



Washington Movers Conference

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MEMO

Date: June 18, 2018
To: Greg Hammond, Regulatory Analyst, WUTC
From: Jim Tutton, Executive Director, WMC
Subject: Credit Card Processing Fees

I want to provide you some additional thoughts relative to the WMC "Credit Card Processing Issue".

As you are totally aware, the WUTC Intrastate HHG Tariff No. 15-C, effective October 28, 2016, is a Minimum-Maximum Rate Tariff and provides Terms and Conditions for the transportation of Household Goods between points within the State of Washington. As such, the HHG Tariff 15-C is broken into three sections –

1. General Application
2. Long Distance (Mileage-Rated) Moves, and
3. Local (Hourly-Rated Moves)

Section 1 - **General Application**, lists and discusses several Assessorial services and rates to be assessed when needed to properly perform the HHG move. They include, but not limited to –

- a. Storage
- b. Miscellaneous Services
- c. Appliance Service
- d. Storage, and more

Section 2 – **Long Distance (Mileage-Rated) Moves**, provides the general application of rates for Long Distance Moves. This Section contains both Fixed Rates (Mileage Rates based on weight and distance) and rates for Assessorial Services to be assessed when needed to properly perform the HHG move such as –

- a. Bulky Articles and Weight Additives
- b. Additional Stops
- c. Long Carry Charges
- d. Stairs or Elevators

e. Packing Charges, and more

Section 3 – **Local (Hourly-Rated) Moves**, provides the general application of rates for Local Moves. This Section contains both Fixed Rates (Hourly Rates based on time consumed) and rates for Assessorial Services to be assessed when needed to properly perform the HHG move such as Container Prices.

I believe the Commission produced the Intrastate HHG Tariff No. 15-C to provide fixed rates, within the Minimum-Maximum Rates structure for “Hourly” and “Mileage” rated moves and the Assessorial Services with rates within the Minimum-Maximum Rates structure.

The “**Fixed Rates**” are to be assessed to every customer requesting an Intrastate HHG move.

The “**Assessorial Services**” with appropriate rates are to be assessed to only those customers that have a defined need and agree for the service to properly protect and complete the move satisfactorily.

I support, if the Commission were to approve, the following change to the Intrastate HHG Tariff No. 15-C with a minor change in the in the language shown in red -

ITEM 57 – CREDIT CARD PROCESSING FEES

The carrier may charge the actual permissible credit card processing fees assessed by the credit card company when the customer elects to pay for their household goods move with a credit card. Item 57 allows the carrier to pass the permissible credit card processing fee through to the customer. The fee charged by the carrier cannot be more than the fee charged by the credit card company for the associated transaction and must be permitted by the carrier’s agreements with the credit card companies.

The credit card processing fees would apply to the total cost of the services provided. This fee would not apply to transactions paid with a debit card.

Before providing the service, the carrier must disclose to the customer the applicable credit card processing fee by a percentage rate of up to 2.5 percent of the estimated total cost of the HHG move on any written Estimate and obtain the customer’s signature approving the additional cost. The actual amount of the credit card processing fee charged will be itemized separately on the invoice (Uniform Household Goods Bill of Lading) when the HHG move is completed.

Justification –

This suggested HHG Tariff No. 15-C change would be contained in Section 1 – General Application.

The fee charged would be an **Assessorial Fee** only charged to customers paying for their intrastate HHG move with a credit card. The credit card fee should not be rolled into the overall Mileage Rated or Hourly Rated Moves rates.

By using an "up to 2.5 percent" fee would continue to allow for competitiveness between HHG Carriers and a set level of protection for the customer. The customer either agrees to the credit card fee by their signature on the Estimate or chooses to pay by a different means - cash, Money Order or personal check.