

**DEPARTMENT OF TRANSPORTATION****Federal Motor Carrier Safety Administration****49 CFR Parts 371 and 375**

[Docket No. FMCSA–2020–0205]

RIN 2126–AC35

**Implementation of Household Goods Working Group Recommendations****AGENCY:** Federal Motor Carrier Safety Administration (FMCSA), DOT.**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** FMCSA proposes to update the Transportation of Household Goods regulations to incorporate recommendations from the Household Goods Consumer Protection Working Group (Working Group) contained in the *Recommendations to the U.S. Department of Transportation to Improve Household Goods Consumer Education, Simplify and Reduce Paperwork, and Condense FMCSA Publication ESA 03005* (Recommendations Report). The Agency proposes to update the regulations to reflect those aspects of the Recommendations Report which require a rulemaking to implement and are within the Agency's authority. The proposed updates based on these recommendations would result in an aggregate reduction in costs for household goods motor carriers and provide clarity for individual shippers.

**DATES:** Comments must be received on or before October 12, 2021. Comments on the information collection must be received on or before October 12, 2021.

**ADDRESSES:** You may submit comments identified by Docket Number FMCSA–2020–0205 using any of the following methods:

- Go to <https://www.regulations.gov/docket/FMCSA-2020-0205/document>. Follow the online instructions for submitting comments.
- **Mail:** Dockets Operations, U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building, Ground Floor, Room W12–140, Washington, DC 20590–0001.
- **Hand Delivery or Courier:** Dockets Operations, U.S. Department of Transportation, 1200 New Jersey Avenue SE, West Building, Ground Floor, Room W12–140, Washington, DC 20590–0001, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366–9317 or (202) 366–9826 before visiting Dockets Operations.
- **Fax:** (202) 493–2251.

**FOR FURTHER INFORMATION CONTACT:** Ms. Monique Riddick, Commercial Enforcement and Investigations Division, Office of Enforcement and Compliance, Federal Motor Carrier Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590–0001; (202) 366–0073; [Monique.riddick@dot.gov](mailto:Monique.riddick@dot.gov). If you have questions on viewing or submitting material to the docket, contact Dockets Operations, (202) 366–9826.

**SUPPLEMENTARY INFORMATION:** This notice of proposed rulemaking (NPRM) is organized as follows:

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**I. Public Participation and Request for Comments****A. Submitting Comments**

If you submit a comment, please include the docket number for this NPRM (Docket No. FMCSA–2020–0205), indicate the specific section of this document to which your comment applies, and provide a reason for each suggestion or recommendation. You may submit your comments and material online or by fax, mail, or hand delivery, but please use only one of these means. FMCSA recommends that you include your name and a mailing address, an email address, or a phone number in the body of your document so that FMCSA can contact you if there are questions regarding your submission.

To submit your comment online, go to <https://www.regulations.gov/docket/FMCSA-2020-0205/document>, click on this NPRM, click “Comment,” and type your comment into the text box on the following screen.

If you submit your comments by mail or hand delivery, submit them in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the facility, please enclose a stamped, self-addressed postcard or envelope.

FMCSA will consider all comments and material received during the comment period and may make changes based on your comments.

**Confidential Business Information**

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA, 5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to the NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission that constitutes CBI as “PROPIN” to indicate it contains proprietary information. FMCSA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of the NPRM. Submissions containing CBI should be sent to Mr. Brian Dahlin, Chief, Regulatory Analysis Division, Office of Policy, Federal Motor Carrier Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590–0001. Any comments FMCSA receives which are not specifically designated as CBI will be placed in the public docket for this rulemaking.

FMCSA will consider all comments and material received during the comment period.

**B. Viewing Comments and Documents**

To view any documents mentioned as being available in the docket, go to <https://www.regulations.gov/docket/FMCSA-2020-0205/document> and choose the document to review. To view comments, click this NPRM, and click “Browse Comments.” If you do not have access to the internet, you may view the docket online by visiting Dockets Operations in Room W12–140 on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, between 9

a.m. and 5 p.m., Monday through Friday, except Federal holidays. To be sure someone is there to help you, please call (202) 366–9317 or (202) 366–9826 before visiting Dockets Operations.

### C. Privacy Act

In accordance with 5 U.S.C. 553(c), DOT solicits comments from the public to better inform its rulemaking process. DOT posts these comments, without edit, including any personal information the commenter provides, to [www.regulations.gov](http://www.regulations.gov), as described in the system of records notice (DOT/ALL–14 FDMS), which can be reviewed at [www.transportation.gov/privacy](http://www.transportation.gov/privacy).

### D. Advance Notice of Proposed Rulemaking Not Required

This rulemaking is under the authority of several provisions in title 49 U.S.C., subtitle IV, part B and is not a safety rule under title 49 U.S.C., subtitle VI, part B. This rulemaking is therefore not subject to the requirement under 49 U.S.C. 31136(g) to publish an advance notice of proposed rulemaking or proceed with a negotiated rulemaking.

### E. Comments on the Information Collection

Written comments and recommendations for the information collection discussed in this NPRM should be sent to FMCSA within 60 days of publication using any of the methods described in “Public Participation and Request for Comments” above.

## II. Executive Summary

### A. Purpose of the Amendments

FMCSA proposes to incorporate certain recommendations from the Working Group’s Recommendations Report into the regulations at 49 CFR part 375. These recommendations, when implemented, would offer streamlined documentation requirements and provide opportunity for increased efficiency for the transportation of household goods for individual shippers by interstate household goods motor carriers and service by household goods brokers, improve consumer education and protection for individual shippers in need of their services, and combat fraud. The Working Group was established and provided recommendations pursuant to section 5503 of the Fixing America’s Surface Transportation Act (FAST Act), Public Law 114–94, 129 Stat. 1312, 1551 (Dec. 4, 2015).

### B. Summary of the Major Provisions

The proposed rule would implement the majority of the Working Group’s recommendations that require a rulemaking. These recommendations would update a variety of regulatory requirements under 49 CFR part 375.

The first recommendation from the Working Group that is being proposed in this NPRM is to revise Appendix A to part 375 with an updated version of the *Your Rights and Responsibilities When You Move* booklet (Rights and Responsibilities). The updated Rights and Responsibilities booklet would contain the same information as the 2013 version of the booklet with some modifications to conform with the other proposed changes in this NPRM, which are discussed below, and to increase clarity of the information contained in the booklet. Additionally, FMCSA is proposing to implement the Working Group’s recommendation to require motor carriers to provide the Rights and Responsibilities booklet at the same time as the estimate instead of at the time of the order for service as currently required. These changes to Appendix A and the Rights and Responsibilities booklet would ensure that the appendix matches the information contained in the booklet and that the booklet presents individual shippers with clear and accurate information earlier in the moving process. FMCSA is also proposing to remove the requirement in section 375.213(e) for a waiver if the individual shipper accesses either *Ready to Move?* or the Rights and Responsibilities booklet via a hyperlink.

The next recommendation from the Working Group that is being proposed in this NPRM is to remove the ability of the motor carrier or individual shipper to revise a binding estimate or a non-binding estimate. Instead, FMCSA would require the preparation of a new binding estimate or new non-binding estimate when the individual shipper tenders additional items or requests additional services. This would incorporate into the regulations certain provisions from the FMCSA guidance titled *Regulatory Guidance Concerning Household Goods Carriers Requiring Shippers To Sign Blank or Incomplete Documents* (76 FR 50537, Aug. 15, 2011) (2011 guidance). FMCSA is also proposing to incorporate other provisions from the 2011 guidance that clarify that an individual shipper may never be required to sign a blank document, and that the shipper may be required to sign an incomplete document only when it is missing certain information that cannot be determined before the document must

be signed. These proposed changes would increase protection of individual shippers by ensuring that any documents they are required to sign be as accurate as possible at the time those documents are signed.

This proposal would also implement the Working Group’s recommendation to allow for virtual surveys of household goods. By updating the definition of *physical survey* to include virtual surveys, this proposed change would allow an option for motor carriers and individual shippers to use live video to conduct surveys, rather than requiring motor carriers to survey the household goods to be moved in-person. A related recommendation to require motor carriers to conduct surveys beyond a 50-mile radius is also being proposed. Based on the availability of virtual surveys, this would ensure that every individual shipper has the option of a survey of their goods prior to the preparation of an estimate. The implementation of these two recommendations, as proposed, would reduce the burden on motor carriers for moves originating within 50 miles of the motor carrier agent’s location by allowing them to conduct surveys remotely, while enhancing protection of individual shippers who are beyond 50 miles from the motor carrier agent’s location by offering the option for a survey regardless of where the household goods are located.

This proposal would also implement the Working Group’s recommendations to remove the requirement for an order for service, update the requirements in the bill of lading, and require the bill of lading to be provided earlier in the moving process. This proposal incorporates all of the requirements that are currently part of the order for service into the bill of lading. FMCSA also proposes to require the bill of lading to be signed at least 3 days before the scheduled date of the move in order to ensure that the bill of lading is provided earlier in the moving process. This would reduce the paperwork burden on motor carriers while ensuring that individual shippers would be given the same level of protection as they are under the current regulations.

FMCSA is also proposing to implement the Working Group’s recommendation to replace the requirement for a freight bill with an invoice. This proposed change would increase clarity for individual shippers regarding any outstanding balances that must be paid while reducing repetitive paperwork for motor carriers.

This proposal would implement the Working Group’s recommendation to require all motor carriers who have a

website to display prominently, at their option, a link to either *Ready to Move?* on the FMCSA website or to a true and accurate copy of *Ready to Move?* on their own websites. This would increase the opportunity for individual shippers to become aware of the information contained in *Ready to Move?* earlier in the moving process.

In addition to proposing to implement the Working Group's recommendations, FMCSA is proposing additional minor changes to the regulations which are intended to increase clarity and consistency.

### C. Benefits and Costs

This proposed rule would affect household goods motor carriers and individual shippers. Some provisions in this rule would result in costs for motor carriers (*i.e.*, providing the Rights and Responsibilities booklet earlier in the process, and providing either in-person or virtual surveys at locations beyond 50 miles from the motor carrier agent's location), and some provisions would result in negative costs, or cost savings (*i.e.*, allowing virtual surveys in place of in-person surveys, and eliminating the order for service document and including its information in the bill of lading). The motor carrier efficiencies discussed would not negatively impact shippers, as the services and information received today would not change under the proposed rule. FMCSA does not anticipate that shippers would incur costs as a result of this proposed rule. FMCSA estimates the total 10-year costs of this rule, if finalized as proposed, at  $-\$1.6$  million (or  $-\$1.6$  million in cost savings) discounted at 3 percent, and  $-\$1.3$  million (or  $-\$1.3$  million in cost savings) discounted at 7 percent. Expressed on an annualized basis, this equates to  $-\$188,000$  in costs (or  $-\$188,000$  in cost savings) at both a 3 and 7 percent discount rate.

FMCSA does not expect this rule to impact safety. FMCSA does expect that it would result in benefits related to consumer protection and potentially motor carrier fuel savings. The proposal would result in shippers receiving accurate and clear information earlier in the process, enabling them to make more informed and better decisions regarding which household goods motor carrier to hire. Additionally, the proposal would aid in obtaining more accurate estimates of moving fees based on physical surveys for those interstate moves that are beyond 50 miles from a motor carrier agent's location.

### III. Abbreviations

AMSA American Moving and Storage Association  
ATA American Trucking Associations  
ATRI American Transportation Research Institute  
CAGR Compound Average Growth rate  
CE Categorical Exclusion  
CFR Code of Federal Regulations  
DOT Department of Transportation  
E.O. Executive Order  
FAST Act Fixing America's Surface Transportation Act  
FMCSA Federal Motor Carrier Safety Administration  
FOIA Freedom of Information Act  
FR Federal Register  
HHG Household goods  
ICC Interstate Commerce Commission  
MAP-21 Moving Ahead for Progress in the 21st Century Act  
MCMIS Motor Carrier Management Information System  
MCSAP Motor Carrier Safety Assistance Program  
NAICS North American Industry Classification System  
OMB Office of Management and Budget  
PIA Privacy Impact Assessment  
PII Personally Identifiable Information  
PTA Privacy Threshold Assessment  
SAFETEA-LU Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users  
Secretary Secretary of Transportation  
STB Surface Transportation Board  
U.S.C. United States Code

### IV. Legal Basis for the Rulemaking

The purpose of this rulemaking is to propose changes in the regulations in 49 CFR part 375 applicable to the transportation of household goods for individual shippers in interstate commerce. Most of the proposed changes involve FMCSA's implementation of the recommendations of the Working Group, which was established pursuant to section 5503 of the Fixing America's Surface Transportation Act (FAST Act), Public Law 114-94, 129 Stat. 1312, 1551 (Dec. 4, 2015). Additional changes are being proposed by FMCSA to update provisions in part 375 and its appendix A.

FMCSA's authority to provide protection for individual shippers of household goods is found in several sections of 49 U.S.C. subtitle IV, part B. The sections primarily involved in this rulemaking are 49 U.S.C. 13704, 13707, and 14104. They govern guaranteed service and charges for transportation, payment of rates, and surveys, estimates, and weighing of shipments, respectively. The Secretary of Transportation (the Secretary) has specific authority to issue regulations, including regulations protecting individual shippers, in order to carry out 49 U.S.C. subtitle IV, part B with

respect to the transportation of household goods by motor carriers (49 U.S.C. 14104(a)). The Secretary also has broad authority to prescribe regulations to carry out 49 U.S.C. subtitle IV, part B. 49 U.S.C. 13301(a). This authority has been delegated by the Secretary to FMCSA (49 CFR 1.87(a)).

### V. Background

FMCSA is an operating administration of the United States Department of Transportation (USDOT). FMCSA's primary mission is to reduce crashes, injuries, and fatalities involving large trucks and buses.

In addition to its primary safety mission, FMCSA is responsible for a national household goods transportation and consumer protection program that promotes increased compliance through data analysis, investigations, enforcement, and public education and outreach activities, and is responsible for licensing and regulating more than 5,000 interstate household goods motor carriers, freight forwarders, and brokers.

Historically, the Interstate Commerce Commission (ICC) regulated all aspects of the interstate moving process from assessing the need to permit entities to participate in the industry, to pricing, to establishing how claims would be handled. When Congress terminated the ICC in 1995 (ICC Termination Act of 1995, Pub. L. 104-88, 109 Stat. 803 (Dec. 29, 1995)), it transferred household goods regulation to the USDOT. Congress established FMCSA in 2000 to carry out the regulation of commercial motor vehicles, specifically large trucks and buses. Congress also granted the Agency authority over consumer protection of individual household goods shippers.

Since FMCSA's inception, Congress has addressed the regulation of household goods movers through legislation to improve consumer protection and regulatory authority to ensure compliance by motor carriers, brokers, and freight forwarders. The legislation is briefly outlined below:

- Sections 4201–4216 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Public Law 109-59, passed in 2005. These sections of SAFETEA-LU are also referred to as the "Household Goods Mover Oversight Enforcement and Reform Act of 2005;"

- Sections 32921–32923 of the Moving Ahead for Progress in the 21st Century Act (MAP-21), Public Law 112-141, passed in 2012. MAP-21 brought about significant updates to licensing requirements for household goods motor carriers; and

• Section 5503 of the FAST Act, Public Law 114–94, passed in 2015. The FAST Act called for the formation of the Working Group to develop recommendations on how best to convey relevant information to consumers with respect to Federal laws that pertain to the interstate transportation of household goods by motor carriers.

The rationale for this rulemaking to update 49 CFR part 375 is that the rules contained therein are outdated. Additionally, Appendix A: *Your Rights and Responsibilities When You Move* is outdated. The Protect Your Move website (<http://www.protectyourmove.gov>) displays the 2013 version of the Rights and Responsibilities booklet, which did not undergo change through the rulemaking process. The booklet was instead approved by the FMCSA Administrator for distribution to the household goods industry and their customers. The booklet was shortened in 2013 to enhance readability and contained new regulatory language from the Surface Transportation Board (STB) regarding valuation and insurance and the placement of this language on FMCSA-required transportation documents.

As stated above, the FAST Act required FMCSA to establish a working group to provide specific recommendations as outlined below. The Working Group was comprised of representatives of the Agency, consumer affairs experts, educators with expertise in how people learn most effectively, and representatives of the household goods moving industry. These members represented all facets of the household goods industry and worked vigorously to produce the Recommendations Report.

Specifically, the FAST Act directed the Working Group to develop recommendations for FMCSA in the following areas:

1. Condense FMCSA publication ESA 03005 (*Ready to Move?*) into a format more easily used by consumers;
2. Use state-of-the-art education techniques and technologies, including optimizing the use of the internet as an educational tool; and
3. Reduce and simplify the paperwork required of motor carriers and shippers in interstate transportation.

The Working Group produced a Recommendations Report<sup>1</sup> with 19 recommendations for FMCSA, stating:

1. Develop and maintain modern communications tools, platforms, and partnerships to educate consumers.
2. Develop online (and other) education modules that are short and easily understood, and aligned with the different phases of the moving process.
3. Develop and maintain modern tools to assist the moving industry with its efforts to educate consumers.
4. Provide additional funding for staff and resources dedicated to household goods consumer education. This funding would allow FMCSA to:
  - Procure full time, year-round, dedicated resources and personnel (either Federal or contracted) with the expertise needed to implement state-of-the-art education utilizing the internet as a tool for the purpose of consumer protection education and outreach efforts.
  - Collect data (such as intake interviews) to ensure that education and outreach efforts are effective and continuously improving.
  - Collaborate and build partnerships with industry, the public, and other organizations.
  - Develop content delivery and messaging tactics for consumer protection education and outreach.
5. This Working Group recommends the following with regard to FMCSA–ESA–03–006, *Your Rights and Responsibilities When You Move*:
  - The 2013 version should be formally adopted by rulemaking to officially replace the pre-2013 version which FMCSA currently permits movers to choose to use in lieu of the formally approved wording.
  - FMCSA should look for opportunities to further condense and streamline this document.
  - If applicable, and as other recommendations are adopted in the future, the contents of this document should be updated to reflect the changes that are implemented as a result of this Working Group's efforts.
  - It should be acceptable for movers to provide this document electronically without requiring the shipper to provide written consent to waive their right to a hard copy.
  - Movers should be required to provide this document earlier in the move process (along with the estimate instead of before the order for service).
6. FMCSA's guidance should be formally adopted that if a consumer tenders additional items or requests additional services prior to load, and the mover agrees to such additions, the mover should prepare a completely new estimate (instead of amending the existing one). Additionally, the mover should maintain a record of the date,

time, and manner that the new estimate was accepted by the shipper.

7. Change the requirement for a “physical” survey to a “visual” survey. The term “visual survey” should include both physical and virtual surveys.

8. Movers should be required to offer visual surveys for all household goods shipments, including those that are located over 50-miles from the mover's location. Consumers should continue to have the option to waive in writing the visual survey if they choose, but movers must offer them the option of a visual survey regardless of distance.

9. The requirement for an order for service should be eliminated, and the unique, critical items from the order for service should be moved to the bill of lading. (Note: The Working Group is recommending eliminating the order for service as a requirement of all movers, but movers that prefer to use an order for service should still be allowed to do so.)

10. The following changes should be made to the bill of lading requirements:

- The carrier's physical address, telephone number, and DOT number should be added to the bill of lading requirements.
- The bill of lading should continue to require the carrier's name, and either the legal or trade name registered with FMCSA should be acceptable.
- The requirement to provide names, addresses, and telephone numbers of additional motor carriers involved in the move should be eliminated. (However, movers should still be allowed to provide this information if they choose to.)
- Any reference to the order for service should be removed from the bill of lading.
- Add “Any identification or registration number you assign to the shipment” to the bill of lading requirements (carried over from the current order for service requirements).
- A statement should be added that the bill of lading incorporates by reference all of the services and charges printed on the estimate.

