

VIA FAX

Date Received: October 30, 1998

Docket No.: TV-971477

Company: Amends WAC 480-12, Relating to Household Goods Movers

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**The Association of Independent Movers of Washington**  
633 NW 180<sup>th</sup> Street  
Shoreline, Washington 98177-3522

October 30, 1998

Ms. Carole Washburn  
Secretary  
Washington Utilities and  
Transportation Commission  
P. O. Box 47250  
Olympia, Washington 98504-7250

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VIA EMAIL

**Re: Household Goods Rulemaking**  
**Docket No. TV-971477**

Dear Ms. Washburn:

The members of *AIMwa* have asked me to thank the Commissioners and members of the WUTC staff for the opportunity to participate in the above captioned rulemaking. While we are not totally satisfied with the recommendations from the staff and their subsequent adoption by the Commissioners, we do believe that if properly implemented, the new rules will increase consumer choice and carrier competition in the household goods moving industry.

And, while *AIMwa* and its members individually intend to pursue additional avenues in furthering the deregulation of the business, we believe that it is important to indicate both support where merited and criticism where necessary for the final, final on temporary permits, banded tariffs, redefined valuation standards, and containerized "self-storage." Our positions do not differ from those stated both in written form and in person during the hearing held by the Commissioner several months ago.

Thus, the following does not go into great detail. It designed to be easily read and be a part of the record.

A great deal of progress has already been made in this issuance of new temporary household goods permits. The implementation of the new standards is working well in some regards. Therefore, even though our members still do not see the necessity for a number of the requirements, especially in terms of personal financial information and the like, we support the new standards for acquiring authority.

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It should be noted that new entrants would be required to provide substantially more information and at a significantly greater cost to the Commission than existing permit holders. This apparent assumption that all the consumer protection measures included in this rulemaking and its attendant process must be needed because of the actions of the currently unlicensed carriers probably has it backwards.

In this vein, it is important to note that the Association's members are endorsing the changes surrounding licensure on the basis that the rules will be followed and enforced uniformly for all. Recently obtained information on the permits issued during the last eighteen months shows this not to be the case.

One of the retained requirements is for shipper support. Not all those issued temporary permits recently have met these requirements. Even the other association's members said that this was a completely unnecessary form.

In one case, the facts involved in the issuance of the permit and subsequent complaints calls into question the ability of the WUTC to carry through on this requirement of the law. Unfortunately, this leads to our members questioning reliance on the issuance of temporary permits as a path leading to permanent authority.

The Association's position on the banded tariff is again one of qualified support. We remain convinced that our customers and we should have the right to negotiate prices and conditions. This said, the percentage below should allow most, if not all members and potential members to continue to charge what they have been charging.

There is one major exception to this that must be remedied immediately for the spirit of the rulemaking changes to be met in the context of "rates." The so-called overtime charges ignore the reality of the marketplace and what the consumer wants.

The banding when translated into dollars should allow those currently operating as well as new entrants throughout the state to provide a high level of service, safely and profitably.

We also believe that if there are to be tariffs, a maximum makes sense. The justification from our perspective is to protect the consumer that needs to move on short notice through no fault of his or her own. The staff recommendation includes reasonable limits in this regard.

Similarly, *AIMWA's* position on the new valuation standards is that they make sense as long as a promise of greater coverage by a carrier does not lead to tariff valuations. In other words, many members already insure or self-insure to coverage for damage significantly broader and / or greater than the new rules require.

Not one of our members can understand the staff's position relative to the containerized "self-storage" segment of the moving industry. It appears that these services clearly fall within the definition of transportation over the state highways for compensation.

Nonetheless, we support the continued exclusion from WUTC regulation this part of our industry. We do so on completely philosophical grounds – we stand for the proposition that the only regulations necessary are based on safety and financial responsibility. So even though many parts of the business are regulated that do not need to be, we accept not regulating it where common sense says the law requires it.

We have not included any specific changes. In this regard, we do not have the budget or the expertise to draft changes. Also, we have not covered every point. A part of the reason for this is the expectation that if the results of the rulemaking do not work, they can be revisited in other ways. Further, these are key issues in our view for all involved.

**AIMwa's** members expect that the next phase of changes to the Commission's laws, rules and regulations regarding household goods will begin shortly. These include changes in permanent authority rules as well as tariffs. Without addressing these appropriately and in keeping with the current rulemaking, the tremendous number of hours invested in it will have been spent for naught.

Sincerely,



Brian C. McCulloch