

5 To avoid unnecessary duplication in the record of this docket, the Commission designates the discussion in this Order, including appendices, as its concise explanatory statement, supplemented where not inconsistent by the staff memoranda preceding the filing of the CR-102 proposal and the adoption hearing. Together, these documents provide a complete but concise explanation of the agency actions and its reasons for taking those actions.

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

Amend	480-15-010	Purpose and application
Amend	480-15-020	Definitions
Adopt	480-15-025	Commission proceedings
Amend	480-15-035	Exemptions from rules
Adopt	480-15-055	Payment to the commission
Repeal	480-15-060	How may I contact the commission?
Adopt	480-15-065	Address or telephone change
Repeal	480-15-070	Where is the commission located?
Repeal	480-15-080	How do I file documents with the commission?
Repeal	480-15-090	May I submit information to the commission confidentially?
Repeal	480-15-100	What form of payment does the commission accept?
Repeal	480-15-110	If I change my business address or telephone number, must I notify the commission?
Repeal	480-15-120	What rules apply to commission proceedings?
Repeal	480-15-130	What is the commission's compliance policy?
Repeal	480-15-140	How will the commission enforce this chapter?
Adopt	480-15-145	Enforcement
Repeal	480-15-150	Why would the commission take administrative action?
Repeal	480-15-160	What sanctions apply to carriers operating without valid permits?
Repeal	480-15-170	What is a household goods permit?
Amend	480-15-180	Carrier operations that require a household goods permit

Adopt	480-15-181	Operations that do not require a household goods permit
Adopt	480-15-185	Types of household goods permits
Amend	480-15-190	Service territory
Repeal	480-15-195	When will my existing household goods permit be reissued?
Repeal	480-15-200	Are there areas I may operate without a permit?
Repeal	480-15-210	Are there different kinds of household goods permits?
Repeal	480-15-220	How do I apply for a permit?
Amend	480-15-230	Application fees
Repeal	480-15-240	How may a new entrant obtain authority?
Repeal	480-15-250	What is the process to expand the authority in an existing permit?
Repeal	480-15-260	Exceptions to the application process
Amend	480-15-270	Emergency temporary authority
Amend	480-15-280	Temporary authority
Amend	480-15-285	Rejecting or denying an application for temporary authority
Amend	480-15-290	Granting temporary authority
Repeal	480-15-300	What conditions may be attached to my temporary authority?
Amend	480-15-310	Commenting on actions regarding temporary authority
Amend	480-15-320	Canceling a temporary permit
Amend	480-15-330	Permanent authority
Adopt	480-15-335	Exceptions to permanent authority application process
Amend	480-15-340	Commenting on an application for permanent authority
Amend	480-15-350	Setting an application for hearing
Amend	480-15-360	Retaining copies of the permit
Amend	480-15-370	Lost or destroyed permit
Amend	480-15-380	Allowing others to use permit authority
Amend	480-15-390	Permit names or trade names
Amend	480-15-400	Changing a permit name
Amend	480-15-410	Voluntary suspension of a permit

Amend	480-15-420	Voluntary cancellation of a permit
Amend	480-15-430	Involuntary suspension
Repeal	480-15-440	What happens if my permit is suspended for cause?
Amend	480-15-450	Involuntary cancellation of a permit
Repeal	480-15-460	What happens if my permit is canceled for cause?
Repeal	480-15-470	Rule books
Amend	480-15-480	Annual reports and regulatory fees
Amend	480-15-490	Tariff and rates, general
Amend	480-15-500	Tariff maintenance and fees
Amend	480-15-510	Changing commission published tariffs
Amend	480-15-520	Individual carrier tariffs
Amend	480-15-530	Public liability and property damage insurance
Repeal	480-15-540	What happens if my insurance filing is canceled?
Amend	480-15-550	Cargo insurance
Amend	480-15-560	Equipment safety requirements
Amend	480-15-570	Driver safety requirements
Repeal	480-15-580	Accident reporting
Amend	480-15-590	Leasing vehicles
Amend	480-15-600	Lease responsibilities
Amend	480-15-610	Advertising
Amend	480-15-620	Information household goods carriers must provide to customers
Amend	480-15-630	Estimates
Repeal	480-15-640	Verbal estimates
Repeal	480-15-650	Form of estimates
Amend	480-15-660	Supplemental estimates
Repeal	480-15-670	Exceptions for nonbinding estimates
Repeal	480-15-680	Am I required to provide an accurate estimate?
Repeal	480-15-690	What will happen if I underestimate a household goods move?
Repeal	480-15-700	What are the commission's guidelines in deciding to assess monetary penalties for underestimating?
Amend	480-15-710	Bill of lading
Repeal	480-15-720	Who must issue a bill of lading?
Repeal	480-15-730	What is the format for bills of lading?
Repeal	480-15-740	Information required on a bill of lading