11. The bill of lading should be made available to consumers prior to the date of load, at least as early as the time when the order for service was previously provided (before a mover receives a shipment from an individual shipper).

12. Remove the requirement for a freight bill, and the written notices for a freight bill should be transferred to an invoice.

13. Finalize the proposed rulemaking published at 79 FR 23306 (4/28/14) to

<sup>1</sup> Available at <https://www.fmcsa.dot.gov/fastact/fast-act-hhg-working-group-report-recommendations>. The Recommendations Report is also in the docket for this rulemaking.

allow for electronic delivery of all required documents.

14. Eliminate the current requirement for consumers to sign a written waiver in order to receive their documents electronically.

15. Movers should be required to provide FMCSA publication ESA 03005 (*Ready to Move?*) when the visual survey is either scheduled or waived by the consumer.

16. The title of FMCSA publication ESA 03005 should be changed from *Ready to Move?* to *Choose Your Mover*.

17. ESA 03005 should be made available electronically and should be printable. It should fit on a standard desktop or laptop screen without requiring scrolling, and it should also be mobile-friendly. Consideration should be given to how the brochure can be both visually appealing and also direct consumers' attention to the right places.

18. All movers who have a website should be required to prominently display, at their option, either a link to the brochure (ESA 03005) on the FMCSA website or a true and accurate copy of ESA 03005 on their own websites.

19. ESA 03005 should be condensed to include only the content found in Appendix H.

The Recommendations Report includes a discussion of potential benefits to both motor carriers and consumers, which are attributed to the reduction in paperwork motor carriers are required to issue. The recommendations of the Working Group seek to provide clarity for consumers, allowing them to move with confidence and make their moves more successful. Finally, the Recommendations Report states that these updates would provide the opportunity for motor carriers to create a smooth moving experience for consumers.

## VI. Discussion of Proposed Rulemaking

FMCSA has reviewed the recommendations contained in the Recommendations Report and is now proposing changes to 49 CFR part 375 to implement those recommendations that FMCSA believes require a rulemaking. After considering the recommendations, FMCSA found that recommendations 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, and 18 would require a change to the regulations at 49 CFR part 375 to implement.<sup>2</sup> Those 11

recommendations are therefore considered in this proposed rule, including recommendation 15 discussed below, which FMCSA lacks statutory authority to implement. The Agency will address the remaining recommendations separate from this rulemaking.

The specific proposed changes based on the Recommendations Report are described below.

### A. Recommendations 5 and 14—Appendix A and Electronic Documents

Recommendation 5 suggests that FMCSA incorporate the 2013 version of the Rights and Responsibilities booklet into appendix A to part 375. Recommendation 5 also suggests that FMCSA look for ways to further condense and streamline the 2013 booklet, update the document with any changes to part 375 from the Recommendations Report, and require movers to provide this booklet earlier in the moving process.

Under current guidance titled *Guidance on FMCSA's Publication: Your Rights and Responsibilities When You Move*, FMCSA permits distribution of both the 2013 and the pre-2013 version of the Rights and Responsibilities booklet (78 FR 25782, May 2, 2013). The Working Group noted that the 2013 version is much more streamlined than the pre-2013 version, which the Working Group stated is long, cumbersome, and less helpful to consumers. The Working Group also determined that the 2013 version can be further condensed and would need to be updated to conform with any changes to the regulations in 49 CFR part 375.

FMCSA proposes to revise appendix A to part 375 to formally adopt an updated version of the Rights and Responsibilities booklet. Appendix A currently contains the contents of the pre-2013 version of the Rights and Responsibilities booklet. The updated version of the Rights and Responsibilities booklet that would be incorporated into appendix A would contain the same information as the 2013 version of the booklet, with further updates to reflect the changes to 49 CFR part 375 proposed by this rulemaking, as discussed below. These edits would ensure that the content of the booklet conforms with the updated regulations. The updated Rights and Responsibilities booklet, and therefore appendix A, would also include various minor changes intended to increase the clarity of the information in the booklet for individual shippers. These changes would ensure that the Rights and Responsibilities booklet and appendix A are consistent and contain the most up-

to-date information for individual shippers.

The updated Rights and Responsibilities booklet would contain the same information provided in the proposed contents of appendix A in this rulemaking. Any comments received on the proposed appendix A below which result in changes in a final rule would therefore be reflected in the final version of the updated Rights and Responsibilities booklet. If this NPRM is finalized, motor carriers would be required to provide the updated Rights and Responsibilities booklet in order to satisfy the requirements under 49 CFR 375.213. Accordingly, the Agency would rescind the guidance titled *Guidance on FMCSA's Publication: Your Rights and Responsibilities When You Move* (78 FR 25782, May 2, 2013) because the pre-2013 and 2013 versions of the Rights and Responsibilities booklet would be inaccurate due to the changes to 49 CFR part 375 in this rulemaking, resulting in individual shipper being misinformed about their regulatory rights and responsibilities under 49 CFR part 375.

FMCSA proposes to amend 49 CFR 375.213 to require motor carriers to provide individual shippers with the Rights and Responsibilities booklet at the time the estimate is provided. The regulations at 49 CFR 375.213 currently require the Rights and Responsibilities booklet to be provided along with the order for service. The statute at 49 U.S.C. 14104(b)(2) states, in part:

Before the execution of a contract for service, the motor carrier shall provide the shipper copy of the Department of Transportation publication OCE 100, entitled "Your Rights and Responsibilities When You Move" required by section 375.213 of title 49, Code of Federal Regulations (or any successor regulation).

FMCSA is proposing to require the Rights and Responsibilities booklet be provided along with the estimate, which is prior to the execution of a contract for service (the bill of lading under the proposed changes in this rulemaking). Motor carriers would likely see an increased burden under this proposed change because they would be required to provide the Rights and Responsibilities booklet earlier in the moving process and more often than they are currently required. This proposed change, however, would also increase the likelihood that individual shippers would become aware of the consumer protection information in the booklet earlier in the moving process, when it would be more helpful for them to understand their rights and responsibilities.

<sup>2</sup> See *Household Goods Consumer Protection Working Group Report To Congress*. Available at <https://www.fmcsa.dot.gov/mission/policy/household-goods-consumer-protection-working-group-report-congress>. The Household Goods Consumer Protection Working Group Report To Congress is also in the docket for this rulemaking.

The Working Group Report, in its Recommendations 5 and 14, also suggests that FMCSA should revise its regulations to make it acceptable for motor carriers to provide documents, including the Rights and Responsibilities booklet, electronically without requiring the shipper to provide written consent to waive their right to a hard copy. These recommendations were considered by FMCSA after the Working Group Report in the rulemaking titled “Electronic Documents and Signatures” (NPRM, 79 FR 23306, (April 28, 2014), and final rule, 83 FR 16210 (April 17, 2018)) which implemented provisions similar to the related recommendation 13 by “eliminating the requirement in § 375.213 for the Ready to Move brochure and Rights and Responsibilities booklet to be provided only in paper copy or retrieved at a URL.” See 83 FR at 16214.

The Electronic Documents final rule retained the provisions of 49 CFR 375.213(e), which provides that a shipper may elect to waive receipt of a copy of either *Ready to Move?* or the Rights and Responsibilities booklet and elect to access the same information via a hyperlink on the carrier’s website to the FMCSA web page. 49 CFR 375.213(a) and (b)(1). When the shipper elects to receive these documents via the hyperlink, the motor carrier is required to obtain a signed and dated receipt that includes “verification of the shipper’s agreement to access the Federal consumer protection information on the internet.” 49 CFR 375.213(e)(2).

FMCSA is proposing to remove the requirement in section 375.213(e)(1) for a waiver in order for the individual shipper to have the option to access either *Ready to Move?* or the Rights and Responsibilities booklet via a hyperlink. FMCSA is not proposing to change the requirements of section 375.213(e)(2) and (3) for the motor carrier to obtain and retain proof that the shipper agreed to access one or both of these publications via the internet.<sup>3</sup> The proposed change would no longer require a waiver for the individual shipper to access documents electronically through a hyperlink, but would still require the motor carrier to obtain a signed receipt as proof of the individual shipper’s acknowledgment that they have received access to the electronic copies of these documents. These documents are important to

educate individual shippers, and it is necessary ensure that the motor carrier’s records are clear that the shipper was able to access to these documents through the provided hyperlink.

#### *B. Recommendation 6—Estimates*

Recommendation 6 from the Recommendations Report suggested that FMCSA eliminate the motor carrier’s ability to revise a binding estimate or a non-binding estimate and, if additional items are tendered, require that a new binding estimate or new non-binding estimate be prepared. The Working Group explained that, while this practice has been adopted in FMCSA guidance titled, *Regulatory Guidance Concerning Household Goods Carriers Requiring Shippers To Sign Blank or Incomplete Documents* (76 FR 50537, Aug. 15, 2011) (2011 guidance), it should be formally adopted into the regulations.

FMCSA proposes to amend 49 CFR 375.403(a)(6)(ii), (a)(9), and 49 CFR 375.405(b)(7)(ii) to clarify that a motor carrier must prepare a new binding or non-binding estimate when an individual shipper tenders additional household goods or requests additional services. This proposed change would update the regulatory language for consistency with FMCSA’s interpretation of the regulations issued in response to question 3 in the 2011 guidance.

Additionally, FMCSA is proposing to incorporate the rest of the 2011 guidance into the regulations in 49 CFR part 375. The 2011 guidance refers to the regulations at § 375.501(d) when discussing blank documents, incomplete documents, and revised estimates. As discussed in section VI.D. below, FMCSA is proposing to remove 49 CFR 375.501 from the regulations and move certain items from 49 CFR 375.501 to 49 CFR 375.505, including the requirements that are currently located at § 375.501(d). Accordingly, the edits incorporating FMCSA’s interpretation of § 375.501(d) found in the 2011 guidance would be made to paragraph § 375.505(g). FMCSA is proposing to add subparagraph (3) to proposed paragraph (g) of § 375.505, which would prevent a motor carrier from requiring an individual shipper to sign a blank document. The Agency is also proposing an additional sentence to paragraph (g)(2) of § 375.505 which would allow motor carriers to omit from documents only that information that cannot be determined before loading, such as actual shipment weight or unforeseen charges incurred in transit. These additional changes clarify how blank and incomplete documents may

be involved in the moving process. Blank and incomplete documents may both be provided to the individual shippers for informational purposes. Motor carriers may never require an individual shipper to sign a blank document. Motor carriers may however require individual shippers to sign incomplete documents only when the information omitted from the documents cannot be determined before loading, such as actual shipment weight or unforeseen charges incurred in transit.

These proposed changes fully incorporate FMCSA’s interpretation of the regulations from the 2011 guidance into 49 CFR part 375. The proposed changes would protect individual shippers from motor carriers that attempt improperly to utilize blank documents, incomplete documents, or revised estimates when such use is a violation of the regulations in 49 CFR part 375 and would provide additional clarity to motor carriers regarding proper use of blank and incomplete documents. FMCSA would rescind the 2011 guidance if the proposed changes discussed above are finalized.

#### *C. Recommendations 7 and 8—Surveys of Household Goods*

Recommendation 7 from the Recommendations Report suggested that FMCSA change the requirement for a physical survey to a visual survey. The Working Group stated that the term *visual survey* should include both physical and virtual surveys. The Working Group determined that the term *visual survey* was necessary to ensure that movers actually see what they would be moving before preparing an estimate, while recognizing that technological advances would allow remote surveys through the use of video capability in addition to physical surveys.

FMCSA proposes to define the term *physical survey* to include both on-site and virtual surveys. The requirement for a physical survey originates in 49 U.S.C 14104(b)(1)(A), which states:

Except as otherwise provided in this subsection, every motor carrier providing transportation of household goods described in section 13102(10)(A) as a household goods motor carrier and subject to jurisdiction under subchapter I of chapter 135 shall conduct a physical survey of the household goods to be transported on behalf of a prospective individual shipper and shall provide the shipper with a written estimate of charges for the transportation and all related services.

However, there is no definition for the term *physical survey* in the statute and FMCSA has not established a definition

<sup>3</sup> Section 375.213(e) is proposed to be renumbered as section 375.213(f) with substantive changes to allow the proposed insertion of a new paragraph (e).

of the term in the regulations under 49 CFR 375. FMCSA therefore proposes a reasonable interpretation of the statutory term *physical survey* in order to give a clear meaning to the term and to resolve any ambiguity. FMCSA would not change the term *physical survey* to *visual survey* as recommended by the Working Group because FMCSA does not believe that it can replace the statutory term with a new term. However, FMCSA has sufficient authority to propose a reasonable interpretation of the term which meets the functional intent of the Working Group's recommendation.

FMCSA proposes to define *physical survey* in 49 CFR 375.103 as "a survey which is conducted on-site or virtually. If the survey is performed virtually, the household goods motor carrier must be able to view the household goods through live video that allows it to clearly identify the household goods to be transported." The proposed definition of *physical survey* would allow for virtual surveys with a live video component that would permit motor carriers to see the household goods that are the subject of the survey as if the motor carrier were performing the survey on-site. Any survey conducted without a video component, such as verbally over the phone or through filling out a form, would not be acceptable under this proposed change. This definition requires both the motor carrier and the individual shipper to be physically present on a live video in order to perform a virtual survey.

This proposed change recognizes the significant technological advances (e.g., use of smart phones, tablets, faster computers) that have occurred since the passage of SAFETEA-LU and its implementing regulations, which allow for clear live videos between motor carriers and individual shippers. Allowing motor carriers to use this technology to conduct remote surveys of household goods reduces the burden of those surveys on the motor carriers. Requiring a live visual component to the survey process ensures that motor carriers provide consumers with estimates that are as accurate as those prepared following an on-site survey.

Recommendation 8 from the Recommendations Report suggested that FMCSA require movers to offer visual surveys for all household goods shipments, including those that are located over 50 miles from the motor carrier agent's location. The Working Group determined that, with the availability of virtual surveys, consumers' ability to obtain a visual survey should no longer be limited because of distance.

FMCSA proposes to remove the provision under 49 CFR 375.401(a)(1) that excepts from the physical survey requirement those surveys where the household goods are located more than 50 miles from the motor carrier agent's location. FMCSA also proposes to remove similar language from 49 CFR 371.113(a) to ensure consistency in the regulations relating to household goods brokers. The statutory language in 49 U.S.C. 14104(b)(1)(C) states that the written estimate given to an individual shipper shall be based on a physical survey of the household goods if the household goods are located within a 50-mile radius of the location of the carrier's agent preparing the estimate. Congress enacted this provision in section 4205 of SAFETEA-LU, Public Law 109-59, 119 Stat. 1144 at 1753-54 (Aug. 10, 2005). Both the statute and legislative history are silent on whether an estimate should be based on a physical survey when the household goods are located more than 50 miles from the location of the carrier's agent. (Id., see also Sen. Rep. 109-120 at 47-48 (July 29, 2005), and H. Conf. Rep. 109-203 at 1009-1010 (July 28, 2005)). But the Senate report on SAFETEA-LU also noted that:

Inaccurate estimates based on an inventory provided by a prospective customer over the telephone or the internet are the source of many complaints and disputes. It is hoped that requiring an estimate be based on a visual inspection of the goods to be moved prior to the execution of a contract will significantly reduce such disputes.

In 2007, FMCSA adopted regulations to implement this statutory provision, among others, in *Amendments To Implement Certain Provisions of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)*, 72 FR 36760. The Agency stated that:

The statute permits two exceptions to the requirement for a physical survey. First, the motor carrier need not conduct a physical survey if the household goods are located beyond a 50-mile radius of the location of the carrier's household goods agent preparing the written estimate provided to the individual shipper.

72 FR at 36764. Because the statute permitted, but did not require, that estimates for household goods located more than 50 miles from the motor carrier agent's location be based on a physical survey, the implementing regulation, in § 375.401(a)(1) provides:

If the household goods are located beyond a 50-mile radius of the location of the household goods motor carrier's agent preparing the estimate, the requirement to base the estimate on a physical survey does not apply.

See also 72 FR at 36766. Even though household goods carriers and their agents are not required to perform a physical survey on goods located more than 50 miles from the motor carrier agent's location, neither the statute nor the regulation precludes carriers from conducting a physical survey in such circumstances, if they choose to do so. For similar reasons, the statute also does not preclude the consideration of a regulatory requirement for physical inspection of household goods located beyond the 50-mile radius.

Recommendation 8 in the Recommendations Report states:

Movers should be required to offer visual surveys for all household goods shipments, including those that are located over 50-miles from the mover's location. Consumers should continue to have the option to waive in writing the visual survey if they choose, but movers must offer them the option of a visual survey regardless of distance.

As the Recommendations Report explained:

The Working Group also discussed the current exception to the survey requirements for consumers who are over 50 miles from the HHG carrier's agent. The reason for this exception is because consumers living in remote areas may not be able to obtain one or more estimates if movers were required to travel long distances to physically inspect shipments. The Working Group determined that since virtual surveys are a realistic possibility, that consumers' ability to obtain a visual survey should not now be waived automatically because of distance. Rather, if consumers' goods are located more than 50 miles from the mover's agent that is providing the estimate, they should be given the option of a visual survey. Consumers should continue to have the option to waive the visual survey if they choose, but movers must offer them the option of a visual survey regardless of distance. Movers will be required to perform a visual survey unless the consumer decides to voluntarily waive the right for such survey.

Report at 30-31 (emphasis in original). In the Report to Congress in response to the Working Group's recommendations (submitted in September 2019 as required by section 5503 of the FAST Act), FMCSA addressed Recommendation 8 as follows:

FMCSA is evaluating the working group's recommendation. If deemed appropriate by the Administrator/Secretary, FMCSA will develop proposed regulatory changes for notice and comment rulemaking. This recommendation would add a potential benefit to the consumer by preventing unexpected charges for additional household goods.

Report at 4.

As recognized in the passage above from the Senate Report on SAFETEA-LU, a physical inspection of the



household goods to be moved is important because it provides an accurate inventory, permits the creation of a meaningful estimate (whether binding or non-binding), and minimizes the opportunity for both fraudulent actions by the carriers or their agents and/or disputes with consumers. The development of technology that allows virtual surveys to be conducted accurately and efficiently by remote electronic means that can be included within the scope of physical surveys (as proposed in the NPRM) enables the requirement to be extended to household goods shippers located more than 50 miles from the motor carrier agent's location. FMCSA is proposing to adopt this requirement because it has concluded that 49 U.S.C. 14104(b) does not preclude the application of a requirement of a physical survey (either on-site or virtual, as discussed earlier in this proposal). Even if the carrier would be required to offer a physical survey to all individual shippers, those individual shippers could still waive the physical survey, if desired.

In addition, 49 U.S.C. 14104(a) includes a general delegation of authority to the Agency to adopt regulations for the protection of individual shippers of household goods. By expanding the required use of physical surveys (either on-site or virtual) to individual shippers located beyond 50 miles, the proposed amendment would provide more shippers with protections and increase the competitive alternatives available to them. Requiring a physical survey beyond 50 miles could result in motor carriers performing more surveys of household goods than they perform under the current regulations. FMCSA estimates however that all shippers located beyond 50 miles from the motor carrier agent's location would take advantage of the virtual survey option, as discussed in section IX.A.

