

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of Exempting Reinstatement Application Fees to be Paid under WAC-480-15-230 for Household Goods Moving Companies Who Cancelled Permits Due to the COVID-19 Pandemic and Associated Public Health Orders.

DOCKET TV-200471

ORDER 01

GRANTING EXEMPTION
FROM RULES; WAIVING
FEES FOR
REINSTATEMENT
APPLICATIONS

BACKGROUND

- 1 Revised Code of Washington (RCW) 81.80.090 provides that applications for household goods moving company permits must be accompanied by a fee as the Washington Utilities and Transportation Commission (Commission) may prescribe by rule. Washington Administrative Code (WAC) 480-15-230 requires that household goods moving companies filing to reinstate permits must pay a \$250 or \$550 (for applications filed more than 30 days following cancellation) application fee to the Commission.
- 2 WAC 480-07-110(1) provides that the Commission, on its own initiative, may grant an exemption from, or modify the application of, any of its rules in individual circumstances if the exemption or modification is consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- 3 On February 29, 2020, Governor Inslee issued Proclamation 20-05, which declared a state of emergency in all counties in the state of Washington due to the worldwide outbreak of COVID-19. On March 23, 2020, the Governor issued Proclamation 20-25, “Stay Home – Stay Healthy,” which prohibits all people in the state of Washington from leaving their home or place of residence except to conduct or participate in (1) essential activities, and/or (2) employment in providing essential business services.
- 4 Due to the COVID-19 outbreak, household goods moving companies have experienced a significant decrease in business, which further declined following the Governor’s Proclamation restricting travel and personal contact. Following the significant

disruption to their businesses, many household goods moving companies began struggling to afford the commercial automobile liability insurance required by WAC 480-15-530 and WAC 480-15-550.

5 WAC 480-15-450(1)(d) requires that the Commission cancel a company's permit when its insurance is cancelled or otherwise does not meet the Commission's minimum insurance requirements. Many household goods moving companies voluntarily cancelled their permits to avoid involuntary permit cancellation for failing to maintain adequate levels of insurance.

6 The permit of at least one household goods moving company that was no longer operating and could no longer afford vehicle liability and cargo insurance was involuntarily cancelled due to lack of adequate insurance.

7 On May 4, 2020, Governor Inslee issued Proclamation 20-25.3 which amended the previous "Stay Home – Stay Healthy" orders and allowed for a phased return to normal travel and personal contact in Washington state.

8 Following Proclamation 20-25.3, household goods moving companies with cancelled permits began applying to reinstate their permits.

9 Commission staff (Staff) recommends the Commission, on its own initiative, waive the \$250 or \$550 (for applications filed more than 30 days after permit cancellation) permit reinstatement application fee for household goods moving companies that (1) voluntarily cancelled their permits due to the COVID-19 outbreak and the Governor's Proclamation restricting travel, or (2) can demonstrate that they were unable to afford insurance due to the COVID-19 outbreak and the Governor's Proclamation restricting travel and personal contact, which lead to the involuntary cancellation of their operating permit.

10 Staff therefore recommends that household goods moving companies applying to reinstate their permits must meet at least one of the following conditions:

(a) The applicant household goods moving company voluntarily cancelled its permit due to decreased business caused by to the COVID-19 pandemic and/or the Governor's Proclamations; or

(b) The applicant household goods moving company can demonstrate that it

could not afford insurance due to decreased business caused by the COVID-19 pandemic and/or the Governor's Proclamations and subsequently had their permits cancelled involuntarily for lack of insurance.

In order for the Commission to waive the permit reinstatement application fee, Staff further recommends that the Commission require that the applicant household goods moving company meets each of the following conditions:

- (a) The applicant household goods moving company does not have any outstanding regulatory or safety compliance investigation issues or delinquent payments of any kind;
- (b) The applicant household goods moving company does not have any outstanding consumer complaints; and
- (c) The household goods moving company must apply for reinstatement no later than 90 days following the implementation of "Phase 4" throughout the entire state of Washington as outlined in Governor Inslee's Proclamation 20-25.3.

DISCUSSION

11 We grant the exemption, on our motion, subject to the conditions that Staff recommends. The COVID-19 pandemic and the Governor's Proclamations have severely limited business, thus creating rapidly changing economic conditions for regulated household goods moving companies. In light of these adverse, unforeseen circumstances, the Commission, on its own initiative, finds that it is consistent with the public interest to waive the application fee requirements in WAC 480-15-230 for household goods moving companies who voluntarily cancelled their permits or had their permits cancelled involuntarily for lack of insurance due to the COVID-19 pandemic and the Governor's Proclamations.

