

**Discussion Draft Rules  
Docket TV-111493  
November 10, 2011**

**AMEND**

**WAC 480-15-185 Types of household goods permits.**

There are two types of household good permits.

(1) Provisional permit: An applicant must complete a Household Goods Moving Company Permit Application to receive a provisional permit. A provisional permit lasts for a period of not less than six months. In determining whether to grant provisional authority, the commission will consider the criteria outlined in WAC 480-15-300.

(2) Permanent permit: Once the applicant has held a provisional permit for at least six months, the commission will consider whether to grant the applicant a permanent permit. A permanent permit has no expiration date. The applicant does not need to file a second application for permanent authority. In determining whether to grant permanent authority, the commission will consider the criteria outlined in WAC 480-15-305.

~~The commission may issue any of the following types of permits:~~

~~— (1) Emergency temporary authority for a period of thirty days or less when there is an urgent need for service and time or circumstances do not reasonably allow filing and processing an application for temporary authority.~~

~~— (2) Temporary authority for up to one hundred eighty days to meet a short term public need or until the commission makes a decision on the pending application for permanent authority. The applicant must be fit, willing and able and the proposed service must be in the public interest.~~

~~— (3) Permanent authority has no expiration date or renewal requirement when the applicant is fit, willing and able to provide service and meets the current or future public convenience and necessity standards.~~

**NEW SECTION**

**WAC 480-15-186 Application required.**

An applicant must complete a Household Goods Moving Company Permit Application and meet the criteria for a provisional permit and, after the six-month period has passed, a permanent permit, as described in WAC 480-15-185, to be eligible for any of the following:

(a) New authority to operate as a household goods carrier.

(b) Transfer of existing authority, except as described in WAC 480-15-187.

(c) Acquisition of control of existing authority.

(d) Additional authority for an existing household goods permit.

## **NEW SECTION**

### **WAC 480-15-187 Exception to Permanent Authority Process**

(1) The commission will grant an application to transfer existing permanent authority, or acquire control of existing permanent authority, without requiring a provisional permit, public notice, or comment if the applicant is fit, willing, and able to provide service and the applicant has filed to transfer or acquire control of permanent authority for any one of the following reasons:

(a) A partnership has dissolved due to the death, bankruptcy or withdrawal of a partner and that partner's interest is being transferred to a spouse or to one or more remaining partners.

(b) A shareholder in a corporation has died and that shareholder's interest is being transferred to a surviving spouse or one or more surviving shareholders.

(c) A sole proprietor has died and the interest is being transferred as property of the estate.

(d) An individual has incorporated and the same individual remains the majority shareholder.

(e) An individual has added a partner but the same individual remains the majority partner.

(f) A corporation has dissolved and the interest is being transferred to the majority shareholder.

(g) A partnership has dissolved and the interest is being transferred to the majority partner.

(h) A partnership has incorporated, and the partners are the majority shareholders.

(i) Ownership is being transferred from one corporation to another corporation when both are wholly owned by the same shareholders.

(2) The commission will grant an application for permanent authority without requiring a provisional permit after the application has been published on the application docket subject to comment for thirty days if the applicant is fit, willing, and able to provide service, the applicant has filed to transfer or acquire control of permanent authority, and all of the following conditions exist:

(a) Ownership or control of a permit is being transferred to any shareholder, partner, family member, employee or other person familiar with the company's operations and the household goods moving services provided.

(b) The permit has been actively used by the current owner to provide household goods moving services during the twelve-month period prior to the application.

(c) The application includes a certified statement from the applicant and the current owner explaining why the transfer of ownership or control is necessary to ensure the company's economic viability.

(d) The application includes a certified statement from the applicant and the current owner describing the steps taken by the parties to ensure that safe operations and continuity of service to customers is maintained.

**AMEND**

**WAC 480-15-190 Service territory.**

Household goods permits authorize statewide operations unless:

- (1) ~~You~~ An applicant elects to limit ~~your~~ the service territory to specific counties; or
- (2) The commission, by order, limits ~~your~~ an applicant's service territory.