#### *D. Recommendations 9, 10, and 11—Order for Service and Bill of Lading*

Recommendation 9 from the Recommendations Report suggested that FMCSA should eliminate the order for service and add any items on the order for service that are not already on the bill of lading to that document. The Working Group explained that the requirement for an order for service results in an additional paperwork burden for motor carriers without providing any additional protection for individual shippers. The Working Group stated that the information required by the bill of lading and order for service is very similar, therefore they

could be combined to reduce the paperwork burden for motor carriers.

FMCSA proposes to remove the requirement for an order for service for the shipment of household goods under Part 375. This proposed change recognizes the significant overlaps in the current order for service requirements in § 375.501 and the bill of lading requirements in § 375.505. Additionally, FMCSA proposes to remove all references to the order for service from Part 375 and replace them with references to the bill of lading. FMCSA proposes to delete 49 CFR 375.501 and, as discussed below, to update 49 CFR 375.505 with all of the requirements currently found in § 375.501.

Recommendation 10 from the Recommendations Report suggested that FMCSA make a variety of updates to the bill of lading requirements:

- Add the carrier's physical address, telephone number, DOT number, any identification or registration number assigned to the shipment, and a statement that the bill of lading incorporates by reference all of the services and charges printed on the estimate;
- Continue to require the carrier's name on the bill of lading, and provide that either the legal or trade name (*i.e.*, doing business as name) registered with FMCSA is acceptable for use;
- Eliminate the requirement that names, addresses, and telephone numbers of additional motor carriers involved in the move be provided; and
- Remove references to the order for service;

Recommendation 11 from the Recommendations Report suggested that FMCSA should require movers to provide the bill of lading to consumers prior to the date of loading.

FMCSA proposes to update the requirements for a bill of lading under 49 CFR 375.505 to include requirements currently found in an order for service. The proposed bill of lading requirements would offer the same level of protection, but with a lesser paperwork burden. These updates to the bill of lading requirements include almost all of the recommended changes in recommendation 10. FMCSA is not proposing to eliminate the requirement to provide names, addresses, and telephone numbers of additional motor carriers involved in the move, because this requirement provides the individual shipper with information that is often necessary to understand which motor carriers are involved in the shipment of their household goods.

FMCSA proposes to update § 375.505(b) by adding the requirements

currently found in § 375.501(a) which are not already covered by § 375.505(b). This proposed change ensures that § 375.505(b) would require the same information on a bill of lading currently required in an order for service. By ensuring that all the information from both documents would be included in the bill of lading, the proposed change would provide the same level of consumer protection while only requiring a single document and therefore reducing the burden on motor carriers.

FMCSA also proposes to update 49 CFR 375.505 by adding the requirements that are currently in 49 CFR 375.501(b) through (e). Under the proposed change, these sections would be moved to § 375.505(e) through (h). These sections would also be updated to replace references to an order for service with references to a bill of lading. FMCSA also proposes an additional update to the new § 375.505(f) to clarify that the bill of lading must be signed at both the origin and the destination of the shipment by the motor carrier and the individual shipper. These proposed changes would ensure that the regulatory requirements that are currently in 49 CFR 375.501 are fully incorporated into 49 CFR 375.505 and would not be lost by removing the requirement for an order for service.

Additionally, FMCSA proposes to add § 375.505(h) to require movers to provide the bill of lading to consumers prior to the date of load. The Working Group recommended that the bill of lading be provided before the date of the load, at least as early as the order for service was provided. The current regulations do not have a specific requirement for when the order for service must be provided to an individual shipper. However, § 375.501(e) mentions allowing for a 3-day period, if possible, for the individual shipper to rescind the order for service after it is provided by the motor carrier. FMCSA proposes to require motor carriers to provide a bill of lading to individual shippers at least 3 days prior to the date the shipment is scheduled to be loaded. This proposed approach implements recommendation 11 and ensures that individual shippers will have sufficient time to fully read and understand the bill of lading and decide if they want to rescind it. FMCSA specifically requests public comment on whether the bill of lading should be provided more or fewer than 3 days before the date the shipment is scheduled to be loaded.



### E. Recommendation 12—Invoice

Recommendation 12 from the Recommendations Report suggested that FMCSA remove the requirement for a freight bill, and replace references in the Federal Motor Carrier Safety Regulations to a freight bill with references to an invoice. The Working Group stated that the freight bill requirement is repetitive and unnecessary, evidenced by the fact that movers typically combine it with the bill of lading. The Working Group explained that customers who have already paid in full for their charges find a freight bill confusing, while customers with a balance due after their deliveries better understand an invoice as a request for payment.

FMCSA proposes to replace the requirement for a freight bill in Subpart H of 49 CFR part 375 with a requirement for an invoice. This proposed change would reduce the need for essentially duplicative documents, while increasing clarity regarding outstanding charges for individual shippers. Accordingly, FMCSA proposes to replace the term “freight bill” with the word “invoice” throughout 49 CFR 375.

### F. Recommendations 15 and 18—Ready To Move

Recommendation 15 from the Recommendations Report suggested that FMCSA require movers to provide FMCSA publication ESA 03005 (*Ready to Move?*) when the physical survey is either scheduled or waived by the consumer. The Working Group determined that consumers are not currently receiving the brochure at the right time in the moving process, and that consumers should receive the information contained in the brochure earlier in the process, before picking a mover. The Working Group explained that the brochure provides critical information about how to select a mover and the best time for consumers to receive this information is during the very early stages of the process.

FMCSA is not proposing to implement recommendation 15. FMCSA does not believe that the statute at 49 U.S.C. 14104(b)(2) allows *Ready to Move?* to be provided earlier than at the time the estimate is provided. That statutory provision states, in part:

At the time that a motor carrier provides the written estimate required by paragraph (1), the motor carrier shall provide the shipper a copy of the Department of Transportation publication FMCSA–ESA–03–005 (or its successor publication) entitled “Ready to Move?”.

FMCSA believes this language explicitly requires *Ready to Move?* to be provided

when the motor carrier provides the estimate to the individual shipper. For this reason, FMCSA is not proposing to implement recommendation 15 at this time.

Recommendation 18 from the Recommendations Report suggested that FMCSA should require all household goods motor carriers that have a website to display prominently, at their option, either a link to *Ready to Move?* on the FMCSA website or a true and accurate copy of *Ready to Move?* on their own websites. The Working Group determined that this requirement would allow consumers to have access to this information as soon as they start searching for movers and would ensure broader distribution.

FMCSA proposes to update 49 CFR 375.213 to include a requirement for a motor carrier that has a website to display prominently either a link to *Ready to Move?* on the FMCSA website or a true and accurate copy of *Ready to Move?* on their own website. This proposed change would only apply to motor carriers that already have a website and does not impose any requirement for motor carriers to create a website. Requiring motor carriers to update their existing website including the hyperlink or electronic document ensures that individual shippers are more likely to become aware of *Ready to Move?* earlier in the process when they are initially looking for motor carriers to contact. The Agency specifically requests public comment on whether the term “display prominently” provides sufficient clarity to motor carriers regarding where to include either a link to *Ready to Move?* on the FMCSA website or a true and accurate copy of *Ready to Move?* on their own website. If the term does not provide sufficient clarity, the Agency specifically requests public comment on alternative language to ensure that individual shippers can easily find the required link to *Ready to Move?* on the FMCSA website or a true and accurate copy of *Ready to Move?* on a motor carrier’s website.

### G. Additional Proposed Changes

FMCSA proposes to make clarifying changes to 49 CFR part 375 in addition to the recommendations from the Working Group. The Agency proposes to define *bill of lading* as “both the receipt and the contract for the transportation of the individual shipper’s household goods.” This proposed definition would provide additional information regarding the role of the bill of lading in the household goods moving process in

light of the removal of the order for service requirement.

FMCSA proposes to update the definition of *Surface Transportation Board* in 49 CFR 375.103 to reflect that the STB is no longer an agency within DOT and is an independent establishment of the United States government. See 49 U.S.C. 1301.

FMCSA proposes to require that motor carriers provide a direct hyperlink to *Ready to Move?* and the Rights and Responsibilities booklet on the Agency’s website if they use a hyperlink to provide those documents to individual shippers under 49 CFR 375.213. This proposed revision would specify that the hyperlinks be direct to each document and not to FMCSA’s website generally, in order to ensure that individual shippers who are provided with those hyperlinks are able to access the required documents without needing to search FMCSA’s website for the required information. The Agency recognizes that the location of documents on its website may change as the website is updated and would ensure that their location is not affected by website updates or updates to the documents themselves.

FMCSA proposes to revise the title of 49 CFR 375.801 to read “What types of charges are subject to subpart H?” instead of “What types of charges apply to subpart H?” This would clarify that 49 CFR 375.801 discusses which types of charges are subject to the requirements of subpart H.

Overall, the implementation of the proposed changes discussed in this NPRM are expected to reduce paperwork burden, save money on printing materials, and save time for regulated entities and stakeholders. Consumers would have fewer documents to review, approve, and sign and potentially experience less confusion in a stressful situation.

## VII. International Impacts

The regulations in 49 CFR parts 371 and 375 apply only within the United States (50 states and the District of Columbia). Motor carriers and drivers are subject to the laws and regulations of the countries in which they operate, unless an international agreement states otherwise. Drivers and carriers should be aware of the regulatory differences among nations.

## VIII. Section-by-Section Analysis

This section-by-section analysis describes the proposed changes in numerical order.

*A. Section 371.113 May I provide individual shippers with a written estimate?*

Paragraph (a) of this section would be revised to remove the requirement for household goods to be within 50 miles of the motor carrier agent's location before a physical survey is required.

*B. Section 375.103 What are the definitions of terms used in this part?*

In this section, a definition for *bill of lading* would be added to clarify the role of the bill of lading as both a contract and a receipt in the transportation of household goods. The current definition for *order for service* would be removed. A definition for *physical survey* would also be added, which would allow for virtual surveys. The current definition for *reasonable dispatch* would be revised to remove the reference to the order for service. The current definition for *Surface Transportation Board* would be updated to reflect that the STB is no longer an agency within DOT, but is instead an independent agency.

*C. Section 375.211 Must I have an arbitration program?*

In paragraph (a) subparagraph (2), the term "order for service" would be removed and replaced with "bill of lading."

*D. Section 375.213 What information must I provide to a prospective individual shipper?*

In this section, the introductory text of paragraph (a) would be revised and subparagraphs (1) and (2) would be added. The new paragraph (a) would require both *Ready to Move?* and the Rights and Responsibilities booklet to be provided to the individual shipper along with the estimate. Subparagraphs (1) and (2) would also include a requirement for motor carriers providing a hyperlink for either of the documents to the individual shipper to provide a hyperlink directly to those documents on the FMCSA website.

In the introductory text of paragraph (b), the term "order for service" would be removed and replaced with "bill of lading" and the word "five" would be removed and replaced with "four." Paragraph (b)(1) would be deleted and paragraphs (b)(2) through (b)(5) would be renumbered as (b)(1) through (b)(4).

Paragraph (e) would be redesignated as paragraph (f) and a new paragraph (e) would be added, which would require motor carriers that have a website to display prominently either a link to the *Ready to Move?* document on the FMCSA website or a true and accurate

copy of that document on their own websites.

*E. Section 375.215 How must I collect charges?*

In this section, the requirement for a freight or expense bill in the first sentence would be replaced with a requirement for an invoice.

*F. Section 375.217 How must I collect charges upon delivery?*

In paragraph (b), the language regarding an order for service would be removed.

*G. Section 375.221 May I use a charge or credit card plan for payments?*

In paragraph (c), the phrase "for a freight or expense bill" would be removed and replaced with the phrase "an invoice."

*H. Section 375.401 Must I estimate charges?*

In this section, the introductory text of paragraph (a) would be revised to require a physical survey for all shipments unless waived, and to state that the only way to waive the physical survey of household goods is through a written agreement between an individual and a motor carrier. Additionally, paragraph (a) would be further revised so that paragraphs (a)(2)(i) through (a)(2)(iii) would be redesignated as (a)(1) through (a)(3).

Paragraph (b) would be revised by removing the phrase "an order for service" and replacing it with "a bill of lading." In paragraph (f), the phrase "the order for service and" would be removed in both places it appears.

*I. Section 375.403 How must I provide a binding estimate?*

In this section, paragraph (a)(1) would be revised to reflect that 49 CFR 375.401(a) would allow for only one waiver procedure under the proposed changes discussed above. Paragraphs (a)(6)(ii) and (a)(9) would be revised to no longer allow for a revised binding estimate and instead require the preparation of a new binding estimate when an individual shipper tenders additional household goods or requires additional services related to the transportation of the household goods.

*J. Section 375.405 How must I provide a non-binding estimate?*

In this section, paragraph (b)(7)(ii) would be revised to no longer allow for a revised non-binding estimate and would instead require the preparation of a new non-binding estimate when an individual shipper tenders additional household goods or requires additional

services related to the transportation of the household goods.

In paragraph (c) the language regarding an order for service would be removed.

*K. Section 375.501 Must I write up an order for service?*

This section would be deleted in its entirety.

*L. Section 375.505 Must I write up a bill of lading?*

In this section, paragraph (a) would be revised to clarify that a motor carrier must prepare and issue a bill of lading at least 3 days before receiving a shipment of household goods to transport for an individual shipper. Additionally, the last three sentences in the paragraph would be removed. Removing these sentences would delete a discussion of incomplete bills of lading, which would be addressed under paragraph (h), as well as a reference to an order for service.

Paragraph (b) would be revised to require a bill of lading to contain 17 items, instead of the 14 items a bill of lading is currently required to contain. The additional three items, as well as updates to the other items listed in paragraph (b)(1) through (b)(17), incorporate requirements currently found in 49 CFR 375.501(a).

In paragraph (d), the word "bills" would be removed and replaced with "a bill of lading."

New paragraph (e), which would mirror current paragraph 49 CFR 375.501(b), would be added to this section.

New paragraph (f), which would mirror current paragraph 49 CFR 375.501(c), would be added to this section with updates to replace all references to an order for service with language regarding a bill of lading.

New paragraphs (g)(1) through (g)(3) would be added to this section. Paragraphs (g)(1) and (g)(2) would mirror current paragraphs 49 CFR 375.501(d)(1) and (2) with updates to remove the reference to an order for service in subparagraph (1) and replacing "at origin" with "before the shipment is loaded" in subparagraph (2). Subparagraph (3) would be added to state that a motor carrier cannot require an individual shipper to sign a blank document.

A new paragraph (h) would be added to this section to require the motor carrier to provide the bill of lading at least 3 days before loading and provide the individual shipper a 3-day period after the individual shipper signs the bill of lading to rescind the bill of lading. It would also require a motor

carrier to provide the individual shipper with the opportunity to rescind the bill of lading without any penalty for a 3-day period after the individual shipper signs the bill of lading. Paragraph (h) would also state that, if a new estimate is prepared under §§ 375.403(a)(6)(ii) or 375.405(b)(7)(ii), “the corresponding changes to the bill of lading from the new estimate do not require a new 3-day period as otherwise required in this paragraph (h).”

*M. Section 375.605 How must I notify an individual shipper of any service delays?*

In paragraph (a), the term “order for service” would be removed and replaced with the term “bill of lading.”

*N. Section 375.801 What types of charges apply to subpart H?*

The title of this section would be changed to read “What types of charges are subject to subpart H?” to clarify that 49 CFR 375.801 discusses which types of charges are subject to the requirements of subpart H. Additionally, the term “invoice” would replace the term “freight bill” in paragraph (a).

*O. Section 375.803 How must I present my freight or expense bill?*

In this section, the term “invoice” would replace the term “freight bill” everywhere it appears, including in the section title. The new title would read “How must I present my invoice?”

*P. Section 375.805 If I am forced to relinquish a collect-on-delivery shipment before the payment of ALL charges, how do I collect the balance?*

The term “invoice” would replace the term “freight bill.”

*Q. Section 375.807 What actions may I take to collect the charges upon my freight bill?*

In this section, the term “invoice” would replace the term “freight bill” everywhere it appears, including in the section title. The new title would read “What actions may I take to collect the charges upon my invoice?”

*R. Appendix A to Part 375—Your Rights and Responsibilities When You Move*

This appendix would be replaced in its entirety with the information contained in the updated Your Rights and Responsibilities When You Move booklet, which would conform with the other revisions to part 375 discussed in this proposal.

IX. Regulatory Analyses

*A. Executive Order (E.O.) 12866 (Regulatory Planning and Review), E.O. 13563 (Improving Regulation and Regulatory Review), and DOT Regulatory Policies and Procedures*

Under section 3(f) of E.O. 12866 (58 FR 51735, October 4, 1993), Regulatory Planning and Review, as supplemented by E.O. 13563 (76 FR 3821, January 21, 2011), Improving Regulation and Regulatory Review, this NPRM does not require an assessment of potential costs and benefits under section 6(a)(3) of E.O. 12866. Accordingly, the Office of Management and Budget has not reviewed it under those Orders. In addition, this rule is not significant within the meaning of DOT regulatory policies and procedures.

Affected Entities

This proposed rule affects household goods motor carriers covered by the 49 CFR part 375 regulations. These regulations are based on the commercial statutes with special provisions for household goods carriers that authorize States, at their discretion, to enforce Federal rules, but only for interstate household goods transportation. The motor carrier safety assistance program (MCSAP) statutes do not require MCSAP grant recipients to adopt compatible commercial regulations for intrastate transportation not related to safety.<sup>4</sup> Therefore, FMCSA anticipates that this rule would affect interstate household goods motor carriers, and does not include intrastate household goods motor carriers in the counts of affected entities.

FMCSA obtained motor carrier count information from the Motor Carrier Management Information System (MCMIS), which includes information submitted to FMCSA by motor carriers the first time they apply for a DOT number, and then biennially thereafter. The table below shows the counts of household goods motor carriers in 2019 and estimates of the number of carriers that would be affected by this rule annually during the analysis period of 2022 to 2031.

FMCSA estimated the future baseline number of motor carriers by developing a compound average growth rate (CAGR) using historical counts from 2014 through 2019. There were 3,472 active household goods motor carriers in 2014, and 4,297 active household goods motor carriers in 2019, resulting in a CAGR of 4.36 percent.

This rule would also affect shippers, or consumers who hire household goods

motor carriers. The U.S. Census Bureau estimates that approximately 7.4 million people moved interstate during 2018, and that the average household contained 2.63 people. Therefore, we can estimate that approximately 2.8 million households participated in interstate moves during 2018 (7,443,306 ÷ 2.63 = 2,830,154).<sup>5</sup> However, most interstate moves do not involve a for-hire mover, and thus would not be affected by this rule. As discussed below, the American Moving and Storage Association (AMSA) estimated that approximately 20 percent of interstate household good moves are completed by for-hire movers.<sup>6</sup>

TABLE 1—INTERSTATE HOUSEHOLD GOODS (HHG) MOTOR CARRIERS

Year	Interstate HHG motor carriers
2019 .....	4,297
2020 .....	4,484
2021 .....	4,680
2022 .....	4,884
2023 .....	5,097
2024 .....	5,319
2025 .....	5,551
2026 .....	5,793
2027 .....	6,046
2028 .....	6,309
2029 .....	6,584
2030 .....	6,871
2031 .....	7,171

Analysis Inputs

Motor Carrier Profit per Hour

Broadly speaking, the opportunity cost to the motor carrier (the firm) of a given regulatory action is the value of the best alternative that the firm must forgo in order to comply with the regulatory action. In this analysis, FMCSA follows the methodology used in the Entry-Level Driver Training rulemakings published in 2016 and 2018 and values the change in time spent in nonproductive activity as the opportunity cost to the firm, which is represented by the now attainable profit, using three variables: The marginal cost of operating a CMV, an estimate of a typical average motor carrier profit margin, and the change in nonproductive time.

