

December 14, 2021

TV-210737

VIA ELECTRONIC FILING

Amanda Maxwell
Executive Director and Secretary
Washington Utilities & Transportation Commission
621 Woodland Square Loop SE Lacey, WA 98503

State Of WASH.
UTIL. AND TRANSP.
COMMISSION

12/14/21 15:41

Received
Records Management

Re: Inquiry to determine the appropriate process for clarifying whether Chapter 480-15 WAC allows household goods carriers to contract with third parties to provide services regulated by the Commission.

Docket No. TV-210737

Comments of Hansen Bros. Transfer & Storage

Dear Executive Director and Secretary Maxwell:

Hansen Bros. Transfer & Storage, ("Hansen Bros.") appreciates the opportunity to provide comments pursuant to the Washington Utilities and Transportation Commission's ("Commission") November 16, 2021, Notice of Opportunity to File Written Comments in this Docket.

Hansen Bros. responds to the Commission's questions as follows:

1. Do you currently contract with third parties to provide either regulated household goods services or non-regulated services?

Hansen Bros. does not currently contract with third parties to provide regulated or unregulated services to its customers in Washington state.

2. If you contract with third parties to provide regulated services, how do you ensure compliance with Commission rules related to background checks, safety requirements, etc.?

N/A

3. If you do not currently contract with third parties to provide regulated services, are you interested in contracting with third parties to provide those services in the future?

Hansen Bros. is not interested in contracting with third parties to provide regulated services in the future. We believe it is not in the best interest of the consumer or our business's reputation to pass the responsibilities laid out in the tariff onto third parties, insulating us from guaranteeing those responsibilities are fulfilled in protecting the consumer. If

we were to contract with third party providers, assurances that all the tariff rules and procedures are being followed would necessarily be in hindsight only, after violations or omissions have already occurred. Putting another administrative and legal layer between the consumer and the regulated carriers would not be in the best interest of our industry.

To satisfy the legal requirements laid out by the Internal Revenue Service, the general rule is that an individual is an independent contractor if the payer (in this case the regulated household goods carrier) has the right to control or direct only the result of the work and not what will be done and how it will be done. Also, to be an independent contractor, there must be a significant investment in equipment and the independent contractor has to be able to work for others besides the regulated carrier. Would there be consumer confusion if an independent contractor arrived at the jobsite with signage and equipment that does not correlate with the identity of the contracted regulated carrier? Who would the consumer turn to if there are problems, issues or claims with the services provided by the independent contractor? If these “independent contractors” have the equipment and means to perform regulated services, what prevents them from performing regulated services without the imprimatur of the Commission and their regulated carriers? The ability to regulate illegal carriers would be compromised as all movers would “look” like they were regulated.

Furthermore, public opinion, and legislative intent, seems to be currently in favor of limiting the independent contractor exemption that insulates independent contractors from the protections afforded employees in the State of Washington. By opening this loophole now, is the Commission bucking the trend and will have to reverse itself in the near term?

4. If you are interested in using third parties to provide regulated services, what services would you consider using third parties to provide?

N/A

5. If you contract with third parties to provide non-regulated household goods services, how are those relationships structured? For example, how is payment rendered? Do you conduct background checks?

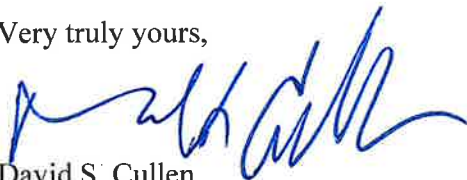
N/A

6. If you are a potential third-party contractor, how do you conduct background checks, and what safety requirements do you have in place to protect customers and employees?

N/A

Thank you for the opportunity to provide these comments.

Very truly yours,



David S. Cullen

CFO

Hansen Bros. Transfer & Storage