Amend	480-15-750	Weight
Repeal	480-15-760	What are my responsibilities to notify the shipper of the actual weight and charges for the shipment?
Repeal	480-15-770	Must I reweigh the shipment at the point of delivery if the shipper requests it?
Repeal	480-15-780	When may I refuse to provide service to a shipper?
Repeal	480-15-790	When must I not refuse service?
Repeal	480-15-795	Payment options
Amend	480-15-800	Customer complaints and claims
Amend	480-15-810	Resolving customer complaints or claims
Repeal	480-15-820	What must I do if I cannot resolve a claim within one hundred twenty days?
Amend	480-15-830	Complaint and claim records retention
Repeal	480-15-840	Are complaint and claim records subject to commission review and in what order must I keep the records?
Repeal	480-15-850	What additional requirements exist if a claim involves more than one carrier.
Repeal	480-15-860	What information must be included in the claim or complaint record?
Repeal	480-15-870	What must I do if, after review, the shipper is still dissatisfied with the resolution of the complaint or claim?
Repeal	480-15-880	Must I respond to all written correspondence, complaints and claims?
Amend	480-15-890	Commission-referred complaints
Amend	480-15-900	Requirements for interstate operations
Repeal	480-15-910	How do I register as a registered carrier?
Repeal	480-15-920	How do I register as a registered exempt carrier?
Repeal	480-15-930	Registration fee and receipts
Repeal	480-15-940	Insurance requirements for interstate operations

7 **PREPROPOSAL STATEMENT OF INQUIRY AND ACTIONS**

THEREUNDER: The Commission filed a Preproposal Statement of Inquiry (CR-101) on April 18, 2007, at WSR #07-09-104.

8 The statement advised interested persons that the Commission was considering entering a rulemaking to consider the review of WAC 480-15 Household Goods

Carriers. 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 registered household goods carriers. Pursuant to the notice, the Commission engaged in meetings with stakeholders and provided several opportunities for stakeholders to offer written comments. The Commission called for written comments to be filed in conjunction with the CR-101 on April 20, 2007, and held a stakeholder meeting on May 24, 2007. On July 20, 2007, the Commission provided an additional opportunity for stakeholders to file written comments by September 14, 2007. Throughout the process, the Commission considered comments offered by stakeholders and changed the draft rules as appropriate. The Commission and stakeholders were able to reach consensus on all outstanding issues. On October 26, 2007, the Commission called for comments in conjunction with the CR-102, the Commission's proposed rules. The Commission received no comments in response to the proposed rules made available to stakeholders with the CR-102 notice.

9 **NOTICE OF PROPOSED RULEMAKING:** The Commission filed a notice of Proposed Rulemaking (CR-102) on October 24, 2007, at WSR #07-21-148. The Commission scheduled this matter for oral comment and adoption under Notice WSR #07-21-148 at 1:30 pm, December 12, 2007, 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.

10 **MEETINGS OR WORKSHOPS; ORAL COMMENTS:** The Commission held a workshop for stakeholders on May 24, 2007. Commission staff and the following stakeholders attended the meeting:

1. Jim Tutton, Washington Movers Conference
2. Ken Mafli, Apex Moving
3. Dan Powell, Star Moving Systems
4. Steve Suhre, Bekins Northwest Moving
5. Larry Nelsen, Hansen Brothers Moving
6. Alan Holm, Hansen Brothers Moving
7. Dave Jedlicka, Hansen Brothers Moving
8. Sharon Joseph, Jordan River Moving

11 The stakeholders were concerned about the rates they are able to charge for moving services. Most felt the rates were not sufficient. The Commission addressed the rate issue in a separate docket (Docket TV-071649) to the stakeholders' satisfaction by approving maximum rates at 25 percent above the rates in effect at the time. Some stakeholders did not agree that a written estimate should be required in all cases. They would prefer a customer be allowed to waive an estimate if they chose. Stakeholders asked the Commission to retain the language on the back of the Bill of Lading as currently required. Stakeholders wanted to increase the number of miles that defined a local move. The current level was 35 miles; stakeholders wanted it increased to 50, 55 or 60 miles. Stakeholders wanted to eliminate the requirement that movers must release a shipment upon payment of 110% of a nonbinding estimate. Stakeholders wanted to require the customer pay the full amount of the actual bill before releasing the goods. Stakeholders did not want to increase the application of the definition of storage-in-transit from 90 to 180 days. Staff considered all comments offered at the workshop and incorporated changes, where appropriate, into the next version of draft rules.