The American Transportation Research Institute (ATRI) report, *An*

<sup>5</sup> U.S. Census Bureau. 2018: ACS 5-Year Estimates Data Profiles. Available at: <https://data.census.gov/cedsci/table?id=ACS%205-Year%20Estimates%20Data%20Profiles&table=DP02&tid=ACSDP5Y2018.DP02&vintage=2018&hidePreview=true> (accessed October 6, 2020).

<sup>6</sup> The AMSA will become a conference of the ATA. AMSA to Become Conference of American Trucking Associations (Aug. 7, 2020), available at <https://www.moving.org/amsa-to-become-conference-of-american-trucking-associations/>.

<sup>4</sup> See 49 U.S.C. 31102(c)(2)(Q).

*Analysis of the Operational Costs of Trucking: 2019 Update*, found that marginal operating costs were \$71.78 per hour in 2018.<sup>7</sup> These marginal costs include vehicle-based costs (e.g., fuel costs, insurance premiums, etc.), and driver-based costs (i.e., wages and benefits).

Next, the Agency estimated the profit margin for motor carriers. Profit is a function of revenue and operating expenses, and the American Trucking Associations (ATA) defines the operating ratio of a motor carrier as a measure of profitability based on operating expenses as a percentage of gross revenues.<sup>8</sup> Armstrong & Associates, Inc. (2009) states that trucking companies that cannot maintain a minimum operating ratio of 95% (calculated as operating costs ÷ net revenue) will not have sufficient profitability to continue operations in the long run.<sup>9</sup> Therefore, Armstrong & Associates states that trucking companies need a minimum profit margin of 5% of revenue to continue operating in the future. Transport Topics publishes data on the “Top 100” for-hire carriers, ranked by revenue.<sup>10</sup> For 2014, 39 of these Top 100 carriers also have net income information reported by Transport Topics. FMCSA estimates that the 39 carriers with both revenue and net income information have an average profit margin of approximately 4.3 percent for 2014. For 2018, 33 of these Top 100 carriers have

net income information reported by Transport Topics, with an average profit margin of approximately 6 percent for 2018.<sup>11</sup> The higher profit margin experienced in 2018 is reinforced by a Forbes article that found net profit margin for freight trucking companies “expanded to 6 percent in 2018, compared with an annual average of between 2.5 percent and 4 percent each year since 2012.”<sup>12</sup> In 2019, the data provided by Transport Topics shows a similar pattern based on the 28 companies that provided net income information, with an average profit margin of 5.8 percent.<sup>13</sup> It is uncertain whether the recent surge in net profit margin will continue through the analysis period, so FMCSA assumes the lower profit margin of 5 percent for motor carriers for purposes of this analysis.

Using the assumed profit margin of 5 percent for motor carriers, FMCSA estimated the revenue gained per hour for motor carriers by multiplying the marginal cost per hour by the profit margin. This calculation resulted in a profit per hour of \$3.59.

#### Number of Interstate Moves per Year

FMCSA estimates the number of interstate moves by for-hire movers using U.S. Census Bureau data based on the number of people moving interstate, the average number of people per household, and an AMSA estimate of the number of moves that involved for-

hire moving services. The U.S. Census Bureau estimates that approximately 7.4 million people moved interstate during 2018, and that the average household contained 2.63 people. Therefore, we can estimate that approximately 2.8 million households participated in interstate moves during 2018 (7,443,306 ÷ 2.63 = 2,830,154).<sup>14</sup> FMCSA estimates the growth in interstate moves using the same Census data from 2010 through 2018, and finds an annual average growth rate of 0.08 percent.<sup>15</sup> AMSA estimated that 550,000, or approximately 20 percent, of the interstate household goods moves in 2017 were completed by for-hire movers.<sup>16</sup>

Some impacts of the proposed rule would be based on the distance of the shipper's location from the motor carrier. For instance, moves that are within 50 miles of the motor carrier agent's location must receive a physical survey unless the shipper signs a waiver. The information collection request (ICR) supporting statement, published in November 2019, estimated that the motor carrier agent is within 50 miles of the shipper's location for 95 percent of interstate moves, and beyond 50 miles for 5 percent of moves. The table below shows the number of household interstate moves by for-hire movers, and those that are within and beyond 50 miles from the motor carrier agent's location.

TABLE 2—NUMBER OF INTERSTATE MOVES BY: HOUSEHOLDS, FOR-HIRE MOVERS, WITHIN AND BEYOND 50 MILES OF THE MOTOR CARRIER AGENT LOCATION

Year	Total number of interstate moves by households	Number of household interstate moves by for-hire movers	Number of interstate moves by for-hire movers within 50 miles	Number of interstate moves by for-hire movers beyond 50 miles
	A	B = A × 20%	C = B × 95%	D = B × 5%
2018 .....	2,830,154	556,621	528,784	27,837
2019 .....	2,832,418	557,066	529,207	27,859
2020 .....	2,834,684	557,512	529,630	27,882
2021 .....	2,836,952	557,958	530,054	27,904
2022 .....	2,839,221	558,404	530,478	27,926
2023 .....	2,841,493	558,851	530,902	27,949
2024 .....	2,843,766	559,298	531,327	27,971
2025 .....	2,846,041	559,745	531,752	27,993
2026 .....	2,848,318	560,193	532,177	28,016

<sup>7</sup> ATRI. An Analysis of the Operational Costs of Trucking: 2019 Update. October 2019. Table 10, pg. 19. Available at: <https://truckingresearch.org/wp-content/uploads/2019/11/ATRI-Operational-Costs-of-Trucking-2019-1.pdf> (accessed December 11, 2019). Source data are assumed to be presented in 2018 dollar terms.

<sup>8</sup> ATA. *American Trucking Trends 2015*. Page 79.

<sup>9</sup> Armstrong & Associates, Inc. *Carrier Procurement Insights*. 2009. Pages 4–5. Available at: <https://www.3plogistics.com/product/carrier-procurement-insights-trucking-company-volume-cost-and-pricing-tradeoffs-2009/> (accessed January 5, 2016).

<sup>10</sup> Transport Topics. 2014. *Top 100 For-Hire Carriers*. Available at: <http://ttnews.com/top100/for-hire/2014> (accessed November 19, 2018).

<sup>11</sup> Transport Topics. 2018. *Top 100 For-Hire Carriers*. Available at: <https://www.ttnews.com/top100/for-hire/2018> (accessed November 19, 2018).

<sup>12</sup> Forbes. *Trucking Companies Hauling in Higher Sales*. Available at: <https://www.forbes.com/sites/sageworks/2018/03/04/trucking-companies-hauling-in-higher-sales/#40e0012f3f27> (accessed November 19, 2018).

<sup>13</sup> Transport Topics. 2019. *Top 100 For-Hire Carriers*. Available at: <https://www.ttnews.com/top100/for-hire/2019> (accessed October 14, 2020).

<sup>14</sup> U.S. Census Bureau. 2018: ACS 5-Year Estimates Data Profiles. Available at: <https://data.census.gov/cedsci/table?d=ACS%205-Year%20Estimates%20Data%20Profiles&table=DP02&tid=ACSDP5Y2018.DP02&vintage=2018&hidePreview=true> (accessed October 6, 2020).

<sup>15</sup> 0.08 percent = (average households that moved interstate in 2018 ÷ average household that moved interstate in 2010) (1/%) – 1.

<sup>16</sup> American Moving and Storage Association. Newsroom: About our Industry. <https://www.moving.org/newsroom/data-research/about-our-industry/> (accessed December 29, 2020).

TABLE 2—NUMBER OF INTERSTATE MOVES BY: HOUSEHOLDS, FOR-HIRE MOVERS, WITHIN AND BEYOND 50 MILES OF THE MOTOR CARRIER AGENT LOCATION—Continued

Year	Total number of interstate moves by households	Number of household interstate moves by for-hire movers	Number of interstate moves by for-hire movers within 50 miles	Number of interstate moves by for-hire movers beyond 50 miles
	A	B = A × 20%	C = B × 95%	D = B × 5%
2027 .....	2,850,596	560,641	532,603	28,038
2028 .....	2,852,877	561,090	533,029	28,061
2029 .....	2,855,159	561,539	533,456	28,083
2030 .....	2,857,443	561,988	533,882	28,106
2031 .....	2,859,729	562,438	534,309	28,128
2032 .....	2,862,017	562,888	534,737	28,151

## Cost Impacts

## Recommendation 5—Appendix A

FMCSA is proposing to adopt the working group recommendation that would require the Rights and Responsibilities booklet to be provided earlier in the process—at the time the estimate is provided to the shipper. This document contains useful information to assist a shipper in making a determination regarding which household goods motor carrier to hire. However, requiring the document earlier in the process, prior to when a shipper has chosen a carrier, would result in providing an additional two documents per interstate move, as FMCSA estimates that shippers request an estimate from three household goods carriers and only contract with one. Therefore, while FMCSA considers it important to require this information early enough in the process for the information to inform the shipper's decision on which household goods carrier to choose, the proposed requirement would result in costs equal to the increase in the time required to print the additional hard-copy Rights and Responsibilities booklets provided.

FMCSA estimated this cost by first determining the increase in the number of hard-copy Rights and Responsibilities booklets printed each year. This can be

determined by subtracting the number of estimates provided from the number of orders for service provided, and adjusting for the preference to receive electronic documents. The number of orders for service provided is equal to the number of household interstate moves by for-hire movers from Table 2. The number of estimates provided is equal to the number of orders for service provided multiplied by three, accounting for the fact that shippers likely request estimates from more than one motor carrier. In the ICR supporting statement, FMCSA previously estimated that 40 percent of shippers prefer to receive information in hard copy form, and that 60 percent prefer to receive electronic information.

As shown in columns A and B of Table 3 below, FMCSA multiplied the number of interstate moves per year by 40 percent to estimate the number of hard-copy Rights and Responsibilities booklets provided to shippers under the existing requirements, and multiplied the number of orders for service where hard-copies are provided by three (to account for the assumption that shippers seek an estimate from three different household goods carriers) to estimate the number of hard-copy Rights and Responsibilities booklets that would be provided under the proposed

rule. The difference between these two variables (column C) represents the increase in the number of hard-copy Rights and Responsibilities booklets that would be printed as a result of this rule.

The ICR supporting statement estimated that a carrier could print roughly 1,600 pages per hour, and that each Rights and Responsibilities booklet consists of 25 pages. Thus, the increase in the number of hours needed to print hard-copy Rights and Responsibilities documents is equal to the number of Rights and Responsibilities documents from Table 3, Column C, multiplied by 25 pages per document, and divided by 1,600 pages per hour. Column D shows this maximum increase in hours spent printing.

The time spent printing additional copies of the Rights and Responsibilities booklet is time not spent in other revenue producing activities. As shown in Table 3, Column E, FMCSA quantifies this opportunity cost of time using the previously discussed estimate of the motor carrier profit per hour, \$3.59, resulting in total 10-year costs of \$251,000, or \$218,000 discounted at 3 percent, and \$179,000 discounted at 7 percent. On an annualized basis, the costs would be \$26,000 discounted at 3 percent and \$26,000 discounted at 7 percent.

TABLE 3—RECOMMENDATION 5: MOTOR CARRIER OPPORTUNITY COST RESULTING FROM INCREASED PRINTING OF YOUR RIGHTS AND RESPONSIBILITIES BOOKLET

Year	Number of orders for service with hard copy YRR <sup>c</sup> provided  A = Interstate moves by for-hire movers × 40%	Number of estimates with hard copy of YRR provided  B = A × 3	Maximum increase in number of hard copies provided  C = B – A	Maximum increase in total hours spent printing  D = C × 25 ÷ 1600	Motor carrier increase in cost for hours spent printing  E = D × \$3.59
2022 .....	223,362	670,085	446,723	6,980	\$25,051
2023 .....	223,540	670,621	447,081	6,986	25,071
2024 .....	223,719	671,158	447,438	6,991	25,092
2025 .....	223,898	671,695	447,796	6,997	25,112

TABLE 3—RECOMMENDATION 5: MOTOR CARRIER OPPORTUNITY COST RESULTING FROM INCREASED PRINTING OF YOUR RIGHTS AND RESPONSIBILITIES BOOKLET—Continued

Year	Number of orders for service with hard copy YRR <sup>c</sup> provided  A = Interstate moves by for-hire movers × 40%	Number of estimates with hard copy of YRR provided  B = A × 3	Maximum increase in number of hard copies provided  C = B – A	Maximum increase in total hours spent printing  D = C × 25 ÷ 1600	Motor carrier increase in cost for hours spent printing  E = D × \$3.59
2026 .....	224,077	672,232	448,155	7,002	25,132
2027 .....	224,257	672,770	448,513	7,008	25,152
2028 .....	224,436	673,308	448,872	7,014	25,172
2029 .....	224,616	673,847	449,231	7,019	25,192
2030 .....	224,795	674,386	449,590	7,025	25,212
2031 .....	224,975	674,925	449,950	7,030	25,232
Total 10-Year Cost .....	.....	.....	.....	.....	251,418
Total Annualized Cost .....	.....	.....	.....	.....	25,142

**Notes:**

<sup>a</sup> Total cost values may not equal the sum of the components due to rounding. (The totals shown in this column are the rounded sum of unrounded components.)

<sup>b</sup> Values shown in parentheses are negative values (*i.e.*, less than zero) and represent a decrease in cost or a cost savings.

<sup>c</sup> The Rights and Responsibilities booklet is abbreviated as YRR for the purposes of the tables in this section.

FMCSA also proposes to adopt the recommendation to make it acceptable for motor carriers to provide documents, including the Rights and Responsibilities booklet, electronically without requiring the motor carrier to include a waiver statement on the written estimate. Under the existing requirements, when the shipper elects to receive these documents via the hyperlink, the motor carrier is required to obtain a signed waiver of the shipper's right to a hard copy via a statement on the written estimate, as well as a signed and dated receipt that includes "verification of the shipper's agreement to access the Federal consumer protection information on the internet." The proposal would remove the requirement in 49 CFR 375.213(e)(1) for the shippers to include a waiver statement on the written estimate, but would retain the requirement to obtain a receipt. FMCSA expects that removing the waiver statement would be a de minimis one-time cost savings for motor carrier, but requests comment on the current process for obtaining the waiver statement and receipt required in 49 CFR 375.213(e), and whether removing the requirement to obtain a waiver would result in measurable cost savings.

#### Recommendation 7—Survey of Household Goods

In agreement with the recommendations, FMCSA proposes to

change the requirement to conduct a survey of the shipper's goods by redefining a "physical survey" to include both an "in person" and a "virtual" survey. The physical survey would include in-person surveys and virtual surveys. This change does not require that shippers receive only virtual surveys, but it does provide the option and allows the shipper to determine whether a physical or virtual survey would better suit their needs.

In the event of a virtual survey, the motor carrier would likely spend the same amount of time completing the survey but would not need to travel to and from the shipper's location. This reduction in travel would allow that time to be put to other productive uses, resulting in a motor carrier cost savings equal to the now attainable profit that can be earned during that time. FMCSA estimates this cost savings using three variables; the reduction in travel time per completed survey, the number of completed surveys that would now be virtual, and the motor carrier hourly profit. The distance and time required to travel to and from a move site varies with each survey. However, the survey requirement is in place for moves originating within 50 miles from the motor carrier agent's location. Therefore, we can estimate that the time savings would accrue to those moves originating within 50 miles. FMCSA estimated the average round-trip travel

time for a move originating within 50 miles of the motor carrier agent would be approximately 1 hour.

Under the current requirements, physical surveys must be completed for all moves originating within 50 miles of the motor carrier agent's location, unless the physical survey is waived by the individual shipper. FMCSA assumes that under the proposal, some portion of shippers would voluntarily request a virtual survey but is unable to estimate the exact number of virtual surveys that would be conducted under the proposal. FMCSA developed an estimate of the number of surveys that would be conducted virtually using a range from 25 percent to 75 percent, with a primary estimate of 50 percent. As shown in the table below, the motor carrier cost savings are estimated by multiplying the number of virtual surveys originating within 50 miles, by the 1 hour of time savings, and by the motor carrier profit per hour of \$3.59. FMCSA estimates that providing virtual surveys would result in in costs of \$9.6 million over 10 years (or \$9.6 million in cost savings), \$8.1 million (or \$8.1 million in cost savings) discounted at 3 percent, and \$6.7 million (or \$6.7 million in cost savings) discounted at 7 percent. On an annualized basis, the costs would be \$955,000 (or \$955,000 in cost savings) discounted at 3 percent and \$955,000 (or \$955,000 in cost savings) discounted at 7 percent.

TABLE 4—RECOMMENDATION 7: MOTOR CARRIER OPPORTUNITY COST SAVINGS FOR PROVIDING VIRTUAL SURVEYS WITHIN 50 MILES

Year	Number of virtual surveys (low) A	Number of virtual surveys (primary) B	Number of virtual surveys (high) C	Motor carrier opportunity cost (low) D = A × \$3.59 × −1 hour	Motor carrier opportunity cost (primary) E = B × \$3.59 × −1 hour	Motor carrier opportunity cost (high) F = C × \$3.59 × −1 hour
2022 .....	132,619	265,239	397,858	(\$475,971)	(\$951,942)	(\$1,427,914)
2023 .....	132,726	265,451	398,177	(476,352)	(952,704)	(1,429,056)
2024 .....	132,832	265,663	398,495	(476,733)	(953,466)	(1,430,199)
2025 .....	132,938	265,876	398,814	(477,114)	(954,229)	(1,431,343)
2026 .....	133,044	266,089	399,133	(477,496)	(954,992)	(1,432,488)
2027 .....	133,151	266,302	399,452	(477,878)	(955,756)	(1,433,634)
2028 .....	133,257	266,515	399,772	(478,260)	(956,521)	(1,434,781)
2029 .....	133,364	266,728	400,092	(478,643)	(957,286)	(1,435,929)
2030 .....	133,471	266,941	400,412	(479,026)	(958,052)	(1,437,078)
2031 .....	133,577	267,155	400,732	(479,409)	(958,818)	(1,438,228)
Total 10-Year Cost Savings .....	.....	.....	.....	(4,776,884)	(9,553,767)	(14,330,651)
Total Annualized Cost Savings .....	.....	.....	.....	(477,688)	(955,377)	(1,433,065)

**Notes:**

<sup>a</sup> Total cost values may not equal the sum of the components due to rounding. (The totals shown in this column are the rounded sum of unrounded components.)

<sup>b</sup> Values shown in parentheses are negative values (*i.e.*, less than zero) and represent a decrease in cost or a cost savings.

### Recommendation 8—Survey of Household Goods; beyond 50 miles

In agreement with the recommendations, FMCSA is proposing to require that movers offer physical surveys for all household goods shipments, including those that are located over 50 miles from the motor carrier agent's location.

Currently, motor carriers are not required to offer physical surveys for household goods shipments that are located beyond 50 miles from the motor

carrier agent's location. Often, a consumer will discuss the shipment load and the mover will provide an estimate based on the discussion, without visually inspecting the amount or weight of goods for transport. The purpose of the survey is to develop a more accurate estimate of moving fees and to prevent unexpected charges from surfacing later in the move process. Because FMCSA lacks data on how behavior would change, FMCSA estimates that all shippers located beyond 50 miles from the motor carrier

agent's location would take advantage of the virtual survey option. These surveys would take about 1.5 hours each, and FMCSA monetizes this time using the motor carrier profit margin of \$3.59 per hour. As shown below, FMCSA estimates the cost of providing virtual surveys to be approximately \$1.5 million over 10 years, \$1.3 million at a 3 percent discount rate, and \$1.1 million at a 7 percent discount rate. On an annualized basis, the cost would be \$151,000 annualized at both a 3 and 7 percent discount rate.