**AMEND**

**WAC 480-15-230 Application fees.**

Application fees are:

Type of Permit Application:	Fee:
<del>Emergency temporary authority</del>	<del>\$50.00</del>
<del>Temporary authority</del>	<del>\$250.00</del>
<u>Provisional and Permanent authority.</u> <u>The fee for provisional, and then permanent, authority is a one-time fee of \$550.00.</u>	\$550.00
Transfer or acquisition of authority under WAC 480-15-335	\$250.00
Permit reinstatement (under provisions of WAC 480-15-450)	\$250.00
Name change only	\$35.00

**NEW SECTION**

**WAC 480-15-302 Provisional authority.**

The commission will grant provisional authority to any applicant that meets the following criteria:

- (1) The applicant has properly completed the Household Goods Moving Company Permit Application.
- (2) The application does not contain any indication of fraud, misrepresentation, or erroneous information.
- (3) The applicant has provided a copy of a valid Washington state driver's license for each person named in the application associated with the proposed moving company.

(4) The applicant has met the liability and cargo insurance requirements of WAC 480-15-530 and WAC 480-15-550.

(5) The applicant has provided evidence of compliance with state tax, labor, employment, business, and vehicle licensing laws and rules. The commission will accept as evidence valid account numbers that staff can verify, showing the applicant has established accounts with other state agencies, as evidence.

(6) The applicant has provided evidence of its enrollment in a drug and alcohol testing program, or evidence that it has in place its own drug and alcohol testing program, if required by WAC 480-15-570. The commission will accept proof of enrollment in a program, or a detailed description of the applicant's own program, as evidence.

(7) Commission staff has completed a criminal background check on each person named in the application associated with the proposed moving company. The commission will not grant provisional authority if any named person has, within the past five years, been convicted of any crime involving theft, burglary, sexual misconduct, identity theft, fraud, false statements, or the manufacture, sale, or distribution of a controlled substance.

(8) The applicant owns or leases the equipment necessary to provide household goods moving services.

(9) The commission has not denied a household goods moving application within the previous six months filed by the same applicant or by any other person named on the application.

(10) The commission has not canceled, for cause, a permit held by the applicant within the previous one year.

(11) The applicant has filed with the application at least three completed statements of support for the proposed service.

(12) No other circumstances exist that cause the commission to deny the application.

## **NEW SECTION**

### **WAC 480-15-305 Permanent authority.**

The commission will grant permanent authority to any applicant that meets the following criteria:

(1) The applicant has met all of the criteria required for a provisional permit as described in WAC 480-15-302.

(2) The applicant has completed a provisional period of not less than six months.

(3) The applicant has attended a commission-sponsored household goods carrier training class.

(4) The applicant has provided commission staff with evidence that the applicant has completed a criminal background check on each person it employs or intends to employ that will have contact with a customer or a customer's residence. The commission will not grant permanent authority if any employee has, within the past five years, been convicted of any crime involving theft, burglary, sexual misconduct, identity theft, fraud, false statements, or the manufacture, sale, or distribution of a controlled substance.

(5) The applicant has received a satisfactory safety rating in a safety review conduct by commission safety staff.

(6) The applicant has no outstanding commission-issued monetary penalties.

(7) The applicant has paid all outstanding fees or other amounts due to the commission.

- (8) The applicant has met all other commission regulatory requirements, including any requirements set by statute, rule, tariff, or order.
- (9) The applicant has no unresolved consumer complaints filed with the commission.
- (10) No other circumstances exist that cause the commission to deny permanent authority.

## **AMEND**

### **WAC 480-15-340 Commenting on an application for permanent authority.**

(1) The commission publishes applications for permanent authority in the application docket that it mails to each applicant and, upon written request, to any other person interested in application proceedings.

(2) Anyone having an interest in an application appearing on the docket may file written comments within thirty days following publication, unless the application is published in conjunction with a grant of ~~temporary~~ provisional authority. If the permanent authority application is published in conjunction with a grant of ~~temporary~~ provisional authority, then comments will be accepted for one hundred eighty days or the full term of the ~~temporary~~ provisional permit.

(3) Comments may either support or protest the application. Comments must include the commenter's full name, address, telephone number, e-mail address, fax number, and permit number, if available. Comments must be signed and indicate the place and date when they were signed. Comments must indicate support for, or protest of, the permanent authority for any one or more of the following reasons:

- (a) Fitness.
- (b) Public interest.
- (c) Levels of service.
- (d) Business practices.
- (e) Safety.
- (f) Operation of equipment.
- (g) Current or future public need for service.

