

HANSEN BROS.

HG-1782
MOVING & STORAGE

~ 'Since 1890' ~

April 28, 2020

Mr. Mark Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Re: Docket TV-200348

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State Of WASH.
UTIL. AND TRANSP.
COMMISSION

I would like to take this opportunity to weigh in on whether Commission rules authorize regulated household goods carriers to contract with third parties to perform regulated services such as packing, loading, transporting, unloading, and unpacking household goods.

I feel that authorizing regulated carriers to contract with third parties negates many aspects of the purpose of the Utilities Transportation Commission in that the actual service provider is under no obligation to the actual consumer, legal or otherwise, to comply with state safety, insurance and service standards, which is the mandate of the commission. In many cases, the actual service provider will not even be aware of their responsibilities to maintain adequate insurance and safe equipment to protect the consumer and the general public. Their only obligation is to the regulated household goods carrier that contracted with them. This direct nexus between the service provider and the consumer is crucial to Consumer Protection and Public Safety that is the primary goal of the Commission.

The Commission has traditionally regulated the Household Goods Carriers with rate structuring that ensures the consumer is protected from too high of a price and the service provider from a price that is too low so as to provide adequate, safe equipment and provide employment opportunities and a fair return on investment. How would the use of sub-contractors ensure that both parties, the consumer and the service provider, are treated fairly? In addition, would these sub-contractors be required to pay regulatory fees, even though they are un-regulated, for providing the same services as regulated carriers?

Another factor to consider is one that has been the focus of much discussion and consternation during our present pandemic. By pushing down the costs and risks associated with performing services to these "gig" workers, these carriers are absolving themselves of the responsibilities of the traditional employer, such as paying employment taxes (i.e. Social Security, State Unemployment and Labor & Industry Insurance) and providing important benefits such as medical coverage and retirement plans. If the economy slows, and these "gig" workers are not needed, they are left unprotected by many of the safety nets that society has mandated for its workers. The "employees" of the sub-contractors, the ones doing at least part of the physical labor, are in an even worse position, often working at the whim of the sub-contractor, without protections afforded other workers.

Regulated carriers should accept the responsibilities, as they always have in the State of Washington, of providing their services directly to the consumer, not brokering out the services to the lowest bidder. This ensures that the industry can provide its services safely and per the regulations of the Commission.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'David S. Cullen', with a long horizontal flourish extending to the right.

David S. Cullen
C.F.O.