TABLE 5—RECOMMENDATION 8: MOTOR CARRIER OPPORTUNITY COST FOR PROVIDING VIRTUAL SURVEYS BEYOND 50 MILES

Year	Number of moves beyond 50 miles with a virtual survey A	Motor carrier opportunity cost A = B × 1.5 hours × \$3.59	Motor carrier opportunity cost 3% discount rate	Motor carrier opportunity cost 7% discount rate
2022 .....	27,926	\$150,342	\$145,963	\$140,506
2023 .....	27,949	150,462	141,825	131,419
2024 .....	27,971	150,582	137,804	122,920
2025 .....	27,993	150,703	133,898	114,971
2026 .....	28,016	150,823	130,102	107,535
2027 .....	28,038	150,944	126,413	100,580
2028 .....	28,061	151,065	122,830	94,076
2029 .....	28,083	151,186	119,347	87,991
2030 .....	28,106	151,307	115,964	82,301
2031 .....	28,128	151,428	112,676	76,978
Total 10-Year Cost Savings .....	.....	.....	1,286,822	1,059,278
Total Annualized Cost Savings .....	.....	.....	150,855	150,817

**Notes:**

<sup>a</sup> Total cost values may not equal the sum of the components due to rounding. (The totals shown in this column are the rounded sum of unrounded components.)

<sup>b</sup> Values shown in parentheses are negative values (*i.e.*, less than zero) and represent a decrease in cost or a cost savings.



**Recommendation 9—Order for Service**

In agreement with the working group recommendation, FMCSA is proposing to eliminate the order for service. Much of the information provided on the order for service is also on the bill of lading, and is therefore duplicative.<sup>17</sup> Eliminating the order for service would reduce the amount of paperwork consumers are required to review, but would not reduce the necessary

information they are provided.

Currently, each interstate move requires both an order for service and a bill of lading. Each document takes 30 minutes to prepare. Under the proposal, a motor carrier would be able to save 30 minutes of time for each interstate move by no longer drafting an order for service. FMCSA monetized this time using the motor carrier hourly profit margin of \$3.59. As shown below, FMCSA

estimates that eliminating the order for service would result in costs of –\$10 million over 10 years (or cost savings of \$10 million), –\$8.6 million (or \$8.6 million in cost savings) discounted at 3 percent, and –\$7.1 million (or \$7.1 million in cost savings) discounted at 7 percent. On an annualized basis, the costs would be –\$1.0 million (or \$1.0 million in cost savings) discounted at 3 percent and 7 percent.

**TABLE 6—RECOMMENDATION 9: MOTOR CARRIER OPPORTUNITY COST FOR ELIMINATING THE ORDER FOR SERVICE**

Year	Number of interstate moves by for-hire movers  A	Motor carrier opportunity cost  B = A × –0.5 hours × \$3.59	Motor carrier opportunity cost discounted at 3%	Motor carrier opportunity cost discounted at 7%
2022 .....	558,404	(\$1,002,056)	(\$972,870)	(\$936,501)
2023 .....	558,851	(1,002,858)	(945,290)	(875,935)
2024 .....	559,298	(1,003,660)	(918,491)	(819,286)
2025 .....	559,745	(1,004,463)	(892,453)	(766,300)
2026 .....	560,193	(1,005,267)	(867,152)	(716,741)
2027 .....	560,641	(1,006,071)	(842,569)	(670,388)
2028 .....	561,090	(1,006,876)	(818,682)	(627,032)
2029 .....	561,539	(1,007,681)	(795,473)	(586,480)
2030 .....	561,988	(1,008,487)	(772,922)	(548,550)
2031 .....	562,438	(1,009,294)	(751,010)	(513,074)
Total 10- Year Cost Savings .....	.....	.....	(8,576,911)	(7,060,287)
Total Annualized Cost Savings .....	.....	.....	(1,005,476)	(1,005,226)

**Notes:**

<sup>a</sup> Total cost values may not equal the sum of the components due to rounding. (The totals shown in this column are the rounded sum of unrounded components.)

<sup>b</sup> Values shown in parentheses are negative values (*i.e.*, less than zero) and represent a decrease in cost or a cost savings.

**Document Production Cost**

The ICR supporting statement also estimated printing costs of \$0.15 per page for both the Rights and Responsibilities booklet and the Order for Service. FMCSA estimates the

change in the cost of materials for printing the Rights and Responsibilities booklet and the Orders for Service by multiplying the change in the number of pages by the \$0.15 cost per page. As shown in Table 7, FMCSA estimates a

10-year materials cost to total \$16 million, or \$13.6 million discounted at 3 percent, and \$11.2 million discounted at 7 percent. On an annualized basis, the costs would be \$1.6 million discounted at both 3 and 7 percent.

**TABLE 7—DOCUMENT PRODUCTION COST**

Year	Recommendation 5—Increase in pages for hard copy YRR  A	Recommendation 9—Eliminating the order for service (reduction in pages)  B	Total change in number of pages  C = A + B	Total cost for producing documents  D = C × \$0.15
2022 .....	11,168,084	– 558,404	10,609,680	\$1,591,452
2023 .....	11,177,018	– 558,851	10,618,167	1,592,725
2024 .....	11,185,960	– 559,298	10,626,662	1,593,999
2025 .....	11,194,909	– 559,745	10,635,163	1,595,275
2026 .....	11,203,865	– 560,193	10,643,671	1,596,551
2027 .....	11,212,828	– 560,641	10,652,186	1,597,828
2028 .....	11,221,798	– 561,090	10,660,708	1,599,106
2029 .....	11,230,775	– 561,539	10,669,237	1,600,386
2030 .....	11,239,760	– 561,988	10,677,772	1,601,666
2031 .....	11,248,752	– 562,438	10,686,314	1,602,947

<sup>17</sup> FMCSA is revising the requirements for a bill of lading to incorporate all of the requirements from

an order for service, including non-duplicative information.

TABLE 7—DOCUMENT PRODUCTION COST—Continued

Year	Recommendation 5— Increase in pages for hard copy YRR	Recommendation 9— Eliminating the order for service (reduction in pages)	Total change in number of pages	Total cost for producing documents
	A	B	C = A + B	D = C × \$0.15
Total 10-Year Cost Savings .....	.....	.....	.....	15,971,934
Total Annualized Cost Savings .....	.....	.....	.....	1,597,193

**Notes:**

<sup>a</sup> Total cost values may not equal the sum of the components due to rounding. (The totals shown in this column are the rounded sum of unrounded components.)

<sup>b</sup> Values shown in parentheses are negative values (*i.e.*, less than zero) and represent a decrease in cost or a cost savings.

**Total Costs**

As shown below, FMCSA estimates the total costs of this final rule at \$1.6

million (or \$1.6 million in cost savings) discounted at 3 percent, and \$1.3 million (or \$1.3 million in cost savings) discounted at 7 percent. Expressed on

an annualized basis, this equates to – \$188,000 in costs (or \$188,000 in cost savings) at both a 3 and 7 percent discount rate.

TABLE 8—TOTAL 10-YEAR AND ANNUALIZED COSTS OF THE PROPOSED RULE  
[Thousands of 2018\$]

Year	Rec. 5: Appendix A <sup>c</sup>	Rec. 7: Virtual survey of HHG (primary) <sup>d</sup>	Rec. 8: Survey of HHG beyond 50 miles <sup>e</sup>	Rec. 9: Order for service <sup>f</sup>	Document produc- tion <sup>g</sup>	Total cost (primary)	Total cost discounted at 3%	Total cost discounted at 7%
2022 .....	\$25.1	(\$951.9)	150.3	(1,002.1)	1,591.5	(187.2)	(181.7)	(174.9)
2023 .....	25.1	(952.7)	150.5	(1,002.9)	1,592.7	(187.3)	(176.6)	(163.6)
2024 .....	25.1	(953.5)	150.6	(1,003.7)	1,594.0	(187.5)	(171.5)	(153.0)
2025 .....	25.1	(954.2)	150.7	(1,004.5)	1,595.3	(187.6)	(166.7)	(143.1)
2026 .....	25.1	(955.0)	150.8	(1,005.3)	1,596.6	(187.8)	(162.0)	(133.9)
2027 .....	25.2	(955.8)	150.9	(1,006.1)	1,597.8	(187.9)	(157.4)	(125.2)
2028 .....	25.2	(956.5)	151.1	(1,006.9)	1,599.1	(188.1)	(152.9)	(117.1)
2029 .....	25.2	(957.3)	151.2	(1,007.7)	1,600.4	(188.2)	(148.6)	(109.5)
2030 .....	25.2	(958.1)	151.3	(1,008.5)	1,601.7	(188.4)	(144.4)	(102.5)
2031 .....	25.2	(958.8)	151.4	(1,009.3)	1,602.9	(188.5)	(140.3)	(95.8)
Total 10-Year Cost Savings .....	.....	.....	.....	.....	.....	(1,878.3)	(1,601.9)	(1,318.6)
Total Annualized Cost Savings .....	.....	.....	.....	.....	.....	(187.8)	(187.8)	(187.8)

**Notes:**

<sup>a</sup> Total cost values may not equal the sum of the components due to rounding. (The totals shown in this column are the rounded sum of unrounded components.)

<sup>b</sup> Values shown in parentheses are negative values (*i.e.*, less than zero) and represent a decrease in cost or a cost savings.

<sup>c</sup> (Increase in Number of Hard Copy YRR Booklets Provided) × (25 ÷ 1600) × (\$3.59).

<sup>d</sup> (Number of Virtual Surveys) × (\$3.59) × (–1 hour).

<sup>e</sup> (Interstate Moves beyond 50 miles by For-Hire Movers) × (–0.5 hours) × (\$3.59).

<sup>f</sup> (Interstate Moves by For-Hire Movers) × (–0.5 hours) × (\$3.59).

<sup>g</sup> ((Increase in Pages for YRR Booklet) + (Decrease in Pages for Elimination of Order for Service)) × \$0.15.

**Benefit Impacts**

FMCSA does not expect this rule to impact safety, but does expect that it would result in benefits related to consumer protection and fuel savings. Recommendation 5 would result in shippers receiving accurate and clear information earlier in the process, allowing them to make more informed and better decisions regarding which household goods motor carrier to hire, and would allow shippers to obtain more accurate estimates of moving fees based on physical surveys for those interstate moves beyond 50 miles from a motor carrier agent's location. The motor carrier efficiencies discussed above would not negatively impact shippers, as the services and

information received today would not change under the proposed rule.

FMCSA anticipates that providing virtual surveys for those moves within 50 miles of a motor carrier agent's location would not only result in motor carrier time savings quantified above, but could potentially result in fuel savings if motor carriers drive fewer miles, which could produce a small reduction in CO<sub>2</sub> emissions. It is important to note that FMCSA is not anticipating a change in CMV vehicle miles traveled, as the rule does not affect the number of interstate moves occurring per year, but recognizes that motor carriers could reduce miles driven in light-duty vehicles used for providing estimates to shippers. The distance and fuel required to travel to and from a move site varies with each

survey. However, the survey requirement is in place for moves within 50 miles from the motor carrier agent's location, and we can estimate that any potential fuel savings would only accrue to those moves. FMCSA assumes the average mileage for these moves would be approximately 25 miles, or 50 miles round-trip. Based on data provided by the Bureau of Transportation Statistics, light-duty vehicles averaged approximately 22 miles per gallon in 2017, resulting in just over 2 gallons saved per trip (22.27 miles per gallon ÷ 50 miles per trip = 2.24 gallons per trip).<sup>18</sup> The U.S. Energy

<sup>18</sup> U.S. Department of Transportation, Bureau of Transportation Statistics. Table 4–23: Average Fuel Efficiency of U.S. Light Duty Vehicles. Available at: <https://www.bts.gov/content/average-fuel-efficiency-us-light-duty-vehicles>

Information Administration forecasts real petroleum prices for motor gasoline, and estimates an average price per gallon over the analysis period of \$3.28 in 2018 dollars.<sup>19</sup> Therefore, FMCSA estimates that each virtual survey could result in \$7.37 in avoided fuel costs (2.24 gallons per trip × \$3.28 per gallon). Any potential fuel savings would result from a reduction in vehicle miles traveled in light-duty vehicles. The Agency is uncertain how motor carriers would respond to the proposed change allowing virtual surveys, and whether they would be involved in other driving-related activities which could diminish or negate any potential fuel savings. For these reasons, FMCSA is not quantifying any potential fuel impacts but requests comment on how motor carriers would adjust their operations in response to this proposed rule. Similarly, while these potential fuel savings, if realized, would result in a reduction of CO<sub>2</sub> emissions that is directly proportional to the amount of fuel saved, the Agency is not quantifying those potential savings in this proposed rule due to the aforementioned uncertainty with respect to how motor carriers would adjust their operations. If FMCSA receives data that enables the quantification of fuel savings in the context of the development of a subsequent final rule, the Agency would monetize the commensurate reduction in CO<sub>2</sub> emissions consistent with the social cost of carbon values, as established by the White House and the Interagency Working Group on the Social Cost of Greenhouse Gases.

### B. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801, *et seq.*), the Office of Information and Regulatory Affairs designated this rule as not a “major rule,” as defined by 5 U.S.C. 804(2).<sup>20</sup>

<sup>19</sup> U.S. Energy Information Administration. Petroleum and Other Liquids Prices, Transportation, Motor Gasoline: Reference Case, years 2022–2031, inflated to 2018\$. Available at: <https://www.eia.gov/outlooks/aeo/data/browser/#/?id=12-AEO2015&region=0-0&cases=ref2015-highmacro-lowmacro-highprice-lowprice&start=2020&end=2034&f=A&linechart=ref2015-d021915a.3-12-AEO2015-highmacro-d021915a.3-12-AEO2015-lowmacro-d021915a.3-12-AEO2015-highprice-d021915a.3-12-AEO2015-lowprice-d021915a.3-12-AEO2015&sourcekey=0> (accessed October, 15 2020).

<sup>20</sup> A “major rule” means any rule that the Administrator of Office of Information and Regulatory Affairs at the Office of Management and Budget finds has resulted in or is likely to result in (a) an annual effect on the economy of \$100 million or more; (b) a major increase in costs or prices for consumers, individual industries, Federal agencies, State agencies, local government agencies, or geographic regions; or (c) significant adverse

### C. Regulatory Flexibility Act (Small Entities)

The Regulatory Flexibility Act of 1980 (5 U.S.C. 601 *et seq.*) as amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121, 110 Stat. 857), requires Federal agencies to consider the effects of the regulatory action on small business and other small entities and to minimize any significant economic impact. The term “small entities” comprises small businesses and not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000 (5 U.S.C. 601(6)). Accordingly, DOT policy requires an analysis of the impact of all regulations on small entities, and mandates that agencies strive to lessen any adverse effects on these businesses. Section 605 of the RFA allows an Agency to certify a rule, in lieu of preparing an analysis, if the rulemaking is not expected to have a significant economic impact on a substantial number of small entities.

This rule affects shippers and household goods motor carriers. Shippers, or consumers that hire household good motor carriers, are not considered small entities because they do not meet the definition of a small entity in Section 601 of the RFA. Specifically, shippers are considered neither a small business under Section 601(3) of the RFA, nor are they considered a small organization under Section 601(4) of the RFA.

The SBA defines the size standards used to classify entities as small. SBA establishes separate standards for each industry, as defined by the North American Industry Classification System (NAICS).<sup>21</sup> Household goods motor carriers would fall under Subsector Industry 48421, household good and office goods moving, which has an SBA size standard based on annual revenue of \$30 million.

FMCSA examined data from the U.S. Census Bureau to determine the number of small entities within the identified 5-digit NAICS industry group. The Census Bureau collects and publishes data on the number of firms, establishments, employment, annual payroll, and

effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets (5 U.S.C. 804(2)).

<sup>21</sup> Executive Office of the President, OMB. “North American Industry Classification System.” 2017. Available at: [https://www.census.gov/eos/www/naics/2017NAICS/2017\\_NAICS\\_Manual.pdf](https://www.census.gov/eos/www/naics/2017NAICS/2017_NAICS_Manual.pdf) (accessed January 15, 2020).

estimated receipts by revenue size of the firm. The most recent data available are from the 2012 County Business Patterns and the 2012 Economic Census.<sup>22</sup> The revenue size categories used in the 2012 Economic Census do not exactly align with the SBA size standard, but they do allow FMCSA to develop a good estimate of the percentage of small entities within the NAICS industry group 48421. The 2012 Economic Census reported that there were 5,718 firms operating for the entire year within NAICS industry group 48421 (household goods and office goods moving). Of those firms that operated for the entire year, 5,663 firms (99 percent), had annual revenues of less than \$25 million, and 5,692 firms (100 percent) had annual revenues less than \$50 million. FMCSA concludes that this rule will impact a substantial number of small entities.

The RFA does not define a threshold for determining whether a specific regulation results in a significant impact. However, the SBA, in guidance to government agencies, provides some objective measures of significance that the agencies can consider using.<sup>23</sup> Revenue is one measure that could be used to illustrate a significant impact, specifically, if the cost of the regulation exceeds one percent of the average annual revenues of small entities in the sector.

Examining the 2012 Economic Census data discussed above, FMCSA found that affected entities had average revenues ranging from \$55,000 to \$35 million. The cost of the regulation would thus need to exceed \$550 per carrier in any one year in order to be considered a significant impact on the entities within the smallest revenue size category. The exact impact per motor carrier is dependent on many variables throughout the year (*e.g.*, the number of hard-copy Rights and Responsibilities booklets provided, the number of virtual surveys provided for those moves within 50 miles of the motor carrier agents’ locations, and the number of virtual surveys completed for moves beyond 50 miles of the motor carrier agents’ locations), and cannot be estimated with precision. While FMCSA cannot provide the exact impact per

<sup>22</sup> U.S. Department of Commerce, U.S. Census Bureau. Establishment and Firm Size: Summary Statistics by Revenue Size of Firms for the U.S. Release date March, 2016. Available at: <https://www2.census.gov/econ2012/EC/sector48/EC1248SSSZ4.zip> (accessed September 18, 2020).

<sup>23</sup> SBA, Office of Advocacy. “A Guide for Government Agencies. How to Comply with the Regulatory Flexibility Act.” 2017. Available at: <https://www.sba.gov/sites/default/files/advocacy/How-to-Comply-with-the-RFA-WEB.pdf> (accessed on December 30, 2020).

motor carrier, it is possible to evenly distribute the total cost of the rule across all affected motor carriers to

determine the average impact per motor carrier. As shown in the table below, the estimated impact per motor carrier does

not exceed \$550 in any year, and therefore is not a significant impact.

TABLE 8—ESTIMATED IMPACT PER MOTOR CARRIER

Year	Household goods motor carriers	Total cost (discounted at 7%)	Estimated impact per motor carrier
2022 .....	4,884	(\$174,909.9)	(\$35.8)
2023 .....	5,097	(163,597.9)	(32.1)
2024 .....	5,319	(153,017.6)	(28.8)
2025 .....	5,551	(143,121.5)	(25.8)
2026 .....	5,793	(133,865.4)	(23.1)
2027 .....	6,046	(125,208.0)	(20.7)
2028 .....	6,309	(117,110.4)	(18.6)
2029 .....	6,584	(109,536.5)	(16.6)
2030 .....	6,871	(102,452.5)	(14.9)
2031 .....	7,171	(95,826.6)	(13.4)

Consequently, I certify that the proposed action would not have a significant economic impact on a substantial number of small entities.