(4) A comment protesting an application will not, on its own, cause the commission to set the matter for a hearing.

## **REPEAL**

### **~~WAC 480-15-270 Emergency temporary authority.~~**

~~The commission may grant an application for emergency temporary authority to operate up to thirty days to meet an urgent public need when time or circumstances do not reasonably allow filing and processing a temporary permit application. The applicant must do all of the following:~~

- ~~—(1) Provide a certified statement of support identifying the need.~~
- ~~—(2) Complete the application.~~
- ~~—(3) Pay the application fee.~~
- ~~—(4) Furnish a list of vehicles the applicant will use under emergency temporary authority.~~
- ~~—(5) Furnish proof of public liability and property damage insurance.~~

## REPEAL

### **~~WAC 480-15-280 Temporary authority.~~**

~~———— (1) An applicant must apply for temporary authority to provide service to meet a short-term need. If the commission grants the application, the temporary authority will allow the applicant to provide service as a household goods carrier on a provisional basis for at least six months. During this time, the commission will evaluate whether the applicant has met the criteria in WAC 480-15-330 to obtain permanent authority.~~

~~———— (2) The commission will grant or deny an application for temporary authority after conducting a complete review of the application, supporting statements, reports or other information necessary to determine fitness and determining whether granting the application is in the public interest.~~

~~———— (3) When determining if an applicant is fit, willing and able to provide the proposed service the commission will consider any information provided by the applicant and other members of the public including, but not limited to, information regarding the applicant's:~~

~~———— (a) Experience in the industry.~~

~~———— (b) Knowledge of safety regulations.~~

~~———— (c) Financial resources.~~

~~———— (d) Equipment resources.~~

~~———— (e) Compliance with tax, labor, employment, business and vehicle licensing laws and rules.~~

~~———— (f) Compliance with Title 81 RCW and commission rules.~~

~~———— (g) Conviction of any crime.~~

~~———— (h) Previous denial of authority on the basis of fitness.~~

~~———— (i) Previous cancellation of permit authority.~~

~~———— (4) When determining if the proposed service is in the public interest, the commission will consider any information provided by the applicant, customers and other members of the public concerning the proposed service. The commission will also consider whether granting the temporary authority will:~~

~~———— (a) Enhance choices available to consumers.~~

~~———— (b) Promote a viable yet competitive household goods industry.~~

~~———— (c) Fill an unmet need for service.~~

~~———— (d) Allow the commission to regulate the household goods industry more efficiently.~~

~~———— (e) Provide increased consumer protection through regulation.~~

~~———— (5) Applicants, customers and other members of the public must submit statements and reports that:~~

~~———— (a) Include their full name, address, phone number.~~

~~———— (b) State that the information submitted is true and accurate.~~

~~———— (c) Are signed and show the place and date they were signed.~~

## **REPEAL**

### **~~WAC 480-15-285 Rejecting or denying an application for temporary authority.~~**

~~The commission may reject or deny an application for temporary authority if:~~

- ~~—— (1) The application is incomplete.~~
- ~~—— (2) The application indicates evidence of fraud, misrepresentation, or erroneous information.~~
- ~~—— (3) The applicant filed within six months of a denial of a previous application or within one year of cancellation of a permit under WAC 480-15-320 or 480-15-450 (1)(c) through (g).~~
- ~~—— (4) The applicant does not have:~~
  - ~~—— (a) Sufficient experience in the industry.~~
  - ~~—— (b) Sufficient knowledge of safety regulations.~~
  - ~~—— (c) Sufficient financial resources or equipment.~~
  - ~~—— (d) Compliance with tax, labor, employment, business and vehicle licensing laws and rules.~~
- ~~—— (5) The applicant has:~~
  - ~~—— (a) Previously been denied authority by the commission on the basis of fitness.~~
  - ~~—— (b) Been convicted of a crime.~~
  - ~~—— (c) Previously had permit authority canceled by the commission.~~
  - ~~—— (d) Been subject to other enforcement actions for violations of state law or commission rules.~~
- ~~—— (6) Other circumstances exist that cause the commission to believe issuing the permit is not in the public interest.~~

