



TO: Mark Sidran, Chairman
Pat Oshie, Commissioner
Phil Jones, Commissioner

FROM: Vicki Elliott, Betty Young, Gene Eckhardt, Mike Fassio, Penny Ingram, Steve King, David Pratt, Ann Rendahl and Sharon Wallace

DATE: November 29, 2007

SUBJECT: Household Goods Rulemaking, TV-070466

The adoption hearing for this rulemaking is scheduled for December 12 at 1:30. **We have scheduled a pre-adoption briefing with you at 1:30 p.m. on December 10 in Room 258.**

We have attached the most recent draft of the rules for your information. The draft rules are unchanged from those issued with the CR-102, except for the housekeeping changes noted below.

Process Background

We have worked with stakeholders throughout the rulemaking process. We held a stakeholder workshop on May 24 where we heard comments from moving companies and their representatives. In addition, we received several written comments after the workshop. On July 20, we sent a draft of the rules and asked for comments by September 14. We received three sets of comments, which we incorporated into the rules that went out with the CR-102 on October 26.

We met with you before we undertook the rulemaking, on June 26 and most recently, on October 17, to discuss our recommendations for revising the rules. We have incorporated your comments and suggestions into the most recent rule draft.

CR-102 Comments

The Commission issued the CR-102, Notice of Proposed Rulemaking and an Opportunity to Submit Written Comments on October 26. Comments were due on November 19. We have received no comments from stakeholders on the draft rules in response to the CR-102 and Notice of Opportunity to File Written Comments. We have made only minor changes to the rules from the CR-102 – housekeeping changes that we found after the CR-102 draft was completed. These changes are:

Page 5, WAC 480-15-020, Definitions: Revise the definition of ‘Authority’ as follows:
The rights granted to a ~~common~~ carrier to transport household goods.

Page 29, WAC 480-15-339, Permanent Authority: The commission may reject or deny an application for permanent authority if: ... f) The results of any compliance reviews, audits, inspection reports and ~~consumer~~ customer complaints filed against the applicant cause the commission to believe issuing the permit is not in the public interest.

Page 71, WAC 480-15-810, Complaints and Claims: When the carrier receives a complaint or claim, it must: (1) Notify the customer, in writing, within ten ~~working~~ business days ...

Page 74, WAC 480-15-900, Interstate Operations: No household goods carrier may operate any motor vehicle or combination of motor vehicles over the public roads of this state in interstate commerce unless the carrier has met all of the following requirements: “... Obtained the appropriate operating authority from the U.S. Department of Transportation (USDOT) or its successor agency.”

Tariff Update

We are updating the household goods tariff at the same time as the rulemaking, although the timeline is slightly different. We plan to bring the revised tariff to you for action at the January 31, 2008, open meeting, which should coincide with the effective date of the new rules.

The CR-102 process resulted in comments on the draft tariff from three stakeholders. We will schedule a meeting with you at a separate time to brief you on the tariff changes, likely in late December or early January. Because the tariff is an open meeting item, we will arrange individual briefings.

At our last meeting, Chairman Sidran requested we do some research on a specific tariff issue: the disposition of goods that are left unclaimed by the customer at the company’s storage facility. We have evaluated how this issue is handled in California, Oregon and Washington under the Uniform Commercial Code, and in Washington under the Self Storage Act (RCW 19.150). We have addressed this issue in a separate memo, which includes a comparison of this information and suggested language on this issue for the tariff.

We look forward to answering any questions you may have at our meeting on December 10.

If you have questions about our recommendation on unclaimed property, please contact us and we will arrange to meet with you separately.