#### *D. Assistance for Small Entities*

In accordance with section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996, FMCSA wants to assist small entities in understanding this NPRM so they can better evaluate its effects on themselves and participate in the rulemaking initiative. If the NPRM would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance; please consult the person listed under **FOR FURTHER INFORMATION CONTACT**.

Small businesses may send comments on the actions of Federal employees who enforce or otherwise determine compliance with Federal regulations to the Small Business Administration's Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency's responsiveness to small business. If you wish to comment on actions by employees of FMCSA, call 1-888-REG-FAIR (1-888-734-3247). DOT has a policy regarding the rights of small entities to regulatory enforcement fairness and an explicit policy against retaliation for exercising these rights.

#### *E. Unfunded Mandates Reform Act of 1995*

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a

State, local, or Tribal government, in the aggregate, or by the private sector of \$168 million (which is the value equivalent of \$100 million in 1995, adjusted for inflation to 2019 levels) or more in any one year. Though this NPRM would not result in such an expenditure, the Agency does discuss the effects of this rule elsewhere in this preamble.

#### *F. Paperwork Reduction Act*

The Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520) requires that an agency consider the impact of paperwork and other information collection burdens imposed on the public. An agency is prohibited from collecting or sponsoring an information collection, as well as imposing an information collection requirement, unless it displays a valid OMB control number (5 CFR 1320.8(b)(3)(vi)).

This proposed rule would amend the existing approved information collection titled “Transportation of Household Goods; Consumer Protection,” OMB control number 2126–0025, which expires on November 30, 2022. Specifically, FMCSA seeks approval for the revision of the information collection request (ICR) due to the Agency's development of this NPRM. In accordance with 44 U.S.C. 3507(d), FMCSA will submit the proposed information collection amendments to the Office of Information and Regulatory Affairs (OIRA) at OMB for its approval.

*Title:* Transportation of Household Goods; Consumer Protection.

*OMB Control Number:* 2126–0025.

*Type of Review:* Revision of a currently-approved information collection.

*Summary:* FMCSA is proposing to make various changes to the household goods regulations recommended by

Household Goods Consumer Protection Working Group. These proposed changes include further revisions to streamline the Rights and Responsibilities booklet which would be incorporated in appendix A of the regulations, requiring new binding or non-binding estimates when an individual shipper tenders more goods or requests additional service instead of a revised estimate, allowing a motor carrier to provide a virtual survey, removing the exception from the survey requirement for moves where the household goods are located more than 50 miles from the motor carrier agent's location, eliminating the order for service and incorporating that document into the bill of lading, and making other minor updates to increase the clarity of the regulations. These proposed changes are intended to reduce the paperwork burden on household goods motor carriers and reduce confusion for individual shippers. FMCSA summarizes the resulting changes from the existing ICR below.

#### *IC–1: Required Information for Prospective Individual Shippers*

FMCSA is proposing to require the Rights and Responsibilities booklet to be provided earlier in the process, when the estimate is provided to the shipper, which would result in providing an additional two documents per interstate move. This is because FMCSA estimates that shippers request an estimate from three household goods carriers but contract with only one. FMCSA multiplied the average number of interstate moves per year by 40 percent to estimate the number of hard-copy Rights and Responsibilities booklets provided to shippers under the existing requirements (558,851 × 40 percent = 223,540 copies). FMCSA then multiplied the number of orders for

service where hard-copies are provided by three, to account for the assumption that shippers seek an estimate from three different household goods carriers,  $(223,540 \times 3 = 670,621 \text{ copies})$ . The number of additional hard copies that would be provided as a result of this rule is 447,081  $(670,621 - 223,540 = 447,081 \text{ copies})$ . It is estimated that a carrier could print roughly 1,600 pages per hour and each Rights and Responsibilities booklet consists of 25 pages. The increase in the number of hours needed to print hard-copy Rights and Responsibilities booklets would be the additional hard copies multiplied by 25 pages per document  $(447,081 \times 25 = 11,177,021 \text{ pages})$  divided by 1,600 pages per hour  $(11,177,021 \div 1,600 = 6,986 \text{ hours})$ . The Agency assumes printing and storing these booklets would be completed by an office clerk with a loaded hourly wage of \$33.31. Therefore, the increase in burden hours would be 6,986 and the increase in cost resulting from the proposed rule is \$232,705,  $(6,986 \text{ burden hours} \times \$33.31 = \$232,693)$ .

*Estimated Number of Respondents:* 5,100.

*Estimated Responses:* 447,081.

*Estimated Burden Hours:* 6,986.

*Estimated Cost:* \$232,693.

#### IC-2: Estimating Charges

The proposed rule would require that movers offer surveys for all household goods shipments, including those that are located over 50 miles from the motor carrier agent's location. Currently, household goods motor carriers are not required to offer surveys for household goods shipments that are located beyond 50 miles from the motor carrier agent's location. FMCSA estimates that all shippers located beyond 50 miles from the motor carrier agent's location would take advantage of the survey option. There is an annual average of 27,949 moves beyond 50 miles, of those moves that currently receive non-binding surveys. These surveys would take about 1.5 hours each, and FMCSA assumes all tasks will be completed by a first line supervisor of a transportation and material moving worker with a loaded hourly wage of \$44.11, resulting in an increase of 41,923 burden hours and an increased cost of \$1,849,045  $(27,949 \times 1.5 \text{ hours} \times \$44.11 = \$1,849,045)$ .

*Estimated Number of Respondents:* 5,100.

*Estimated Responses:* 27,949.

*Estimated Burden Hours:* 41,923.

*Estimated Cost:* \$1,849,045.

#### IC-3: Pick Up of Shipments of Household Goods

FMCSA is proposing to eliminate the order for service because much of the information provided on the order for service is also provided on the bill of lading. Currently, each interstate move requires both an order for service and a bill of lading and it takes 30 minutes to prepare each document. As such, removing the order for service form requirement would save 30 minutes per move. The Agency assumes all tasks would be completed by a cargo agent with a loaded hourly wage of \$33.80. With the annual average of 558,851 total interstate moves and 30 minute time savings, motor carriers would save 279,426 burden hours  $(558,851 \text{ interstate moves} \times -0.5 \text{ hours} = -279,426 \text{ burden hours})$ . The estimated cost savings would be \$9,445,421  $(-279,426 \text{ burden hours} \times \$33.80 = -\$9,445,421)$ .

*Estimated Number of Respondents:* 5,100.

*Estimated Responses:* 558,851.

*Estimated Burden Hours:* -279,426.

*Estimated Cost Savings:* \$9,445,421.

#### Document Production

The estimates of the costs of producing required documents is based on the total number of pages movers would need to produce multiplied by a flat rate of \$0.15 per page. With the estimated annual average of 670,621 "Your Rights and Responsibilities" documents printed, there would be 16,765,531 total pages printed  $(670,621 \text{ documents printed} \times 25 \text{ pages per document} = 16,765,531 \text{ total pages printed})$ . The estimated total annual printing cost to respondents is \$2.5 million  $(16,765,531 \text{ total pages printed} \times \$0.15 \text{ per page} = \$2.5 \text{ million})$ .

In removing the order for service form, which is a one page document, the Agency estimates that there would be 558,851 fewer documents printed. This results in an estimated annual cost savings to respondents of \$83,828  $(558,851 \text{ documents printed} \times 1 \text{ page per document} \times \$0.15 \text{ per page} = \$83,828)$ .

*Estimated Number of Respondents:* 5,100.

*Estimated Responses:* 1,229,472.

*Estimated Cost:* \$2,431,002.

FMCSA asks for comment on the information collection requirements of this proposed rule. Specifically, the Agency asks for comment on: (1) Whether the proposed information collection is necessary for FMCSA to perform its functions; (2) how the Agency can improve the quality, usefulness, and clarity of the

information to be collected; (3) the accuracy of FMCSA's estimate of the burden of this information collection; and (4) how the Agency can minimize the burden of the information collection.

If you have comments on the collection of information, you must send those comments to FMCSA as outlined under the PUBLIC PARTICIPATION AND REQUEST FOR COMMENTS section at the beginning of this NPRM.

#### G. E.O. 13132 (Federalism)

A rule has implications for federalism under Section 1(a) of E.O. 13132 if it has "substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government."

FMCSA has determined that this rule would not have substantial direct costs on or for States, nor would it limit the policymaking discretion of States. Nothing in this document preempts any State law or regulation. Therefore, this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Impact Statement.

#### H. Privacy

The Consolidated Appropriations Act, 2005,<sup>24</sup> requires the Agency to conduct a privacy impact assessment (PIA) of a regulation that will affect the privacy of individuals. This NPRM would not require the collection of personally identifiable information (PII). The Agency will complete a Privacy Threshold Assessment (PTA) to evaluate the risks and effects the proposed rulemaking might have on collecting, storing, and sharing personally identifiable information. The PTA will be submitted to FMCSA's Privacy Officer for review and preliminary adjudication and to DOT's Privacy Officer for review and final adjudication.

#### I. E.O. 13175 (Indian Tribal Governments)

This rule does not have Tribal implications under E.O. 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect on one or more Indian Tribes, on the relationship between the Federal Government and Indian Tribes, or on the distribution of power and responsibilities between the Federal Government and Indian Tribes.

<sup>24</sup> Public Law 108-447, 118 Stat. 2809, 3268, note following 5 U.S.C. 552a (Dec. 4, 2014).

*J. National Environmental Policy Act of 1969*

FMCSA analyzed this proposed rule for the purpose of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*) and determined this action is categorically excluded from further analysis and documentation in an environmental assessment or environmental impact statement under FMCSA Order 5610.1 (69 FR 9680, March 1, 2004), Appendix 2, paragraphs 6.m. and 6.l. The Categorical Exclusions (CEs) in paragraphs 6.m. and 6.l., respectively, cover regulations requiring every motor carrier to issue and keep a receipt or bill of lading (or record) for property tendered for transportation in interstate or foreign commerce, and regulations implementing procedures applicable to the operations of household good carriers engaged in the transportation of household goods. The proposed requirements in this rule are covered by these CEs, and the proposed rule would not have any effect on the quality of the environment. The CE determination is available for inspection or copying in the docket.

**List of Subjects**

*49 CFR 371*

Brokers, Motor carriers, Reporting and recordkeeping requirements.

*49 CFR 375*

Advertising, Consumer protection, Freight, Highways and roads, Insurance, Motor carriers, Moving of household goods, Reporting and recordkeeping requirements.

Accordingly, FMCSA proposes to amend 49 CFR chapter 3, parts 371 and 375 as follows:

**PART 371—BROKERS OF PROPERTY**

- 1. The authority citation for part 371 continues to read as follows:

**Authority:** 49 U.S.C. 13301, 13501, and 14122; subtitle B, title IV of Pub. L. 109–59; and 49 CFR 1.87.

- 2. Amend § 371.113 by revising paragraph (a) to read as follows:

**§ 371.113 May I provide individual shippers with a written estimate?**

(a) You may provide each individual shipper with an estimate of transportation and accessorial charges. If you provide an estimate, it must be in writing and must be based on a physical survey of the household goods conducted by the authorized motor carrier on whose behalf the estimate is provided. The estimate must be prepared in accordance with a signed,

written agreement, as specified in § 371.115 of this subpart.

\* \* \* \* \*

**PART 375—TRANSPORTATION OF HOUSEHOLD GOODS IN INTERSTATE COMMERCE; CONSUMER PROTECTION REGULATIONS**

- 3. The authority citation for part 375 continues to read as follows:

**Authority:** 49 U.S.C. 13102, 13301, 13501, 13704, 13707, 13902, 14104, 14706, 14708; subtitle B, title IV of Pub. L. 109–59; and 49 CFR 1.87.

- 4. Amend § 375.103 by:

- a. Adding, in alphabetical order, definitions for “Bill of lading” and “Physical survey”;
- b. Removing the definition for “Order for service”; and
- c. Revising the definitions for “Reasonable dispatch” and “Surface Transportation Board”.

The additions and revisions read as follows:

**§ 375.103 What are the definitions of terms used in this part?**

\* \* \* \* \*

*Bill of lading* means both the receipt and the contract for the transportation of the individual shipper’s household goods.

\* \* \* \* \*

*Physical survey* means a survey which is conducted on-site or virtually. If the survey is performed virtually, the household goods motor carrier must be able to view the household goods through live video that allows it to clearly identify the household goods to be transported.

\* \* \* \* \*

*Reasonable dispatch* means the performance of transportation on the dates, or during the period, agreed upon by you and the individual shipper and shown on the bill of lading. For example, if you deliberately withhold any shipment from delivery after an individual shipper offers to pay the binding estimate or 110 percent of a non-binding estimate, you have not transported the goods with reasonable dispatch. The term “reasonable dispatch” excludes transportation provided under your tariff provisions requiring guaranteed service dates. You will have the defenses of force majeure, *i.e.*, superior or irresistible force, as construed by the courts.

\* \* \* \* \*

*Surface Transportation Board* means an independent agency of the United States that regulates household goods carrier tariffs, among other economic regulatory responsibilities.

\* \* \* \* \*

- 5. Amend § 375.211 by revising the introductory text of paragraph (a)(2) to read as follows:

**§ 375.211 Must I have an arbitration program?**

(a) \* \* \*

(2) Before execution of the bill of lading, you must provide notice to the individual shipper of the availability of neutral arbitration, including all three of the following items:

\* \* \* \* \*

- 6. Amend § 375.213 by:

- a. Revising paragraph (a);
- b. Revising the introductory text of paragraph (b);
- c. Removing paragraph (b)(1);
- d. Redesignating paragraphs (b)(2) through (5) as paragraphs (b)(1) through (4);
- e. Redesignating paragraph (e) as paragraph (f);
- f. Adding new paragraph (e); and
- g. Revising newly redesignated paragraph (f).

The revisions and addition read as follows:

**§ 375.213 What information must I provide to a prospective individual shipper?**

(a) When you provide the written estimate to a prospective individual shipper, you must also provide the individual shipper with the following documents:

(1) The DOT publication titled “Ready to Move?—Tips for a Successful Interstate Move” (Department of Transportation publication FMCSA–ESA–03–005, or its successor publication). You must provide the individual shipper with either a copy or provide a hyperlink on your internet website to the web page on the FMCSA website containing that publication.

(2) The contents of appendix A of this part, titled “Your Rights and Responsibilities When You Move” (Department of Transportation publication FMCSA–ESA–03–006, or its successor publication). You must provide the individual shipper with either a copy or provide a hyperlink on your internet website to the web page on the FMCSA website with the publication “Your Rights and Responsibilities When You Move.”

(b) Before you execute a bill of lading for a shipment of household goods, you must furnish to your prospective individual shipper all four of the following documents:

\* \* \* \* \*

(e) If you have a website, you are required to display prominently either a link to the DOT publication titled “Ready to Move?—Tips for a Successful Interstate Move” (Department of

Transportation publication FMCSA–ESA–03–005, or its successor publication) on the FMCSA website or a true and accurate copy of that document on your website.

(f) If an individual shipper elects to access the Federal consumer protection information via the hyperlink on the internet as provided in paragraphs (a)(1) and (2) of this section:

(1) You must obtain a signed, dated receipt showing the individual shipper has received either or both of the publications that includes verification of the shipper's agreement to access the Federal consumer protection information on the internet.

(2) You must maintain the signed receipt required by paragraph (f)(1) of this section for one year from the date the individual shipper signs the receipt. You are not required to maintain the signed receipt when you do not actually transport household goods or perform related services for the individual shipper who signed the receipt.

■ 7. Revise § 375.215 to read as follows:

**§ 375.215 How must I collect charges?**

You must issue an honest, truthful invoice that includes all the information required by subpart A of part 373 of this chapter. All rates and charges for the transportation and related services must be in accordance with your appropriately published tariff provisions in effect, including the method of payment.

■ 8. Amend § 375.217 by revising paragraph (b) to read as follows:

**§ 375.217 How must I collect charges upon delivery?**

\* \* \* \* \*

(b) You must specify the same form of payment provided in paragraph (a) of this section when you prepare the bill of lading.

\* \* \* \* \*

■ 9. Amend § 375.221 by revising paragraph (c) to read as follows:

**§ 375.221 May I use a charge or credit card plan for payments?**

\* \* \* \* \*

(c) If you allow an individual shipper to pay an invoice by charge or credit card, you are deeming such payment to be the same as payment by cash, certified check, money order, or a cashier's check.

\* \* \* \* \*

■ 10. Amend § 375.401 by revising paragraphs (a), (b) introductory text, and (f) to read as follows:

**§ 375.401 Must I estimate charges?**

(a) You must conduct a physical survey of the household goods to be

transported and provide the prospective individual shipper with a written estimate, based on the physical survey, of the charges for the transportation and all related services. An individual shipper may elect to waive a physical survey. The waiver agreement is subject to the following requirements:

(1) It must be in writing;

(2) It must be signed by the shipper before the shipment is loaded; and

(3) You must retain a copy of the waiver agreement as an addendum to the bill of lading with the understanding that the waiver agreement will be subject to the same record retention requirements that apply to bills of lading, as provided in § 375.505(d).

(b) Before you execute a bill of lading for a shipment of household goods for an individual shipper, you must provide a written estimate of the total charges and indicate whether it is a binding or a non-binding estimate, as follows:

\* \* \* \* \*

(f) You must determine charges for any accessorial services such as elevators, long carries, etc., before preparing the bill of lading for binding or non-binding estimates. If you fail to ask the shipper about such charges and fail to determine such charges before preparing the bill of lading, you must deliver the goods and bill the shipper after 30 days for the additional charges.

\* \* \* \* \*

■ 11. Amend § 375.403 by revising paragraphs (a)(1), (a)(6)(ii), and (a)(9) to read as follows:

**§ 375.403 How must I provide a binding estimate?**

(a) \* \* \*

(1) You must base the binding estimate on the physical survey unless waived as provided in § 375.401(a).

\* \* \* \* \*

(6) \* \* \*

(ii) Prepare a new binding estimate prior to loading. The new estimate must be signed by the individual shipper. You should maintain a record of the date, time, and manner that the new estimate was prepared.

\* \* \* \* \*

(9) If the individual shipper requests additional services after the bill of lading has been issued, you must inform the individual shipper of the additional charges involved. The individual shipper must agree to the new charges. You must prepare a new binding estimate and have the new binding estimate signed by the individual shipper. You may require full payment at destination for these additional services and for 100 percent of the original binding estimate. If applicable,

you also may require payment at delivery of charges for impracticable operations (as defined in your carrier tariff) not to exceed 15 percent of all other charges due at delivery. You must bill and collect from the individual shipper any applicable charges not collected at delivery in accordance with subpart H of this part.

\* \* \* \* \*

■ 12. Amend § 375.405 by revising paragraphs (b)(7)(ii) and (c) to read as follows:

**§ 375.405 How must I provide a non-binding estimate?**

\* \* \* \* \*

(b) \* \* \*

(7) \* \* \*

(ii) Prepare a new non-binding estimate which must be signed by the individual shipper.

\* \* \* \* \*

(c) If you furnish a non-binding estimate, you must enter the estimated charges upon the bill of lading.

\* \* \* \* \*

**§ 375.501 [Removed and Reserved]**

■ 13. Remove and reserve § 375.501.

■ 14. Amend § 375.505 by revising paragraphs (a), (b) introductory text, (b)(1), (6), and (14 through (17), and (d), and adding paragraphs (e) through (h) to read as follows:

**§ 375.505 Must I write up a bill of lading?**

(a) Before you receive a shipment of household goods you will transport for an individual shipper, you must prepare and issue a bill of lading. The bill of lading must contain the terms and conditions of the contract.

