

Federal Advisory Council for Household Goods Consumer Protection
Paperwork Subgroup Teleconference
Meeting Minutes for January 30, 2017 10:00am – 11:00am EST

The Federal Advisory Council for Household Goods (HHG) Consumer Protection Paperwork Subgroup was convened for a teleconference at 10:00am EST on January 30, 2017.

Working Group Members Present:

Francisco Acuna – President, Household Goods Compliance Solutions, Inc.
Thomas Balzer, CAE – President, Ohio Trucking Association
Thomas J. (TJ) Carney – President, Carney McNicholas Inc.
Richard Corona – President, Enterprise Database Corporation
Heather Paraino, Esq. – Senior Corporate Counsel, MoveRescue
Dan Veoni (Chairman) – Vice President of Government Affairs, AMSA

FMCSA Support:

Monique Riddick – Lead Transportation Specialist and Assistant DFO, FMCSA

Volpe Support:

Dianne Gunther – Volpe Lead
Erin Lohrenz – Record Minutes
Julianne Schwarzer – Facilitator

1. Introduction

Our big task is addressing the paperwork problem. There is too much paperwork that is required. Let's determine the following:

- Documents that should remain required.
- Documents that can be combined.
- Documents that can be made optional.

Note: Heather provided the group a comprehensive and detailed document listing the required paperwork.

2. Current Required Documents:

- “Ready To Move” Brochure
- “Rights and Responsibilities” Document
- Estimate
- Order for Service
- Bill of Lading
- Inventory
- Freight Bill
- Invoice

“Ready to Move” Brochure

This is being worked on by a separate Subgroup.

Rights and Responsibilities Document

- This document is comprehensive

- Consumers can receive this as electronically but must waive their right for a physical copy
- Possibly recommended removing this requirement
- It can be made as a link to the website – let's streamline this document
- Heather presented to internal staff and they were all on board with streamlining it
- This document was revised in 2013 – should we take another look at contents of the booklet to further streamline the language and wording?
 - Group discussed adding some checklists and further information up front
 - Let's discuss this in further detail at the next in person meeting
- Follows what the regulatory requirements are – possible recommendation is it should be revised after all final changes are made to the regulations
 - Let's identify improvements but it may be worthwhile to recommend that more changes are made in the future to reflect further regulatory changes
- The 2013 changes were not part of the rulemaking – our recommendations should follow these new changes
- Some carriers include certain notices and important information as appendices on their website
- Carriers will notify consumers in different ways

Estimate

- *Tariff, arbitration program, complaint procedure* – these could be provided in the estimate
- Opportunities to consolidate – this is a lot of required information
- We want to eliminate practice of amending the estimate – rather a new estimate should be issued prior to load –
 - Remove the “checkbox” – loophole allowing bad guys to change the pricing on shipment after loading
- General consensus from carriers is that putting these required documents with estimate allows them to see all documents together, where the majority of required information should be coming
- We should discuss how to provide these documents electronically
- Tariff
 - This is typically requested from an attorney representing customer after shipment has occurred
 - All rules are accessed from website
 - Some carriers just provide the tariff at their convenience
 - Explore the option to put tariff on the estimate as a statement
 - It is important to let consumers know availability of the tariff up front – provide specific disclosure information right away
 - General experience with consumers is there is very little discussion about carrier's tariff
 - The arbitration program is a nice side piece – the carrier's information (phone number, address, etc.) should be on the estimate
 - Notice of the tariff could be on rights and responsibilities document
- If carrier is giving the customer a non-binding estimate, rates are less important than on a bound estimate

- Generally 90% are bound – 10% are not bound only because customer has other decisions to make
- There is an economic incentive for customers to have bound estimate – less expensive
- Should a recommendation be to eliminate the non-binding estimate? – group consensus is yes – let’s discuss this at next in-person meeting
- Many clients arranging for moving services don’t know what they are getting into – should we have a tool available for assisting with this?
- Are non-binding estimates common when consumers are storing goods in transit?
 - Short term storage can be invoiced 30 days after delivery – an addendum to binding could be considered
- Communication between carrier and shipper is important
- Variations between binding/nonbinding estimates?
 - It used to be that east coast agents did not like bound estimates – this may be changing
 - Let’s contact all different stakeholder groups

Order for Service

- Stakeholder consensus was that the Order for Service can be eliminated.
- Important information on the Order for Service can be moved to the estimate.

3. What are our recommendations?

1. ***Eliminate requirement to waive right to a physical copy of Rights and Responsibilities***
2. ***Eliminate “check box” amendment forms from estimate***
 - Issue a new estimate, as opposed to an amended estimate
 - Don’t include any check boxes or waivers indicating that everything must be completed prior to signature
3. ***Change survey requirement from physical to visual***
 - Clients who live in remote areas don’t have opportunities for moving services – growth of video surveys – potential to generate business by providing an estimate based on a “FaceTime” tour of the house
 - Current regulations say there needs to be a physical survey of the property to move. Now, with the onset of virtual surveys, consumers who have this ability can receive an online estimate.
 - If someone has the ability for a virtual survey, they have ability for a revised estimate to be issued
 - We should update this – more online, technology based
4. ***Eliminate the Order for Service document***
 - Determine what is critical and move it to the estimate.
 - Eliminating this requirement allows us to focus more on the estimate

4. Potential recommendations for further discussion

1. ***Put date spreads on the estimate***
 - Competitive advantage/disadvantage
2. ***Eliminate non-binding estimates***
 - Discuss with stakeholders

3. Additional areas of consideration?

- Form documents being prescribed by government
- Waivers
- Further elimination of documentation
- Consideration of inventory
 - High discussion topic – we came up with great alternative suggestions
 - Major productivity enhancements not having to generate item of inventory
- Potentially holding a learning conference with van lines – discuss this further with stakeholders, consumers, and drivers.

4. Next Steps:

- Let's cross reference information from the Order for Service with the estimate – is there anything critical that would be missing if we remove the Order for Service?
- Dan will look at the notes and develop a list of items to further discuss at next in-person meeting

Adjournment:

The teleconference for the Paperwork Subgroup of the National Advisory Council for Household Goods Consumer Protection was adjourned at 11:00am EST on January 30, 2017.