12 **WRITTEN COMMENTS:** The Commission did not receive any written comments in response to the CR-102.

13 **RULEMAKING HEARING:** The Commission considered the proposed rules for adoption at a rulemaking hearing on December 12, 2007, before Chairman Mark H. Sidran, Commissioner Patrick J. Oshie, and Commissioner Philip B. Jones. The Commission originally noticed the adoption hearing for 1:30 p.m. Due to late scheduling conflicts, the Commission began the adoption hearing at 9:40 a.m., directly following the regularly-scheduled open meeting. The Commission notified the Washington Movers Conference, the only stakeholder expected to attend, of the change in time for the hearing. The Commission heard oral comments from Vicki Elliott, representing Commission Staff, and Jim Tutton, representing the Washington Movers Conference of the Washington Trucking Association (Movers Conference). The Commission reconvened the adoption hearing at 1:30 p.m. to hear from any person that did not have an opportunity to comment in the morning. No other interested person appeared or made oral comments.

14 **ORAL COMMENTS:** Mr. Tutton stated the Movers Conference was pleased with the collaborative process Staff used in the rulemaking and the proposed rules.

Chairman Sidran thanked Staff and the Movers Conference on their efforts. The Chairman also stated he looked forward to working with the Movers Conference in the future to draft legislation that would increase the Commission's ability to enforce its rules and, at the same time, address the need to relax economic regulation of the household goods industry. Mr. Tutton stated he also looked forward to that work.

15 There were no written or oral comments that suggested changes to the proposed rules.

16 **COMMISSION ACTION:** After considering all of the information regarding this proposal, the Commission finds and concludes that it should amend, repeal and adopt the rules as proposed in the CR-102 at WSR # 07-21-148, with the changes described below.

17 **CHANGES FROM PROPOSAL:** The Commission adopts the proposal with the following clarifying language changes from the text noticed at WSR #07-09-104:

- WAC 480-15-020 Definitions: Revised the definition of "Authority" as follows: "The rights granted to a ~~common~~ carrier to transport household goods."

Revised the definition of "Binding estimate" as follows: "The written estimate the carrier gives to the customer in advance of the move, signed by the carrier and the customer, and by which both the carrier and customer are bound. The carrier may not charge any amount other than the binding estimate and the customer ~~may~~ must pay the amount of the binding estimate."

Revised the definition of "Suspension" as follows: "Also includes suspend, suspended, suspending: An act by the commission to withhold temporarily ~~withhold~~ a household goods carrier's authority."

- WAC 480-15-280 Temporary authority: Revised subsection (1) as follows: "An applicant must apply for temporary authority to provide service to meet a short-term need. ~~If t~~The commission grants the application, ..."

Revised subsection (4)(d) as follows: "Allow the commission to ~~more~~ efficiently regulate the household goods industry more efficiently."

- WAC 480-15-285 Rejecting or denying an application for temporary authority: Revised subsection (2) as follows: "The application indicates evidence of fraud, misrepresentation, or erroneous information."