## **REPEAL**

### **~~WAC 480-15-290 Granting temporary authority.~~**

~~After reviewing the application, information concerning the application and supporting statements and reports, the commission will issue an order granting or denying the application for temporary authority. An order granting temporary authority may include specific terms and conditions the applicant must satisfy before beginning or while operating under authority, such as specific training, safety audits or reporting.~~

## **REPEAL**

### **~~WAC 480-15-310 Commenting on actions regarding temporary authority.~~**

- ~~—— (1) The commission publishes an application docket listing temporary authority it has granted or denied. The commission mails the docket to each applicant and, upon written request, to any other person interested in application proceedings.~~
- ~~—— (2) Anyone wishing to comment on an action on the commission's application docket that grants or denies temporary authority may file written comments within ten days following publication. Comments must include the commenter's full name, address, telephone number, e-mail address, fax number and permit number, if applicable. Comments must indicate support for, or protest of, the temporary authority for any one or more of the following reasons:~~
  - ~~—— (a) Fitness.~~

- ~~—— (b) Public interest.~~
- ~~—— (c) Levels of service.~~
- ~~—— (d) Business practices.~~
- ~~—— (e) Safety.~~
- ~~—— (f) Operation of equipment.~~
- ~~—— (3) The commission may at its discretion, hold a brief adjudicative proceeding on an action for temporary authority because it received comments that protest the action. See chapter 480-07 WAC for rules governing brief adjudicative proceedings.~~

## **REPEAL**

### **~~WAC 480-15-320 Canceling a temporary permit.~~**

~~The commission may cancel a temporary permit at any time if it determines any of the following conditions exist:~~

- ~~—— (1) The permit was not issued in the public interest.~~
- ~~—— (2) The approval of the temporary authority was based on fraud, misrepresentation, or erroneous information from the applicant.~~
- ~~—— (3) The applicant filed within six months of a denial of a previous application or within one year of cancellation of a permit under WAC 480-15-320 or 480-15-450 (1)(c) through (g).~~
- ~~—— (4) The carrier does not have:~~
  - ~~—— (a) Sufficient experience in the industry.~~
  - ~~—— (b) Sufficient knowledge of safety regulations.~~
  - ~~—— (c) Sufficient financial resources or equipment.~~
  - ~~—— (d) Compliance with tax, labor, employment, business and vehicle licensing laws and rules.~~
- ~~—— (5) The carrier has:~~
  - ~~—— (a) Been convicted of any crime.~~
  - ~~—— (b) Previously been denied authority by the commission on the basis of fitness.~~
  - ~~—— (c) Failed or refused to comply with applicable laws and rules pertaining to operations of household goods carriers.~~
  - ~~—— (d) Failed to file an annual report or pay required regulatory fees.~~
  - ~~—— (e) Allowed others to transport goods under the carrier's permit authority.~~
  - ~~—— (6) Other circumstances exist that cause the commission to believe canceling the permit is in the public interest.~~

## **REPEAL**

### **~~WAC 480-15-330 Permanent authority.~~**

~~(1) An applicant must apply for permanent authority if he or she is requesting any of the following:~~

- ~~—— (a) New original authority.~~
- ~~—— (b) Transfer of existing authority, except as described in WAC 480-15-335.~~
- ~~—— (c) Acquisition of control of existing authority.~~
- ~~—— (d) Additional authority for an existing household goods permit.~~
- ~~—— (2) The commission will grant or deny an application for permanent authority after it conducts a complete review of the application, supporting statements, reports or other~~



~~information necessary to determine fitness, public interest and current or future public convenience and necessity.~~

~~—— (3) Some transfers of existing permanent authority are not subject to the requirements in this rule. WAC 480-15-335 lists the exceptions.~~

~~—— (4) When determining if an applicant is fit, willing and able to provide the proposed service, the commission will consider statements and reports including any information provided by the applicant and other members of the public. The commission may reject or deny an application for permanent authority if:~~

~~—— (a) The application is incomplete.~~

~~—— (b) The application indicates evidence of fraud, misrepresentation or erroneous information.~~

