

HOUSE BILL REPORT

HB 1907

As Reported By House Committee On:
Transportation

Title: An act relating to estimating charges for carrying household goods.

Brief Description: Penalizing carriers that exceed estimates for moving household goods.

Sponsors: Representatives Wineberry, Jones and Lemmon.

Brief History:

Reported by House Committee on:
Transportation, February 25, 1993, DPS.

HOUSE COMMITTEE ON TRANSPORTATION

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 25 members: Representatives R. Fisher, Chair; Brown, Vice Chair; Jones, Vice Chair; Schmidt, Ranking Minority Member; Mielke, Assistant Ranking Minority Member; Brough; Brumsickle; Cothorn; Finkbeiner; Forner; Fuhrman; Hansen; Horn; Johanson; J. Kohl; R. Meyers; Miller; H. Myers; Orr; Patterson; Quall; Sheldon; Shin; Wood; and Zellinsky.

Staff: Mary McLaughlin (786-7309).

Background: Household goods carriers, moving and storage companies, are regulated by the Utilities and Transportation Commission. By WAC rule, when the actual charges exceed the estimate given by a household goods carrier, the moving company is subject to an administrative penalty of \$100/violation if:

(1) For a long distance move, the actual charge exceeds the estimate by 15 percent; or

(2) For a local move, (a) the actual charge for the time required to complete the move exceeds the estimate by 25 percent, or (b) the actual charges for other services not directly related to the time charge exceed the estimate for these services by 15 percent.

Because the penalty for underestimating the actual charges is only \$100, some carriers are deliberately submitting a

low bid to get the business and then billing the customer for the actual charges. The customer may retrieve his/her possessions by paying 110 percent of the estimate, and settling the difference later.

Summary of Substitute Bill: The monetary penalty the Utilities and Transportation Commission may impose on a household goods carrier who underestimates the actual moving charges is increased from \$100/violation to up to \$1,000/violation when the actual charges exceed the percentages allowed by the commission. A customer is only obligated to pay the estimated cost of the move if the actual bill exceeds the estimate by the percentages allowed by the commission.

Substitute Bill Compared to Original Bill: The bill is redrafted to better reflect the original intent, and the binding estimate language is added.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: The charge will enhance consumer protection by deterring the practice of intentionally underestimating a bid in order to get the business.

Testimony Against: None.

Witnesses: (Pro): Don Lewis, Utilities and Transportation Commission; Larry Pursley, Washington Trucking Conference; Scott Creek, Washington Movers Conference; Gerald Larson, Washington Movers Conference; and Lee Hochberg, consumer.