

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of Amending, Adopting,) DOCKET TV-130079
and Repealing Rules in)
) GENERAL ORDER R-573
WAC 480-14 and 480-15)
) ORDER AMENDING, ADOPTING,
Relating to Common Carriers and) AND REPEALING RULES
Household Goods Carriers) PERMANENTLY
)
.....)

1 **STATUTORY OR OTHER AUTHORITY:** The Washington Utilities and Transportation Commission (Commission) takes this action under Notice WSR # 13-17-089, filed with the Code Reviser on August 20, 2013. The adoption of these rules is authorized by RCW 80.01.040, RCW 81.01.010, RCW 81.04.160, and RCW 81.80.130.

2 **STATEMENT OF COMPLIANCE:** This proceeding complies with the Administrative Procedure Act (RCW 34.05), the State Register Act (RCW 34.08), the State Environmental Policy Act of 1971 (RCW 43.21C), and the Regulatory Fairness Act (RCW 19.85).

3 **DATE OF ADOPTION:** The Commission adopts this rule on the date this Order is entered.

4 **CONCISE STATEMENT OF PURPOSE AND EFFECT OF THE RULE:** RCW 34.05.325(6) requires the Commission to prepare and publish a concise explanatory statement about an adopted rule. The statement must identify the Commission’s reasons for adopting the rule, describe the differences between the version of the proposed rules published in the register and the rules adopted (other than editing changes), summarize the comments received regarding the proposed rule changes, and state the Commission’s responses to the comments reflecting the Commission’s consideration of them.

OFFICE OF THE CODE REVISER STATE OF WASHINGTON FILED
DATE: November 15, 2013
TIME: 10:30 AM
WSR 13-23-048

- 5 The Commission amends and adopts rules to increase commission efficiency in overseeing the requirement that common carriers, including household goods carriers, maintain liability insurance. These rule revisions enhance public safety by authorizing the Commission to cancel a carrier’s permit immediately if its liability insurance lapses. The changes also eliminate the requirement that the Commission issue redundant notices to a carrier that its insurance is about to expire, or has expired.
- 6 The Commission also amends and adopts rules for household goods carriers to correct and clarify various requirements to better protect consumers and enhance the companies’ understanding of those requirements. These changes include clarifying the requirements for receiving new authority and transferring additional authority, providing proof of identity, leasing vehicles, and issuing estimates. In addition, the rules limit the provisional permit period to 18 months, add assault to the list of crimes for which authority may be denied, and require background checks on prospective employees.
- 7 There are no differences between the text of the proposed rules as published in the register and the text of the rules as adopted. The Commission designates the discussion in this Order, including appendices, as its concise explanatory statement.

8 **REFERENCE TO AFFECTED RULES:** This Order amends, adopts, or repeals the following sections of the Washington Administrative Code:

Amend	WAC 480-14-230	Suspension and cancellation of a permit.
Amend	WAC 480-14-250	Insurance requirements.
Amend	WAC 480-15-065	Address or telephone change.
Amend	WAC 480-15-180	Carrier operations that require a household goods permit.
Amend	WAC 480-15-186	Application required for new authority to operate as a household goods carrier.
Amend	WAC 480-15-187	Transfer of an existing permit.
Amend	WAC 480-15-230	Application fees.
Amend	WAC 480-15-302	Provisional authority.
Amend	WAC 480-15-305	Permanent authority.
Amend	WAC 480-15-400	Changing the name on a permit.
Amend	WAC 480-15-420	Voluntary cancellation of a permit.
Amend	WAC 480-15-430	Involuntary suspension of a permit.

Amend	WAC 480-15-450	Involuntary cancellation of a permit.
Amend	WAC 480-15-530	Public liability and property damage insurance.
Amend	WAC 480-15-550	Cargo insurance.
Adopt	WAC 480-15-555	Criminal background checks for prospective employees.
Amend	WAC 480-15-590	Leasing vehicles.
Repeal	WAC 480-15-600	Lease Responsibilities.
Amend	WAC 480-15-620	Information household goods carriers must provide to customers.
Amend	WAC 480-15-630	Estimates.
Amend	WAC 480-15-900	Requirements for interstate operations.

9 **PREPROPOSAL STATEMENT OF INQUIRY AND ACTIONS**

THEREUNDER: The Commission filed a Preproposal Statement of Inquiry (CR-101) on February 14, 2013, at WSR # 13-05-057. The statement advised interested persons that the Commission was considering initiating a rulemaking on common carrier and household goods carrier rules. The Commission also informed persons of this inquiry by providing notice of the subject and the CR-101 to everyone on the Commission's list of persons requesting such information pursuant to RCW 34.05.320(3) and by sending notice to all permitted households good companies. The Commission posted the relevant rulemaking information on its Internet website at <http://www.utc.wa.gov/130079>. Pursuant to the notice, the Commission received written comments by March 19, 2013.