~~—— (c) The applicant filed within six months of a denial of a previous application or within one year of cancellation of a permit under WAC 480-15-320 or 480-15-450 (1)(c) through (f).~~

~~—— (d) The applicant does not have:~~

~~—— (i) Sufficient experience in the industry.~~

~~—— (ii) Sufficient knowledge of safety regulations.~~

~~—— (iii) Sufficient financial resources or equipment.~~

~~—— (iv) Compliance with tax, labor, employment, business and vehicle licensing laws and rules.~~

~~—— (e) The applicant has:~~

~~—— (i) Previously been denied authority by the commission.~~

~~—— (ii) Been convicted of any crime.~~

~~—— (iii) Previously had permit authority by the commission.~~

~~—— (iv) Paid or incurred penalties or received citations for violation of state law or commission rules.~~

~~—— (v) Been subject to other enforcement actions for violation of state law or commission rules.~~

~~—— (f) The results of any compliance reviews, audits, inspection reports and customer complaints filed against the applicant cause the commission to believe issuing the permit is not in the public interest.~~

~~—— (g) Other circumstances exist that cause the commission to believe issuing the permit is not in the public interest.~~

~~—— (5) When determining if the proposed service is in the public interest the commission will consider statements and reports, including any information provided by the applicant and other members of the public concerning the proposed service, and whether granting the permanent authority will:~~

~~—— (a) Enhance choices available to consumers.~~

~~—— (b) Promote a viable yet competitive household goods industry.~~

~~—— (c) Fill an unmet need for service.~~

~~—— (d) Allow the commission to more efficiently regulate the household goods industry.~~

~~—— (e) Provide increased consumer protection through regulation.~~

~~—— (6) When determining if the proposed service is needed to satisfy the current or future public convenience and necessity, the commission will consider any information provided by the applicant, customers and other members of the public concerning the proposed service and any reports relating to the operations conducted under temporary authority including, but not limited to, the following:~~

- ~~—— (a) The number of customers served.~~
- ~~—— (b) The nature of the service provided.~~
- ~~—— (c) Customer satisfaction.~~
- ~~—— (d) Statements regarding future need for services.~~

## **REPEAL**

### **~~WAC 480-15-335 Exceptions to permanent authority application process.~~**

~~(1) The commission will grant an application to transfer or acquire control of existing permanent authority without requiring temporary operations, public notice or comment if the applicant is fit, willing and able to provide service and the applicant has filed to transfer or acquire control of permanent authority for any one of the following reasons:~~

~~—— (a) A partnership has dissolved due to the death, bankruptcy or withdrawal of a partner and that partner's interest is being transferred to a spouse or to one or more remaining partners.~~

~~—— (b) A shareholder in a corporation has died and that shareholder's interest is being transferred to a surviving spouse or one or more surviving shareholders.~~

~~—— (c) A sole proprietor has died and the interest is being transferred as property of the estate.~~

~~—— (d) An individual has incorporated and the same individual remains the majority shareholder.~~

~~—— (e) An individual has added a partner but the same individual remains the majority partner.~~

~~—— (f) A corporation has dissolved and the interest is being transferred to the majority shareholder.~~

~~—— (g) A partnership has dissolved and the interest is being transferred to the majority partner.~~

~~—— (h) A partnership has incorporated, and the partners are the majority shareholders.~~

~~—— (i) Ownership is being transferred from one corporation to another corporation when both are wholly owned by the same shareholders.~~

~~(2) The commission will grant an application for permanent authority without requiring temporary operations after the application has been published on the application docket subject to comment for thirty days if the applicant is fit, willing and able to provide service, the applicant has filed to transfer or acquire control of permanent authority and all of the following conditions exist:~~

~~—— (a) Ownership or control of a permit is being transferred to any shareholder, partner, family member, employee or other person familiar with the company's operations and the household goods moving services provided.~~

~~—— (b) The permit has been actively used by the current owner to provide household goods moving services during the twelve month period prior to the application.~~

~~—— (c) The application includes a certified statement from the applicant and the current owner explaining why the transfer of ownership or control is necessary to ensure the company's economic viability.~~

~~—— (d) The application includes a certified statement from the applicant and the current owner describing the steps taken by the parties to ensure that safe operations and continuity of service to customers is maintained.~~