

SENATE BILL REPORT

SHB 1907

AS REPORTED BY COMMITTEE ON TRANSPORTATION, APRIL 2, 1993

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

SPONSORS: House Committee on Transportation (originally sponsored by Representatives Wineberry, Jones and Lemmon)

HOUSE COMMITTEE ON TRANSPORTATION

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass as amended.

Signed by Senators Vognild, Chairman; Loveland, Vice Chairman; Skratek, Vice Chairman; Drew, Haugen, Nelson, Oke, Prentice, Prince, M. Rasmussen, Sheldon, von Reichbauer, and Winsley.

Staff: Mary McLaughlin (786-7309)

Hearing Dates: April 2, 1993

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:

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.

SUMMARY OF PROPOSED SENATE AMENDMENT:

The provision that the customer is only required to pay the written estimate when the actual charges for the move exceed the percentages allowed by the commission is removed.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

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

TESTIMONY AGAINST: None

TESTIFIED: Larry Pursley, WTA (pro)