(b) On a bill of lading, you must include the following 17 items:

(1) Your legal or trade name (*i.e.*, doing business as name) as it is registered with FMCSA, to include your physical address.

(2) The names, telephone numbers, addresses, and USDOT numbers of any motor carriers, when known, who will participate in transportation of the shipment.

(3) The individual shipper's name, address, and, if available, telephone number(s).

\* \* \* \* \*

(6) *For non-guaranteed service*, the agreed date or period of time for pickup of the shipment and the agreed date or period of time for the delivery of the shipment.

\* \* \* \* \*

(14) A complete description of any special or accessorial services ordered and minimum weight or volume charges applicable to the shipment, subject to the following two conditions:



(i) If you provide service for individual shippers on rates based upon the transportation of a minimum weight or volume, you must indicate on the bill of lading the minimum weight- or volume-based rates, and the minimum charges applicable to the shipment.

(ii) If you do not indicate the minimum rates and charges, your tariff must provide how you will compute the final charges relating to such a shipment based upon the actual weight or volume of the shipment.

(15) Each attachment to the bill of lading. Each attachment is an integral part of the bill of lading contract. If not provided elsewhere to the shipper, the following two items must be added as an attachment to the bill of lading.

(i) The binding or non-binding estimate.

(ii) The inventory.

(16) Any identification or registration number you assign to the shipment.

(17) A statement that the bill of lading incorporates by reference all the services included on the estimate.

\* \* \* \* \*

(d) You must retain a copy of the bill of lading for each move you perform for at least 1 year from the date you created the bill of lading.

(e) You, your agent, or your driver must inform the individual shipper if you reasonably expect a special or accessorial service is necessary to safely transport a shipment. You must refuse to accept the shipment when you reasonably expect a special or accessorial service is necessary to safely transport a shipment and the individual shipper refuses to purchase the special or accessorial service. You must make a written note if the shipper refuses any special or accessorial services that you reasonably expect to be necessary.

(f) You and the individual shipper must sign the bill of lading prior to the shipment being loaded. The bill of lading must be signed at both the origin and the destination. You must provide a dated copy of the bill of lading to the individual shipper at the time you sign the bill of lading.

(g)(1) You may provide the individual shipper with blank or incomplete estimates, bills of lading, or any other blank or incomplete documents pertaining to the move.

(2) You may require the individual shipper to sign an incomplete document prior to the shipment being loaded provided it contains all relevant shipping information except the actual shipment weight and any other information necessary to determine the final charges for all services performed. You may omit only that information that

cannot be determined before loading, such as actual shipment weight in the case of shipments moved under non-binding estimates or unforeseen charges incurred in transit.

(3) You may not require an individual shipper to sign a blank document.

(h) The bill of lading must be provided to, signed, and dated by the individual shipper at least 3 days before the shipment is scheduled to be loaded. You must provide the individual shipper the opportunity to rescind the bill of lading without any penalty for a 3-day period after the individual shipper signs the bill of lading. If the individual shipper tenders additional items to be moved or requires additional services on the day of the move, resulting in a new binding estimate under § 375.403(a)(6)(ii) or a new non-binding estimate under § 375.405(b)(7)(ii), the corresponding changes to the bill of lading from the new estimate do not require a new 3-day period as otherwise required in this paragraph.

■ 15. Amend § 375.605 by revising paragraph (a) introductory text to read as follows:

**§ 375.605 How must I notify an individual shipper of any service delays?**

(a) When you are unable to perform either the pickup or delivery of a shipment on the dates or during the periods specified in the bill of lading and as soon as the delay becomes apparent to you, you must notify the individual shipper of the delay, at your expense, in one of the following six ways:

\* \* \* \* \*

**§ 375.801 [Amended]**

■ 16. Amend § 375.801 by removing the words “freight or expense bill” and adding, in their place, the word “invoice”.

**§ 375.803 [Amended]**

■ 17. Amend § 375.803 by removing the words “freight or expense bill” and adding, in their place, the word “invoice”.

**§ 375.805 [Amended]**

■ 18. Amend § 375.805 by removing the words “freight bill” and adding, in their place, the word “invoice”.

**§ 375.807 [Amended]**

■ 19. Amend § 375.807 by removing the words “freight bill” and adding, in their place, the word “invoice” in the section heading and paragraphs (a) and (c)(1) through (4).

■ 20. Revise appendix A to part 375 to read as follows:

## Appendix A to Part 375—Your Rights and Responsibilities When You Move

### General Requirements

The Federal Motor Carrier Safety Administration's (FMCSA) regulations protect consumers of interstate moves and define the rights and responsibilities of consumers (shippers) and household goods motor carriers (movers).

The household goods motor carrier gave you this booklet to provide information about your rights and responsibilities as an individual shipper of household goods. Your primary responsibilities are to ensure that you understand the terms and conditions of the moving contract (bill of lading), and know what to do in case problems arise.

The primary responsibility for protecting your move lies with you in selecting a reputable household goods mover or household goods broker, and making sure you understand the terms and conditions of your contract and the remedies that are available to you in case problems arise.

### Definitions and Common Terms

**Accessorial (Additional) Services**—These are services such as packing, unpacking, appliance servicing, or piano carrying, that you request to be performed or are necessary because of landlord requirements or other special circumstances.

**Advanced Charges**—Charges for services performed by someone other than the mover. A professional, craftsman, or other third party may perform these services at your request. The mover pays for these services and adds the charges to your bill of lading.

**Agent**—A local moving company authorized to act on behalf of a larger national company.

**Appliance Service by Third Party**—The preparation of major electrical appliances to make them safe for transportation. Charges for these services may be in addition to the line-haul charges.

**Bill of Lading**—The receipt for your shipment and the contract for its transportation.

**Broker**—A company that arranges for the transportation of household goods by a registered moving company.

**Collect on Delivery (COD)**—This means payment is required at the time of delivery at the destination residence (or warehouse).

**Certified Scale**—Any scale designed for weighing motor vehicles, including trailers or semitrailers not attached to a tractor, and certified by an authorized scale inspection and licensing authority. A certified scale may also be a platform or warehouse type scale that is properly inspected and certified.

**Commercial Zone**—A commercial zone is roughly equivalent to the local metropolitan area of a city or town. Moves that cross state lines within these zones are exempt from FMCSA's commercial jurisdiction and, therefore, the moves are not subject to FMCSA household goods regulations. For example, a move between Brooklyn, New York, and Hackensack, New Jersey, would be within the New York City commercial zone. Although it crossed states lines, this move would not be subject to FMCSA household goods regulations.

**Estimate, Binding**—This is a written agreement made in advance with your mover. It guarantees the total cost of the move based upon the quantities and services shown on the estimate.

**Estimate, Non-Binding**—This is what your mover believes the cost will be, based upon the estimated weight of the shipment and the services requested. A non-binding estimate is not binding on the mover. The final charges will be based upon the actual weight of your shipment, the services provided, and the tariff provisions in effect.

**Expedited Service**—An agreement with the mover to perform transportation by a set date in exchange for an agreed upon additional charge.

**Flight Charge**—An additional charge for carrying items up or down flights of stairs. Charges for these services may be in addition to the line-haul charges.

**Full Value Protection**—The liability coverage option you are to receive for your shipment unless you waive this option in writing. It means your mover will process your loss and damage claim by replacing or repairing the item to restore its original like, kind, and quality.

**Guaranteed Pickup and/or Delivery Service**—An additional level of service featuring guaranteed dates of service. Your mover will provide reimbursement to you for delays. This service may be subject to minimum weight requirements.

**High-Value Article**—These are items valued at more than \$100 per pound.

**Household Goods**—As used in connection with transportation, household goods are the personal effects or property used, or to be used, in a dwelling, when part of the equipment or supplies of the dwelling belong to an individual shipper. Transporting of the household goods must be arranged for and paid by you or another individual on your behalf.

**Household Goods Motor Carrier**—A motor carrier that, in the normal course of its business of providing transportation of household goods, offers some or all the following additional services: (1) Binding and non-binding estimates, (2) Inventorying, (3) Protective packing and unpacking of individual items at personal residences, and (4) Loading and unloading at personal residences. The term does not include a motor carrier when the motor carrier provides transportation of household goods in containers or trailers that are entirely loaded and unloaded by an individual (other than an employee or agent of the motor carrier).

**Individual Shipper**—Any person who:

1. Is the shipper, consignor, or consignee of a household goods shipment;
2. Is identified as the shipper, consignor, or consignee on the face of the bill of lading;
3. Owns the household goods being transported; and
4. Pays his or her own tariff transportation charges.

**Impracticable Operations**—Conditions which make it physically impossible for the mover to perform pickup or delivery with its normally assigned road-haul equipment so that the mover is required to use specialized equipment and/or additional labor to

complete pickup or delivery of your shipment. A mover may require payment of additional charges for services required due to impracticable operations, even if you do not request these services. The specific services considered to be impracticable operations by your mover are defined in your mover's tariff.

**Inventory**—The detailed list of your household goods showing the quantity and condition of each item.

**Line-Haul Charges**—The charges for the transportation portion of your move when a household goods mover transports your shipment.

Household goods brokers or movers must provide you with basic information before you move. You should expect to receive the following information:

- A written estimate
- The "Ready to Move" Brochure (or a web link to access the document)
- Information about the mover's arbitration program
- Written notice about access to the mover's tariff
- The process for handling claims
- This booklet, "Your Rights and Responsibilities When You Move" (or a web link to access the document)

You should avoid brokers and movers that are not registered with FMCSA or refuse to perform a physical survey of your household goods. If a broker or mover requires cash, FMCSA advises you to retain all receipts and supporting documents associated with the transaction.

#### Customer's Responsibilities

As a customer, you have responsibilities both to your mover and to yourself. They include:

- Reading all moving documents issued by the mover or broker.
- Being available at the time of pickup and delivery of your shipment. If you are not available, you should appoint a representative to act on your behalf.
- Promptly notifying your mover if something has changed regarding your shipment (*i.e.*, move dates, additional items).
- Making payment in the amount required and in the form agreed to with the mover based on the bill of lading document.
- Promptly filing claims for loss, damage, or delays with your mover, if necessary.

#### Estimates

The two most important things to understand for your interstate move are: The types of estimates offered and the mover's liability in the event of loss or damage. As you read further, you will discover that movers offer two different types of estimates—binding and non-binding. The type of estimate you select determines how the charges for your shipment will be calculated. The estimate provided by your mover will notify you of the two liability coverage options: Option 1—Full Value Protection and Option 2—Waiver of Full Value Protection (60 cents per pound). The mover's liability is discussed in detail in the next section.

FMCSA requires your mover to provide written estimates on every shipment

transported for you. Your mover's verbal quote of charges is not an official estimate since it is not in writing. Your mover must provide you with a written estimate of all charges including transportation, and accessorial and advanced charges (defined at the end of this booklet). This written estimate must be dated and signed by you and the mover.

The estimate your mover provides you will include a statement notifying you of two options of liability coverage for your shipment: Full Value Protection and Waiver of Full Value Protection, Released Value of 60 cents per pound per article.

Your mover must provide an estimate based upon a physical survey of your household goods. A physical survey means a survey which is conducted on-site or virtually, that allows your mover to see the household goods to be transported. A physical survey must be performed unless you waive this requirement in writing.

Please be aware that a household goods broker may only provide an estimate on a mover's behalf if the broker has a written agreement with the mover and uses the mover's published tariff.

You and your mover may agree to change an estimate of charges based on changed circumstances, but only before your shipment is loaded. Your mover may not change an estimate after loading the shipment. There is more information about changes to estimates in the following sections.

#### Binding Estimates

A binding estimate guarantees that you cannot be required to pay more than the amount on the estimate at the time of delivery. However, if you add additional items to your shipment or request additional services, you and your mover may:

- Agree to abide by the original binding estimate;
- prepare a new binding estimate; or
- agree to convert the binding estimate into a non-binding estimate.

If you and the mover do not agree to one of the three options listed above, the mover is not required to service the shipment. If the mover does not give you a new binding estimate in writing, or agree in writing to convert the binding estimate to a non-binding estimate before your goods are loaded, the original binding estimate is reaffirmed. Under these circumstances, your mover should not charge or collect more than the amount of the original binding estimate at delivery for the quantities and services included in the estimate.

If there are unforeseen circumstances (such as elevators, stairs, or required parking permits) at the destination the mover can bill you for these additional expenses after 30 days from delivery. Charges for services required because of impracticable operations (defined at the end of this booklet) are due at delivery, but may not exceed 15 percent of all other charges due at delivery; any remaining charges will be billed to you with payment due in 30 days from delivery.

If you are unable to pay 100 percent of the charges on a binding estimate at delivery, your mover may place your shipment in

storage at your expense. In an effort to schedule delivery of your shipment from storage, you will have to pay the required charges and storage fees, if listed in the tariffs, after your shipment arrives at the residence.

Your mover may charge a fee to prepare a binding estimate.

### Non-Binding Estimates

A non-binding estimate is intended to provide you with an estimate of the cost of your move. A non-binding estimate is not a guarantee of your final costs, but it should be reasonably accurate. The estimate must indicate that your final charges will be based upon the actual weight of your shipment, the services provided, and the mover's published tariff. Therefore, the amount of your mover's non-binding estimate may be different than the amount you ultimately must pay to receive your shipment.

A non-binding estimate must be in writing and clearly describe the shipment and all services provided. Under a non-binding estimate, the mover cannot require you to pay more than 110 percent of the non-binding estimate at the time of delivery. This does not excuse you from paying all the charges due on your shipment. The mover will bill you for any remaining charges after 30 days from delivery.

On the day of pick-up, if you have additional items to move, your mover must do one of two things prior to loading:

- Reaffirm your non-binding estimate; or
- prepare a new non-binding estimate to include all the items that are being moved.

If you and the mover do not agree to one of the two options listed above, the mover is not required to service the shipment. If you are unable to pay 110 percent of the charges on a non-binding estimate at delivery, your mover may place your shipment in storage at your expense. In order to schedule delivery of your shipment from storage, you will likely have to agree to pay the required charges and storage fees, if listed in the tariffs, after your shipment arrives at the residence.

Your mover must give you possession of your shipment if you pay 110 percent of a non-binding estimate or 100 percent of a binding estimate, plus 15 percent of the impracticable operations charges (if applicable). If your mover does not relinquish possession, the mover is holding your shipment hostage in violation of Federal law.

### Your Mover's Liability and Your Claims

In general, your mover is legally liable for loss or damage that occurs during the transportation of your shipment and all related services identified on the bill of lading.

The extent of your mover's liability is governed by the Surface Transportation Board's Released Rates Order. The Surface Transportation Board is an independent Federal agency that has jurisdiction over HHG motor carrier tariffs and valuation for lost or damaged goods. You may obtain a copy of the current Released Rates Order by visiting the Surface Transportation Board's website at: [https://prod.stb.gov/wp-content/](https://prod.stb.gov/wp-content/uploads/files/docs/householdGoodsMoving/41845.pdf)

[uploads/files/docs/householdGoodsMoving/41845.pdf](https://prod.stb.gov/wp-content/uploads/files/docs/householdGoodsMoving/41845.pdf). In addition, your mover may, but is not required to, offer to sell you separate third-party liability insurance.

All moving companies are required to assume liability for the value of the household goods they transport. However, there are two different levels of liability that apply to interstate moves: Full Value Protection and Waiver of Full Value Protection—Released Value. It is important you understand the charges that apply and the amount of protection provided by each level.

### Full Value Protection

This is the most comprehensive option available to protect your household goods, but it will increase the cost of your move. The initial cost estimate of charges that you receive from your mover must include this level of protection. Your shipment will be transported at this level of liability unless you waive Full Value Protection. Under your mover's Full Value Protection level of liability, subject to the allowable exceptions in your mover's tariff, if any article is lost, destroyed, or damaged while in your mover's custody, your mover will, at its option, either (1) repair the article to the extent necessary to restore it to the same condition as when it was received by your mover, or pay you for the cost of such repairs; or (2) replace the article with an article of like, kind and quality, or pay you for the cost to replace the items.

The exact cost for your shipment, including Full Value Protection, may vary by mover and may be further subject to various deductible levels. Full Value Protection will increase the cost of your move above the basic transportation cost. The minimum valuation level for determining the cost of Full Value Protection of your shipment is \$6.00 per pound times the weight of your shipment. Your mover may use a higher minimum value or you may declare a higher value for your shipment (at an additional cost). The charges that apply for providing Full Value Protection must be shown in your mover's tariff. Ask your mover for the details under its specific program.

Under this option, movers are permitted to limit their liability for loss or damage to articles of extraordinary value, unless you specifically list these articles on the shipping documents. An article of extraordinary value is any item whose value exceeds \$100 per pound (for example, jewelry, silverware, china, furs, antiques, oriental rugs, and computer software). Ask your mover for a complete explanation of this limitation before your move. It is your responsibility to study this provision carefully and to make the necessary declaration.

### Waiver of Full Value Protection (Released Value of 60 Cents per Pound per Article)

Released Value is minimal protection; however, it is the most economical protection available as there is no charge to you. Under this option, the mover assumes liability for no more than 60 cents per pound, per article. For example, if a 10-pound stereo component valued at \$1,000 was lost or destroyed, the mover would be liable for no more than \$6.00

(10 pounds × \$.60). Obviously, you should think carefully before agreeing to such an arrangement.

### Third Party Insurance

If you purchase separate third party cargo liability insurance through your mover, the mover is required to issue a policy or other written record of the purchase and to provide you with a copy of the policy or other document at the time of purchase. If the mover fails to comply with this requirement, the mover is liable for any claim for loss or damage.

Shipments transported under a mover's bill of lading may be subject to arbitration in the event of a dispute over loss or damage claims. However, disputes with third party insurance companies are not subject to FMCSA regulations.

### Reducing Your Mover's Normal Liability

The following are some actions that may limit or reduce your mover's liability for loss or damage to your household goods:

1. Your acts or omissions cause the loss or damage to occur. For example, improper packing of containers you pack yourself do not provide sufficient protection or you include perishable, dangerous, or hazardous materials in your shipment without your mover's knowledge. Federal law forbids you to ship hazardous materials in your household goods boxes or luggage without informing your mover.
2. You chose the Waiver of Full Value Protection—Released Value level of liability (60 cents per pound per article) but ship household goods valued at more than 60 cents per pound per article.
3. You declare a value for your shipment which is less than the actual value of the articles in your shipment.
4. You fail to notify your mover in writing of articles valued at more than \$100 per pound. (If you do notify your mover, you will be entitled to full recovery up to the declared value of the article or articles, not to exceed the declared value of the entire shipment.)

### Loss and Damage Claims

Movers customarily take every precaution to make sure that, while your shipment is in their possession, no items are lost, damaged or destroyed. However, despite the precautions taken, articles are sometimes lost or destroyed during the move. You have the right to file a claim with your mover to be compensated for loss or damage.

You have 9 months from the date of delivery (or in the event of loss for the entire shipment, from the date your shipment should have been delivered) to file your claim.

The claim must be submitted in writing to your mover or to your mover's third party insurer for claim processing. After you submit your claim, your mover has 30 days to acknowledge receipt of it. The mover then has 120 days to provide you with a disposition. The mover might be entitled to 60-day extensions if the claim cannot be processed or disposed of within 120 days. If an extension is necessary, your mover must notify you in writing.

### Delay Claims

Delay claims are processed when you have contracted with your mover for guaranteed service for pickup and delivery. Your mover will outline on the bill of lading any penalty or per diem entitlements when there is a pickup delay and/or delivery delay.

