

**RULEMAKING: Entry and Fitness Standards for Household Goods Carriers
DOCKET TV-111493**

**Comment Matrix
April 23, 2011**

Rule	Washington Movers Conference (WMC) Suggested Edits and Comments	Staff Response
<p>New Section WAC 480-15-302 Provisional authority. The commission will grant provisional authority to any applicant that meets the following criteria:</p> <p>(1) The applicant has properly completed the household goods moving company permit application.</p> <p>(2) The application does not contain any indication of fraud, misrepresentation, or erroneous information.</p> <p>(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.</p> <p>(4) The applicant has provided evidence that the applicant possesses sufficient financial resources to operate a moving company. The commission will accept as evidence the completed financial statement form included in the household goods moving company permit application or the alternative documents listed on the financial statement form.</p> <p>(5) The applicant has met the liability and cargo insurance requirements of WAC 480-15-530 and 480-15-550.</p> <p>(6) The applicant has provided evidence of compliance with state tax, labor, employment, business, and vehicle licensing laws and rules. The commission will accept valid account numbers that staff can verify, showing the applicant has established accounts with other state agencies, as evidence.</p>	<p>WMC suggests adding the following two paragraphs:</p> <p>(1) "If the applicant's application for Provisional Authority shows no account opened with the State Department of Labor and Industries or the State Employment Security Department and the applicant intends to use temporary workers in his/her business, the applicant must certify that it will maintain records for three years that describe the date(s) worked, names of temporary worker(s) and the source from where the temporary worker(s) were obtained."</p> <p>WMC gives the following reasons to support this language:</p> <ul style="list-style-type: none"> • Many new applicants state they do not have an account with other agencies because they have no employees on payroll. The lack of accounts should be a red flag that a company is not aware, or at least is not complying with, payroll requirements. • Legally permitted and professionally operated existing companies already keep information on temporary workers. This requirement should apply to all companies. 	<p>(1) Staff recommends the commission reject WMC's suggestion in paragraph (1) for two reasons. First, this requirement is not applicable to entry standards. This requirement pertains to the records a company is required to keep once it starts business. Second, adding the suggested language to the rules would impose requirements on new applicants that do not apply to currently permitted companies. A company that obtains a permit after the effective date of the rules would be required to keep records for temporary workers. No currently permitted company has or would have a similar requirement.</p> <p>(2) Staff recommends the commission reject WMC's suggestion in paragraph (2). Currently, an applicant receives a provisional permit for a minimum of six months. The applicant remains provisional until it has met all requirements for permanent authority. A review of the records for 2010 shows the UTC received 28 applications for household goods authority. For 20 of those applications, staff closed the file within an average of 10 months. Ten were granted and ten were canceled. Eight additional are still pending, primarily because the companies have not conducted enough</p>

<p>(7) 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.</p> <p>(8) 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.</p> <p>(9) The applicant owns or leases the equipment necessary to provide household goods moving services.</p> <p>(10) The commission has not denied a household goods moving company permit application within the previous six months filed by the same applicant or by any other person named on the application.</p> <p>(11) The commission has not canceled, for cause, a permit held by the applicant, or by any other person named on the application, within the previous one year.</p> <p>(12) The applicant has filed with the application at least three completed statements of support for the proposed service.</p> <p>(13) No other circumstances exist that cause the commission to deny the application.</p>	<p>(2) "The provisional application review period shall not be less than six months. One additional period of six months for review work by staff may be granted when supported by justified need for staff to evaluate the applicant, complete applicable required audits, or complete any needed applicant training. If, following the second six-month evaluation period, the application process is still incomplete; the application will be voided and returned to the applicant with comment."</p> <p>WMC gives the following reasons to support this language:</p> <ul style="list-style-type: none"> • 12 months is sufficient time to complete an accurate assessment of an applicant's ability to operate. There are 14 provisional permits still out there from 2010. • A provisional permit allows a company full access to operate. If the commission has not determined the company is fit, qualified, and safe to operate, then the company should not be operating. 	<p>intrastate moves on which to complete a compliance review. In other cases, it may take more than the average of 10 months for staff to get the carrier into compliance with UTC rules. Staff's goal is to work with a new company on a cooperative basis to gain voluntary compliance. Staff does not recommend changing this approach.</p>
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