12 We also find that the exemption is consistent with the purposes underlying regulation and applicable statutes. WAC 480-07-110(1) provides that the Commission, on its own initiative, may grant an exemption from, or modify the application of, any of its rules in individual circumstances if the exemption or modification is consistent with the public interest, the purposes underlying regulation, and applicable statutes. Here, granting an industry-wide exemption for companies that voluntarily cancelled their permits or had

their permits cancelled involuntarily for lack of insurance due to the COVID-19 pandemic and the Governor's Proclamations is a more efficient use of Commission resources than requiring each company to submit individual requests for exemption. The blanket exemption also proactively addresses the economic impacts of the current public health crisis on the household goods moving industry. Finally, granting an exemption from application fees will provide relief to regulated household goods moving companies without impeding the Commission's regulatory functions, including its ability to regulate in the public interest. We therefore find that granting the exemption is consistent with the purposes underlying regulation, applicable statutes, and the public interest.

- 13 Accordingly, qualifying regulated household goods moving companies who voluntarily cancelled their permits or had their permits cancelled involuntarily for lack of insurance due to the COVID-19 pandemic and the Governor's Proclamations are granted an exemption from the \$250 or \$550 (for applications filed more than 30 days after permit cancellation) permit reinstatement application fee subject to the conditions that Staff recommends.

FINDINGS AND CONCLUSIONS

- 14 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rules, regulations, and practices of motor carrier companies relating to acquiring household goods moving permits and insurance requirements.
- 15 (2) WAC 480-15-230 requires that household goods moving companies filing to reinstate permits must pay a \$250 or \$550 (for applications filed more than 30 days after permit cancellation) application fee to the Commission.
- 16 (3) WAC 480-07-110(1) provides that the Commission, on its own initiative, may grant an exemption from, or modify the application of, any of its rules in individual circumstances if the exemption or modification is consistent with the public interest, the purposes underlying regulation, and applicable statutes.
- 17 (4) The COVID-19 pandemic and the Governor's Proclamations have severely limited business, thus creating rapidly changing economic conditions for regulated household goods moving companies.

- 18 (5) Providing an industry-wide exemption from the requirement in WAC 480-15-230 that household goods moving companies must pay a reinstatement of permit application fee for qualifying companies who voluntarily cancelled their permits or had their permits cancelled involuntarily for lack of insurance due to the COVID-19 pandemic and the Governor's Proclamations is consistent with the public interest, the purposes underlying regulation, and applicable statutes because granting the exemption will provide relief to household goods moving companies without impeding the Commission's regulatory functions.
- 19 (6) Requiring household goods moving companies to meet conditions consistent with existing rules is in the public interest to prevent fraud and supports the Commission's regulatory functions.
- 20 (7) This matter came before the Commission at its regularly scheduled meeting on June 11, 2020.
- 21 (8) The Commission should grant an exemption from WAC 480-15-230 for each qualifying regulated household goods moving company who voluntarily cancelled its permit or had its permit cancelled involuntarily for lack of insurance due to the COVID-19 pandemic and the Governor's Proclamations.

ORDER

THE COMMISSION ORDERS:

- 22 (1) The Commission, on its own initiative, grants an exemption from WAC 480-15-230 for any regulated household goods moving company that meets at least one of the following conditions:
- (a) The applicant household goods moving company voluntarily cancelled its permit due to decreased business caused by to the COVID-19 pandemic and/or the Governor's Proclamations; or
 - (b) The applicant can demonstrate that it could not afford insurance due to decreased business caused by the COVID-19 pandemic and/or the Governor's Proclamations and subsequently had their permit cancelled involuntarily for lack of insurance.

- 23 (2) In order for the Commission to waive the permit reinstatement application fee, the Commission also requires that the applicant household goods moving company meets each of the following conditions:
- (a) The applicant household goods moving company does not have any outstanding regulatory or safety compliance investigation issues or delinquent payments of any kind;
 - (b) The applicant household goods moving company does not have any outstanding consumer complaints; and
 - (c) The household goods moving company must apply for reinstatement no later than 90 days following the implementation of “Phase 4” throughout the entire state of Washington as outlined in Governor Inslee’s Proclamation 20-25.3.
- 24 (3) The Commission retains jurisdiction over the subject matter and all regulated household goods moving companies, to effectuate the terms of this Order.

25 The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective June 11, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON
Executive Director and Secretary