



September 28, 2018

**VIA EMAIL**

Ms. Amanda Hathaway  
Communications and Legislative Coordinator  
Washington State Utilities and Transportation Commission  
1300 S. Evergreen Park Dr. SW  
P.O. Box 47250  
Olympia, Washington 98504-7250

RE: *Digital App-Based Micro-Mover Task Force – Opportunity to Comment*

Dear Ms. Hathaway,

1 Thank you for the opportunity to submit comments and recommendations regarding the  
2 Legislative Proviso concerning Digital App-Based Micro-Movers (“DAMM”). Please find Dolly’s  
3 responses to your request below.

4 **Dolly – Digital App-Based Micro-Mover**

5 Dolly, a digital app-based micro-mover (“DAMM”), is an Internet and app-based company that  
6 provides a software platform that facilitates users posting information (items, times, locations, etc.) and  
7 requesting help for a micro-move they need fulfilled. Dolly does not own any vehicles or equipment,  
8 nor does it employ any individuals to perform micro-moves. Truck owners (1099 independent  
9 contractors) use the Dolly app to fulfill the micro-move posted by the user.<sup>1</sup> All contractors on Dolly’s

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<sup>1</sup> Commission Staff cites Docket TC-143691 to assert that it, “determines whether a person is a household goods carrier based on the person’s actions, not how the entity characterizes its operations” to initiate enforcement actions against companies that use independent contractors to perform regulated services. However, the regulation at issue in TC-143691, WAC 480-30-213 (repealed), required an auto transportation company to use vehicles it owns and employ its own drivers to provide auto transportation service. Specifically, the provisions of WAC 480- 30-213 (repealed) at issue in TC-143691 stated that:

- (1) The vehicles operated by a passenger transportation company must be owned by or leased to the certificate holder, and
- (2) The driver of a vehicle operated by a passenger transportation company must be the certificate holder or an employee of the certificate holder.

There is no corollary applicable statute or regulation prohibiting household goods carriers from using independent contractors to perform household goods carrier services.

1 platform undergo a background, safety, and insurance verification process. All micro-moves are  
2 completed at the contractors' and users' discretion and direction according to the terms of the  
3 agreement between the independent contractor and user.<sup>2</sup> Users fully understand Dolly's business  
4 model and are not confused about Dolly's role in fulfilling their micro-move request.

5 **I. ISSUE – Applying Household Goods Carrier Laws and Regulations to DAMM's**

6 Dolly believes that it does not meet the RCW 81.80.010 definition of a household goods carrier  
7 because Dolly doesn't advertise that it transports household goods or enter into agreements to  
8 transport household goods. Dolly advertises that it connects users and contractors (who transport the  
9 goods) and the agreement to transport the goods is between the contractor and user.

10 **II. ISSUE – Applying Household Goods Carrier Laws and Regulations to Independent Contractors**  
11 **Who Currently Perform Micro-Moves**

12 Due to the ease, convenience, and affordability that DAMM's offer Washington consumers,  
13 they prefer using a DAMM to complete their micro-move. Consumers' preference for DAMM's is a  
14 direct result of the regulatory requirements to obtain a household goods carrier permit. This explains  
15 why permitted household goods carriers are not the leading competition for DAMM's. Rather, DAMM's  
16 primary competition are pick-up truck owning friends of the consumer or more likely unpermitted  
17 household goods carriers.<sup>3</sup> DAMM's present an opportunity for the WUTC to license and regulate a  
18 population of individuals who would otherwise perform unregulated household goods carrier services.

19 **A. RECOMMENDATION**

20 Dolly recommends the Legislature adopt legislation that allows the WUTC to:

21 **1)** Create a classification applicable to the DAMM business model that includes legislative  
22 authority to adopt regulations regarding:

- 23 **a.** DAMM Definition;
- 24 **b.** Operating Authority;
- 25 **c.** Permit and Fees;
- 26 **d.** Consumer Protection; and
- 27 **e.** Insurance Requirements

28  
29 **2)** Create a classification applicable to independent contractors who perform micro-moves  
30 that includes legislative authority to adopt regulations regarding:

- 31 **a.** DAMM Driver Definition;
- 32 **b.** Operating Authority;
- 33 **c.** Criminal Background Checks;
- 34 **d.** Application Fees;
- 35 **e.** Alcohol and Drug Policy;

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<sup>2</sup> Dolly does not authorize or condone the provision of solid waste collection services in Washington State.

<sup>3</sup> To complete a micro-move, 97% of Washington DAMM users surveyed said they would: 1) Ask a friend; or 2) Hire a TNC; or 3) Rent a truck (BEFORE they would consider) 4) Hiring a moving company; or 5) Use public transit.

- f. Personal Identification;
- g. Insurance Requirements; and
- h. Vehicle Safety and Inspections

**B. ALTERNATIVE RECOMMENDATIONS**

If the Legislature deems the WUTC’s current regulatory scheme adequately regulates DAMM’s and DAMM drivers, Dolly recommends the Legislature:

- 1) Amend RCW 81.80.010(5)<sup>4</sup> to explicitly exclude companies that:
  - a. Advertise the provision of household good carrier services; and
  - b. Do not perform household good carrier services; or
  - c. Use independent contractors to perform household good carrier services

-- OR --

- 1) Adopt legislation that explicitly authorizes licensed household goods carriers to subcontract the provision of household goods carrier services;<sup>5</sup> and
- 2) Grant the WUTC legislative authority to adopt regulations governing the fitness of the subcontractors as described in subsection A(2)(a) – (h), above.

I look forward to further discussions with the other Task Force members on October 19.

Sincerely,



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<sup>4</sup> RCW 81.80.010(5) was amended in 2009 to facilitate the WUTC’s ability to enforce compliance with household good carrier regulations, not to expand the types of companies subject to regulation. See Docket TV-150185, Order 01 at ¶12, note 5.

<sup>5</sup> It is undisputed that the Commission’s regulations govern individuals engaged in the business of performing household goods carrier services. However, a now defunct DAMM, Ghostruck, subcontracted with permitted household goods carriers and was nevertheless found liable for 141 violations of performing unregulated household goods moves, even though all 141 moves were performed by licensed household goods carriers.