### Moving Paperwork

Do not sign entirely blank documents. And only sign *incomplete* documents where the only incomplete sections are for information that cannot be determined prior to loading, specifically the actual weight of your shipment, in the case of a non-binding estimate, and unforeseen charges that occur in transit or at destination.

### Inventory

Your mover must prepare an inventory of your shipment. This is usually done at the time the mover loads your shipment. The mover is required to list any damage or unusual wear to any items. The purpose is to make a record of the existence and condition of each item before it is moved.

After completing the inventory, both you and the mover must sign each page of the inventory. It is important that before signing you make sure the inventory lists every item in your shipment and that entries regarding the condition of each item are correct. You have the right to note any disagreement. When your shipment is delivered, if an item is missing or damaged, your ability to recover from the mover for any loss or damage may depend on the notations made on this form.

The mover will give you a copy of each page of the inventory. Attach the complete inventory to your copy of the bill of lading. It is your receipt for the shipment.

At the time your shipment is delivered, it is your responsibility to check the items delivered against the items listed on your inventory. If new damage is discovered, make a record of it on the inventory form. Call the damage to the attention of the mover and request that a record of the damage be made on the mover's copy of the inventory.

After the complete shipment is unloaded, the mover will request that you sign the mover's copy of the inventory to show that you received the items listed. Do not sign until you have assured yourself that it is accurate and that proper notations have been entered regarding any missing or damaged items. Movers are prohibited from having you sign documents that release the mover from all liability for loss or damage to the shipment in exchange for delivery.

### Bill of Lading

Your mover is required by law to prepare a bill of lading for your shipment. The bill of lading is the contract between you and the mover for the transportation of your shipment. This document is issued at least 3 days prior to the pickup date. The information on the bill of lading is required to include all the information and charges associated with the transportation of your shipment. The driver who loads your shipment must give you a copy of the bill of lading before or at the time of loading your shipment. The bill of lading is an important document. Do not lose or misplace your

copy. Keep it available until your shipment is delivered, all charges are paid, and all claims, if any, are settled.

IT IS YOUR RESPONSIBILITY TO READ THE BILL OF LADING BEFORE YOU ACCEPT IT

The bill of lading requires the mover to provide the service you requested and requires you to pay the charges for the service. It is your responsibility to understand the bill of lading before you sign it. If you do not agree with something on the bill of lading, do not sign it until you are satisfied it is correct.

The bill of lading serves to identify the mover and specifies when the transportation is to be performed. Be sure that the portions of the bill of lading that note the dates when pickup and delivery are to be performed are completed and that you agree with the dates. The bill of lading also specifies the terms and conditions for payment of the total charges and the maximum amount required to be paid at the time of delivery for shipments moving under a binding estimate. In the case of shipments moving under non-binding estimates, the bill of lading will not include a final calculation of charges because that cannot be determined until the shipment is weighed. However, the bill of lading must contain all relevant shipment information—except the shipment weight that will be determined after the shipment has been weighed and any unforeseen charges that occur in transit or at destination.

The bill of lading must include the following 17 items:

1. The legal or trade name (*i.e.*, doing business as name) of the mover as it is registered with FMCSA, to include its physical address.
2. The names, telephone numbers, addresses, and USDOT Numbers of any motor carriers, when known, who will participate in transportation of the shipment.
3. Your name, address, and, if available, telephone number(s).
4. The form of payment the mover and its agents will honor at delivery. The payment information must be the same that was entered on the estimate.
5. When transportation is on a collect-on-delivery basis, the name, address, and if furnished, the telephone number, facsimile number, or email address of a person to notify about the charges. The notification may also be made by overnight courier or certified mail, return receipt requested.
6. For non-guaranteed service, the agreed date or period of time for pickup of the shipment and the agreed date or period of time for the delivery of the shipment.
7. For guaranteed service, subject to tariff provisions, the dates for pickup and delivery, and any penalty or per diem entitlements due to you.
8. The actual date of pickup.
9. The company or motor carrier identification number of the vehicle(s) that will transport your shipment.
10. The terms and conditions for payment of the total charges, including notice of any minimum charges.
11. The maximum amount your mover will demand at the time of delivery in order for you to obtain possession of the shipment,

when you transport under a collect-on-delivery basis.

12. The valuation statements provided in the Surface Transportation Board (STB)'s released rates order. These statements require individual shippers either to accept Full Value Protection for their liability or to waive the Full Value Protection in favor of the STB's released rates. The released rates may be increased annually by the motor carrier based on the U.S. Department of Commerce's Cost of Living Adjustment. Contact the STB for a copy of the Released Rates of Motor Carrier Shipments of Household Goods. If the individual shipper waives your Full Value Protection in writing on the STB's valuation statement, you must include the charges, if any, for optional valuation coverage (other than Full Value Protection).

13. Evidence of any insurance coverage sold to or procured for the individual shipper from an independent insurer, including the amount of the premium for such insurance.

14. A complete description of any special or accessorial services ordered and minimum weight or volume charges applicable to the shipment, subject to the following two conditions:

(i) If your mover provides service for you on rates based upon the transportation of a minimum weight or volume, your mover must indicate on the bill of lading the minimum weight- or volume-based rates, and the minimum charges applicable to the shipment.

(ii) If your mover does not indicate the minimum rates and charges, your mover's tariff must provide information to compute the final charges relating to such a shipment based upon the actual weight or volume of the shipment.

15. Each attachment to the bill of lading is an integral part of the contract. That includes the binding or non-binding estimate, inventory and any signed waiver documents associated with the shipment.

16. Any identification or registration number assigned to the shipment.

17. A statement that the bill of lading incorporates by reference all the services included on the estimate, including any new estimate prepared by the mover.

The bill of lading must be signed and dated by you and your mover at origin and destination.

### Invoice

At the time of payment of transportation charges, your mover must give you an invoice identifying the service provided and the charge for each service. It is customary for most movers to use a copy of the bill of lading as the invoice.

Except in those instances where a shipment is moving on a binding estimate, the invoice must specifically identify each service performed, the rate or charge per service performed, and the total charges for each service. If this information is not on the invoice, do not accept or pay the invoice.

Your mover must deliver your shipment upon payment of 100 percent of a binding estimate or 110 percent of a non-binding estimate, plus the full cost of any additional services that you required after the contract was executed and any charges for

impracticable operation, not to exceed 15 percent of all other charges due at delivery. If you do not pay the transportation charges due at the time of delivery, your mover has the right, under the bill of lading, to refuse to deliver your shipment. The mover may place your shipment in storage, at your expense, until the charges are paid.

On shipments paid in advance, your mover must present its invoice for all transportation charges within 15 days of the date your mover delivered the shipment. This period excludes Saturdays, Sundays, and Federal holidays.

On shipments paid upon delivery, your mover must present its invoice for all transportation charges on the date of delivery, or, at its discretion, within 15 days calculated from the date the shipment was delivered at your destination. This period excludes Saturdays, Sundays, and Federal holidays. Bills for additional charges based on the weight of the shipment will be presented after 30 days from delivery; charges for impracticable operations not paid at delivery are due within 30 days of the invoice.

Your mover's invoice and accompanying written notices must state the following five items:

1. Penalties for late payment
2. The period of time for any credit extended
3. Service or finance charges
4. Collection expense charges
5. Any applicable discount terms

#### **Weight Tickets**

Your mover must obtain weight tickets if your shipment is moving under a non-binding estimate. Each time your shipment is weighed, a separate weight ticket must be obtained and signed by the weigh master. If both weighings are performed on the same scale, one weight ticket may be used to record both weighings. The weight tickets must be presented with the invoice. Each weight ticket must contain the following six items:

1. The complete name and location of the scale.
2. The date of each weighing.
3. The identification of the weight entries as being the tare, gross, or net weights.
4. The company or mover identification of the vehicle.
5. The last name of the individual shipper as it appears on the bill of lading.
6. The mover's shipment registration or bill of lading number.

Additional information regarding weighing shipments is located later in this booklet.

#### **Collection of Charges**

Your mover must issue you an honest and truthful invoice for each shipment transported. When your shipment is delivered, you will be expected to pay either: (1) 100 percent of the charges on your binding estimate, or (2) 110 percent of the charges on your non-binding estimate. You will also be requested to pay the charges for any services that you requested (for example, waiting time, an extra pickup or delivery, storage) after the contract with your mover was executed that were not included in the estimate, and any charges for services

performed in conjunction with impracticable operations, not to exceed 15 percent of all other charges due at delivery. Your mover will bill you after your shipment is delivered for any remaining services.

You should verify in advance what method of payment your mover will accept. Your mover must note in writing on the bill of lading the forms of payment it accepts at delivery. Do not assume your mover will accept payment by credit card unless it is clearly indicated on the bill of lading.

If you do not pay the charges due at the time of delivery, the mover has the right to refuse to deliver your shipment and to place it into storage at your expense until the charges are paid. It is standard procedure for you to pay the charges due at delivery prior to the mover unloading the shipment at destination, in accordance with the terms specified on the bill of lading.

If your shipment is transported by two or more trucks, the mover may require payment for each portion as it is delivered. You mover may delay the collection of all the charges until the entire shipment is delivered, at its discretion. When you confirm your shipment transportation with your mover, you should ask the mover about this policy.

Your mover can only collect the charges on the percentage of the shipment that was successfully delivered. For example, if you receive a binding estimate of \$1,000 to move 1,000 pounds of your goods, and 50 percent of that shipment is lost, then the mover can only collect 50 percent of the estimate or \$500. If the estimate is non-binding then only 50 percent of the actual charges, not to exceed 110 percent of the estimate, can be collected, which would be \$550.

Your mover is forbidden from collecting, or requiring you to pay, any freight charges (including any charges for accessorial or terminal services) when your shipment is totally lost or destroyed in transit, unless the loss or destruction was due to an act or omission by you. However, if you receive Full Value Protection on your shipment, you will be required to pay the premium to process your claim for the total loss.

#### **Transportation of Your Shipment**

##### **Pickup and Delivery**

Before you move, be sure to reach an agreement with your mover on the dates for pickup and delivery of your shipment. It is your responsibility to determine on what date your shipment will be picked up and the date or timeframe you require delivery. Once an agreement is reached, your mover must enter those dates on the bill of lading. Upon loading your shipment, your mover is contractually bound to provide the service described in the bill of lading.

The mover might use the term "delivery spread" as the timeframe in which you can expect your shipment to be delivered. This means that your shipment could arrive anytime during the delivery spread. The mover is required to give you a 24-hour advance notice of when they plan to arrive with your shipment. At that time, you must be available to accept delivery or your shipment could be placed in storage at your expense.

When you and the mover agree to a delivery date, or to a range of dates, it is your

responsibility to be available to accept delivery on any of those dates. The same applies when you and the mover agree to alternate delivery dates.

Do not agree to have your shipment picked up or delivered "as soon as possible." The dates or periods you and your mover agree upon should be definite.

If you request the mover to change the dates for your shipment, most movers will agree to do so if the change will not result in unreasonable delay to their equipment or interfere with another customer's move. However, the mover is not required to change the dates and can place your shipment in storage at your expense if you are unwilling or unable to accept delivery on the agreed dates.

The only reason your mover would be excused from providing a service as described in the bill of lading is because of "force majeure." This is a legal term which means an unforeseen change of circumstances beyond the control of the mover. For example, if there were a major snow storm that prevented your mover from servicing your shipment as outlined in the bill of lading, your mover would not be responsible for damages resulting from its nonperformance.

If your mover fails to pick up or deliver your shipment on the agreed date or during the delivery spread, and you have expenses that you otherwise would not have, you may be able to recover these expenses from the mover through a delay of shipment claim.

Ask your mover before you move what payment or other arrangements you can expect if your shipment is delayed through the fault of the mover.

Your mover must transport your household goods in a timely manner. This is also known as "reasonable dispatch service." If you have arranged for a guaranteed delivery date, the terms of that agreement with your mover apply.

When your mover is unable to meet either the pickup or delivery dates or provide service during the periods of time specified in the bill of lading, your mover must notify you of the delay. The mover must advise you of the dates or periods of time it may be able to pick up and/or deliver your shipment.

Your mover must provide this information in writing.

##### **Early Delivery**

If you are unable to accept delivery before the first day of the delivery spread, then your mover may place your shipment in storage in a warehouse located in proximity to the destination. If your mover exercises this option, your mover must immediately notify you of the name and address of the warehouse where your mover places your shipment. Your mover has full responsibility for the charges for re-delivery, handling, and storage until it makes the final delivery.

##### **Storage in Transit**

You may request your mover to store your household goods before delivering them. Your mover must notify you in writing or in person at least 10 days before the expiration date of:

1. The specified period of time when your mover is to hold your shipment in storage.

2. The maximum period of time provided in its tariff for storage-in-transit.

If your mover holds your household goods in storage-in-transit for less than 10 days, your mover must notify you, 1 day before the storage-in-transit period expires of the same information specified above.

When the storage period is about to expire, your mover must notify you in writing about the following four items:

1. The date when storage-in-transit will convert to permanent storage.

2. The existence of a 9-month period after the date of conversion to permanent storage, during which you may file claims against your mover for loss or damage occurring to your goods while in transit or during the storage-in-transit period.

3. When your mover's liability will end for loss and damage.

4. When your shipment will become subject to the rules, regulations, and charges of the management of the storage facility.

### Weighing Shipments

If your mover transports your household goods on a non-binding estimate, your mover must determine the actual weight of your shipment on a certified scale in order to calculate its lawful tariff charge. If your mover provided a binding estimate, the weight of the shipment will not affect the charges you will pay, so there is no requirement to weigh shipments moving under binding estimates.

Most movers have a minimum weight charge for transporting a shipment. If your shipment appears to weigh less than the mover's minimum weight, your mover must state the minimum cost on the bill of lading. Should your mover fail to advise you of the minimum charges and your shipment is less than the minimum weight, your mover must base your final charges upon the actual weight, not upon the minimum weight.

Usually, your shipment will be weighed in the city or local area where the shipment originates. The driver has the truck weighed before coming to your residence and then has it weighed again after your shipment has been loaded. The difference in these two weights is the weight of your shipment.

The mover may also weigh your shipment at its destination when the shipment is delivered. The driver will have the truck weighed with your shipment on board and then weighed a second time after your shipment has been unloaded. Each time a weighing is performed, the driver is required to obtain an official weight ticket signed by the weigh master of a certified scale and a copy of the weight tickets must accompany your copy of the bill of lading. Shipments of less than 3,000 pounds may be weighed on a certified warehouse scale.

You have the right, and your mover must inform you of your right, to observe all weighing of your shipment. Your mover must tell you where and when each weighing will occur. Your mover must give you a reasonable opportunity to be present to observe the weighing. You may waive your right to observe weighing; however, you must waive that right in writing.

If your shipment is weighed at origin and you believe that the weight may not be

accurate, you have the right to request that the shipment be reweighed before it is unloaded. The mover is not permitted to charge you for the reweighing, but the final charges due will be based on the reweigh weight, even if it is more than the initial weight.

If you request notification of the actual weight and charges of your shipment, your mover must comply with your request if it is moving your household goods on a collect-on-delivery basis. This requirement is conditioned upon you supplying your mover with contact information.

### Notification of Delivery

You must receive the mover's notification at least 24-hours before the scheduled delivery, excluding Saturdays, Sundays, and Federal holidays.

Your mover may disregard this 24-hour notification requirement on shipments subject to one of the following three situations:

1. When your mover weighs your shipment at destination.

2. When pickup and delivery encompasses two consecutive weekdays, if you agree.

3. When the maximum payment at time of delivery is 110 percent of the estimated charges, if you agree.

### Resolving Disputes With Your Mover

The FMCSA maintains regulations to govern the processing of loss and damage claims; however, we cannot resolve these claims on your behalf. If you cannot reach a settlement with your mover, you have the right to request arbitration from your mover. All movers are required to participate in an arbitration program, and your mover is required to provide you with a summary of its arbitration program before you sign the bill of lading.

Arbitration gives you the opportunity to resolve loss or damage claims and certain types of disputed charges through a neutral arbitrator. You may find submitting your claim to arbitration is a less expensive and more convenient way to seek recovery of your claim than filing a lawsuit. You are not required to submit to arbitration in the event of a dispute. However, if you request arbitration for a claim for \$10,000 or less, the mover must agree to arbitration and the arbitrator's decision is binding on the parties. Further, the mover is not required to agree to arbitration if the claim exceeds \$10,000. If the mover does agree, the arbitrator's decision will be binding on both you and the mover.

You may choose to pursue a civil action in a court of appropriate jurisdiction in lieu of arbitration. Legal action may be initiated by filing a claim in your State and serving papers on the mover's process agent in your State. You may file in State court or (if the amount of the claim is more than \$10,000) in Federal court. You may obtain the mover's process agent information in your State by contacting FMCSA at (800) 832-5660. You may also obtain the name of the mover's process agent via the internet by following the instructions below.

1. Go to <http://li-public.fmcsa.dot.gov>.

2. Scroll to the bottom of the page and click on CONTINUE.

3. At the top of the screen click on CHOOSE MENU OPTION, for the drop-down box and select CARRIER SEARCH, then press GO.

4. Type in the USDOT or MC number for the motor carrier.

5. Click on HTML.

6. Scroll to the bottom of the page, see BLANKET COMPANY, and click on the link.

7. You will see a list of process agents by State, locate the process agent for your State.

The FMCSA cannot settle your dispute with your mover. You must resolve your own loss and damage and/or moving charge disputes with your mover.

You entered into a contractual agreement with your mover. Therefore, you are bound by each of the following terms and conditions:

1. The terms and conditions you accepted when you signed the bill of lading.

2. The terms and conditions you accepted when you signed for delivery of your shipment.

3. Any additional terms and conditions you agreed to with your mover.

If your mover refuses to deliver your shipment unless you pay an amount the mover is not entitled to charge, contact FMCSA immediately at (888) 368-7238.

### Important Points To Remember

1. Movers must give written estimates. The estimates may be either binding or non-binding. Non-binding estimates are "approximations" only, and the actual transportation charges you are eventually required to pay may be higher than the estimated price.

2. Do not sign blank documents. Verify the document is complete before you sign. In limited situations, it may be appropriate to sign an incomplete document if the only information that does not appear in your moving paperwork is the actual weight of your shipment (in the case of a non-binding estimate) and unforeseen charges that occur in transit or at destination.

3. Be sure you understand the mover's responsibility for loss or damage. For more information see FMCSA's brochure titled, "Understanding Valuation and Insurance Options" <https://www.fmcsa.dot.gov/protect-your-move/valuation-insurance>.

4. Understand the type of liability to which you agree. Ask yourself if 60 cents per pound is enough coverage for your household goods or whether you need to purchase additional valuation.

5. Notify your mover if you have high value items. High value items are valued at more than \$100 per pound.

6. You have the right to be present each time your shipment is weighed. You also have the right to request a reweigh at no charge.

7. Confirm with your mover the types of payment acceptable prior to the delivery of your shipment.

8. Consider requesting arbitration to settle disputed claims with your mover.

9. You should know if the company you are dealing with is a household goods motor carrier (mover) or household goods broker, and if they are registered with FMCSA. Go to [www.protectyourmove.gov](http://www.protectyourmove.gov) for this information.

10. Do not sign the delivery receipt if it contains any language releasing or discharging your mover or its agents from liability. Strike out such language before

signing, or refuse delivery if the mover refuses to provide a proper delivery receipt.

Issued under authority delegated in 49 CFR 1.87.

**Meera Joshi,**

*Deputy Administrator.*

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