10 **NOTICE OF PROPOSED RULEMAKING:** The Commission filed a notice of Proposed Rulemaking (CR-102) on August 20, 2013, at WSR # 13-17-089. The Commission scheduled this matter for oral comment and adoption under Notice WSR # 13-17-089 at 9:00 a.m., Friday, October 11, 2013, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. The Notice provided interested persons the opportunity to submit written comments to the Commission.

- 11 **WRITTEN COMMENTS:** The Commission received written comments in response to the notice of proposed rulemaking from Jim Tutton, representing the Washington Movers Conference. A summary of Mr. Tutton's written comments and Commission Staff responses are contained in Appendix A.
- 12 **RULEMAKING HEARING:** The Commission considered the proposed rules for adoption at a rulemaking hearing on Friday, October 11, 2013, before Chairman David W. Danner, Commissioner Philip B. Jones, and Commissioner Jeffrey D. Goltz. The Commission heard oral comments from Jim Tutton, representing the Washington Movers Conference. No other interested person made oral comments.
- 13 **SUGGESTIONS FOR CHANGE THAT ARE REJECTED:** Mr. Tutton suggested changing the rules in the same manner as in his written comments as described in Appendix A. The Commission adopts Commission Staff's recommendations and rejects Mr. Tutton's suggested changes to the rules for the reasons described in the Commission Staff Response in Appendix A.
- 14 **COMMISSION ACTION:** After considering all of the information regarding this proposal, the Commission finds and concludes that it should amend, adopt, and repeal the rules as proposed in the CR-102 at WSR # 13-17-089.
- 15 **STATEMENT OF ACTION; STATEMENT OF EFFECTIVE DATE:** After reviewing the entire record, the Commission determines that WAC 480-14-230, WAC 480-14-250, WAC 480-15-065, and WAC 480-15-180, WAC 480-15-186, WAC 480-15-187, WAC 480-15-230, WAC 480-15-302, WAC 480-15-305, WAC 480-15-400, WAC 480-15-420, WAC 480-15-430, WAC 480-15-450, WAC 480-15-530, WAC 480-15-550, WAC 480-15-590, WAC 480-15-620, WAC 480-15-630, and WAC 480-15-900 should be amended, WAC 480-15-555 should be adopted, and WAC 480-15-600 should be repealed to read as set forth in Appendix B, as rules of the Washington Utilities and Transportation Commission, to take effect pursuant to RCW 34.05.380(2) on the thirty-first day after filing with the Code Reviser.

ORDER

16 **THE COMMISSION ORDERS:**

17 WAC 480-14-230, WAC 480-14-250, WAC 480-15-065, and WAC 480-15-180,
WAC 480-15-186, WAC 480-15-187, WAC 480-15-230, WAC 480-15-302, WAC
480-15-305, WAC 480-15-400, WAC 480-15-420, WAC 480-15-430, WAC 480-15-
450, WAC 480-15-530, WAC 480-15-550, WAC 480-15-590, WAC 480-15-620,
WAC 480-15-630, and WAC 480-15-900 should be amended, WAC 480-15-555
should be adopted, and WAC 480-15-600 should be repealed to read as set forth in
Appendix B, as rules of the Washington Utilities and Transportation Commission, to
take effect pursuant to RCW 34.05.380(2) on the thirty-first day after filing with the
Code Reviser.

18 This Order and the rule set out below, after being recorded in the register of the
Washington Utilities and Transportation Commission, shall be forwarded to the Code
Reviser for filing pursuant to RCW 80.01, RCW 34.05, and WAC 1-21.

DATED at Olympia, Washington, November 15, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



DAVID W. DANNER, Chairman



PHILIP B. JONES, Commissioner



JEFFREY D. GOLTZ, Commissioner

Note: The following is added at Code Reviser request for statistical purposes:

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, amended 0, repealed 0; Federal Rules or Standards: New 0, amended 0, repealed 0; or Recently Enacted State Statutes: New 0, amended 0, repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, amended 0, repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 0, amended 0, repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 1, amended 19, repealed 1.

Number of Sections Adopted using Negotiated Rule Making: New 0, amended 0, repealed 0; Pilot Rule Making: New 0, amended 0, repealed 0; or Other Alternative Rule Making: New 0, amended 0, repealed 0.

APPENDIX A
TV-130079 Common Carrier and Household Goods Carrier Rulemaking
Stakeholder Comments on Proposed Rules and Commission Response
(September 23, 2013)

Company	WAC Section	Comment	Commission Response
The Movers Conference (WMC) September 23, 2013	WAC 480-15-555	<p><u>Requiring background checks on household goods company employees</u></p> <p>WMC states the time period of “within the past five years” exceeds the three-year requirement now performed by the major van lines for their local agent’s employees operating in Washington state. WMC contends that completing a five-year search of records requires a second criminal background check at additional cost.</p>	<p>We recommend that the Commission maintain the current five-year time period. The five-year time period exists in the current rules for companies applying for new household goods authority. For existing regulated carriers, the new language in WAC 480-15-555 applies to prospective employees. As a matter of information, a background check costs \$10 to \$15.</p>

APPENDIX B

WAC 480-14 – Common Carriers
WAC 480-15 – Household Goods Carriers
Amended and Adopted Rules