- WAC 480-15-330 Permanent authority: Revised subsections (4)(b), (e) and (f) as follows: “The commission may reject or deny an application for permanent authority if: ...
 - (b) The application indicates evidence of fraud, misrepresentation or erroneous information.
 - (e) The applicant has: (i) Previously been denied authority ~~cancelled~~ by the commission. ...
 - (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.”
- WAC 480-15-420 Voluntary cancellation of a permit: Revised the text as follows: “If a carrier no longer wants to use its permit, the carrier may send ~~the original permit to~~ the commission ~~with~~ a written request that it be canceled. ...”
- WAC 480-15-430 Involuntary suspension: Revised subsection (3) as follows: “The commission will send the carrier notice ~~to any carrier~~ of its action to suspend the carrier’s permit. ...”
- WAC 480-15-450 Involuntary cancellation of a permit: Revised subsections (2)(a) and (3) as follows:
 - (2)(a) “The commission will send the carrier notice ~~to any carrier~~ of the date the commission will cancel a permit. ...”
 - (3) “If ~~any~~ the permit is canceled and the carrier corrects all conditions that led to ~~the~~ cancellation of the permit, the carrier may apply for reinstatement.”
- WAC 480-15-480 Annual reports and regulatory fees: Revised subsection (1)(a) as follows: “Carriers must report ~~financial~~ information as required in the annual report forms.”
- WAC 480-15-490 Tariff and rates, general: Revised subsection (2) as follows: “The commission publishes tariffs that all household goods carriers must use and allows household goods carriers to file individual tariffs if the commission finds it is impractical to include ~~for~~ certain commodities or services in its tariff.”
- WAC 480-15-500 Tariff fees and maintenance: Deleted subsections (3) and (4) as they are duplicative of subsections (1) and (2).
- WAC 480-15-510 Changing commission-published tariffs: Revised subsection (2)(f) as follows: “Identify the name, address, title, telephone number, e-mail address, permit number and fax number (if any) of the person ~~we~~ the commission should contact regarding the proposal.”

- WAC 480-15-530 Public liability and property damage insurance: Revised subsections (1)(c), (3), (3)(a) and (3)(b), and deleted subsection (d) as duplicative:
 - (1)(c) “The commission will suspend for thirty days and ~~then eventually~~ subsequently cancel any carrier operating without proof of required insurance coverage.”
 - (3) “Carriers must file a Uniform Motor Carrier Property Damage and Public Liability Certificate of Insurance (Form E) or Uniform Motor Carrier Property Damage and Public Liability Surety Bond (Form G) as a condition of maintaining a household goods permit.”
 - (a) “The Form E or Form G filing must be issued in exactly the same name as the carrier’s permit.”
 - (b) “The Form E or Form G filing must be continuous, until canceled by a Notice of Cancellation (Form K) filed with the commission no less than thirty days before the cancellation effective date.”
- WAC 480-15-550 Cargo insurance: Revised text in subsection (4) as follows: “The commission may suspend and ~~eventually~~ subsequently cancel the permit of any carrier operating without required cargo insurance coverage.”
- WAC 480-15-560 Equipment safety requirements: Revised text in subsection (1)(d) as follows: “Make vehicles available for inspection by commission representatives at any time upon request.”
- WAC 480-15-600 Lease responsibilities: Reinstated original rule language as follows: “When entering into a lease agreement, the carrier must ensure that all of the following conditions are met: ...”
- WAC 480-15-810, Complaints and Claims: Revised the text as follows: “When the carrier receives a complaint or claim, it must: (1) Notify the customer, in writing, within ten working business days ...”
- WAC 480-15-900, Interstate Operations: Revised the text as follows: “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, ~~if operating as a registered carrier...~~”

18 In addition to these changes, typographical, formatting and internal cross reference changes were made to headings and text, including the following sections: WAC 480-15-230; WAC 480-15-330(3); WAC 480-15-480(3); and WAC 480-15-620(1).

19 **STATEMENT OF ACTION; STATEMENT OF EFFECTIVE DATE:** After reviewing the entire record, the Commission determines that WAC 480-15 should be repealed, amended, and adopted to read as set forth in Appendix A, 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

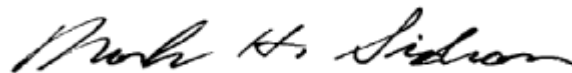
20 **THE COMMISSION ORDERS:**

21 The Commission repeals, amends, and adopts WAC 480-15 to read as set forth in Appendix A, as rules of the Washington Utilities and Transportation Commission, to take effect on the thirty-first day after the date of filing with the Code Reviser pursuant to RCW 34.05.380(2).

22 This Order and the rules set out in Appendix A, 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 and RCW 34.05 and WAC 1-21.

DATED at Olympia, Washington, December 27, 2007.

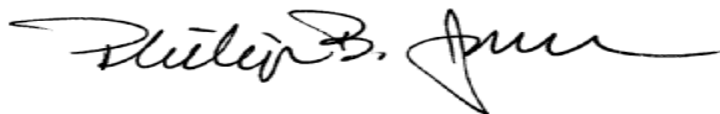
WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION



MARK H. SIDRAN, Chairman



PATRICK J. OSHIE, Commissioner



PHILIP B. JONES, 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 5, amended 46, repealed 49.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 0, amended 0, repealed 0.

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.