and a forwarder.

(5) A forwarder shall not be permitted to charge rates which are lower than those prescribed for common carriers by motor vehicle. Such forwarder shall ship only over the lines of common carriers holding permits authorizing the transportation of general freight by motor vehicle.

(6) A common carrier broker, who also holds a common carrier permit authorizing highway transportation, may not perform highway transportation of the property of a shipper for which a common carrier brokerage service is rendered in equipment acquired by lease from another common carrier holding its own authority to provide the service.

(7) Every shipper, or group or association of shippers engaged in consolidating or distributing freight for themselves or for their members, and who wish to claim exempt status under chapter 138, Laws of 1979 ex. sess. [RCW [81.80.045](#)], shall notify the commission promptly upon beginning such services and, in addition, shall comply with the following:

Complete and file with the commission, by April 1 following each year in which an exemption is claimed, a statement of nonprofit status, notarized and dated, in substantially the following form:

The undersigned has (have)

performed services as freight forwarder claiming exempt status under chapter 138, Laws of 1979 ex. sess. [RCW [81.80.045](#)], in the year , beginning in the month of There was no intent to perform such services for a profit, and no profit was in fact made.

.....
(Signature of forwarders)

Subscribed and sworn to before me this day of , 19

.....
Notary Public for the state of Washington in and for the county of

The foregoing requested clarifications are needed due to the ever growing unregulated “App Based Movers” coming into or starting up in Washington State.

Examples include –

Ghostruck, <http://ghostruck.com/> , who states in their “Freak Out Questions” section –

“What is Ghostruck?” The answer – *“Think of us as your moving concierge. Our app connects you with professional movers who are ready to get your stuff from A to B for a fixed price.”*

“How does payment work?” - The answer – *“All payment is handled in-app which is why a credit card is required before you can book a job. Once you book your move we will charge your credit card. Any changes made to your move that affect the final cost will be issued (charged or refunded) to your credit card after your move has been completed.”*

Dolly, <https://dolly.com/> , who states in their web site under “Frequently Asked Questions” –

What is Dolly? The answer – “Dolly is a marketplace that allows background-checked Helpers with pickup trucks, vans, and large SUVs to connect with people who need help with micro-moves in the city.

How much does Dolly cost? The answer – “We provide a price that's determined by distance, item count, and specific details about your item(s), with the choice of Curbside delivery for a discounted price. The minimum price is \$30.”

How do I pay and tip my Helper? The answer – “All payment and tipping is done in the app—a credit card is required to post a Dolly. We place a temporary authorization on your card for the total Dolly amount to schedule your Dolly. You may see a pending charge on your statement, but you will NOT be charged until the Dolly is complete. Your Helper receives 100% of the tip amount if you choose to tip.”

Yet Dolly also has a section on their web site that offers “Move apartments”. Average Dolly price: \$200.00.

These businesses are clearly Brokers! They take payment upfront from the shipper and they arrange for the transportation of property utilizing for-hire carriers to provide the actual truck transportation, i.e. a moving company!

The Washington Movers Conference is not opposed to these businesses in the market place if operating legally. But for strong consumer protection, that means there is a need for these businesses to have a Broker’s license and a need to be regulated by the WUTC closely and similarly like what the Federal Motor Carrier Safety Administration is doing at the interstate level. In other words – *Are they utilizing Commission regulated moving companies for intrastate moves?, Are they insuring WUTC Tariff No. 15-C Rates and Charges are properly assessed?, and are they - Referencing in their advertisements, web sites, and other forms of communication their physical business location, contact information, and their status as a broker that does not transport household goods but arranges for this service?*

Pat, I can’t make this growing issue any more clear.

Jim Tutton, Exec. Dir.
WMC

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Have you checked out the WMC web site at www.wmcmovers.com ?