

SENATE BILL REPORT

SB 5669

As of February 13, 2015

Title: An act relating to creating a local rural mover license.

Brief Description: Creating a local rural mover license.

Sponsors: Senator Hargrove.

Brief History:

Committee Activity: Transportation: 2/10/15.

SENATE COMMITTEE ON TRANSPORTATION

Staff: Kelly Simpson (786-7403)

Background: Under current law, the Utilities and Transportation Commission (UTC) regulates motor freight carriers, including household goods carriers. A household goods carrier is one who transports household goods for compensation by motor vehicle within the state. No person may engage in business as a household goods carrier without first obtaining a household goods carrier permit from the UTC. The UTC may issue a permit to a qualified applicant only if (1) the applicant is fit, willing, and able to perform the services proposed and conform to the applicable laws and UTC regulations, (2) the operations are consistent with the public interest, and (3) the service is required by the public convenience and necessity.

Summary of Bill: A local rural mover license is created. A local rural mover is defined as a mover who is engaged in the transportation of household goods moving within a city with a population of 10,000 or fewer or a county with a population of 100,000 or fewer, and transports goods within a 56-mile radius of the location of the mover's business, while at the same time earning no more than \$100,000 per year. A local rural mover must carry cargo insurance in the amount of at least \$10,000 and liability insurance in the amount of at least \$500,000.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: A local constituent brought this bill forward as an attempt to address small movers in rural areas of the state. A technical change is suggested making clear a rural mover would not need both the new license and a current, larger UTC license. Existing law unfairly burdens local small rural movers. This bill is the foundation for a reasonable common-sense regulation for rural movers. The current law is just overly burdensome on small movers and cultivates illegal movers. The UTC's training in Olympia demonstrates that existing rules protect large franchise companies and that a need exists for protecting small rural movers who just want to move a few common household goods over short distances.

OTHER: Current regulated and licensed movers are concerned that the bill could cause an unfair advantage against the existing regulated companies. Concerns regarding the application of existing rules toward small rural movers is understood, but there does not seem to be a real need for the bill. Locally owned movers working as franchises don't find the current regulations all that onerous. Consumer protections are a main reason for existing rules. Creating a new class is just not necessary. The UTC has concerns that the bill will conflict with the purposes of existing law that protects consumers and enhances safety. The bill provides less protection for consumers. The minimum insurance coverages in the bill are too low, both for liability and property damage. This bill would be difficult to enforce.

Persons Testifying: PRO: Forrest Rambo, Stuffaway LLC.

OTHER: Larry Pursley, WA Trucking Assn.; Scott Creek, Crown Moving Company; Chris Rose, UTC.