

**Federal Advisory Committee for Household Goods Consumer Protection
Meeting Minutes for May 2-4, 2017**

The Federal Advisory Committee for Household Goods (HHG) Consumer Protection was convened for its second meeting at 9:00am on May 2, 2017 at the U.S. Department of Transportation Headquarters, Washington D.C. Mr. Kenneth Rogers, Chief of Commercial Enforcement and Investigations Division, Federal Motor Carrier Safety Administration (FMCSA) was the Designated Federal Officer (DFO). The Chairperson of the meeting was Ms. Heather Paraino, Senior Corporate Counsel of MoveRescue.

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.
John Esparza – President & CEO, Texas Trucking Association*
Andrew Friedman, Esq. – Vice President – General Counsel, 1-800-Pack-Rat
Jennifer Gartlan, Esq. – Office of Consumer Affairs & Dispute Resolution Services, Federal Maritime Commission
Gabriel Meyer, Esq. – Attorney Advisor, US Surface Transportation Board (STB)
Scott Michael – President and CEO, American Moving & Storage Association (AMSA)
Kelsey Owen – Director of Communications and Public Affairs, Better Business Bureau**
Heather Paraino, Esq. – Senior Corporate Counsel, MoveRescue
Jonathan Todd, Esq. – Of Counsel, Benesch Friedlander Coplan & Aronoff LLP

FMCSA Support:

Kenneth Rogers – Chief, Commercial Enforcement & Investigations Division and DFO, FMCSA
Monique Riddick – Lead Transportation Specialist and Assistant DFO, FMCSA
Michael Evans- Transportation Specialist, FMCSA
Kurt Larson – Office of Public Affairs, FMCSA***

Volpe Support:

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

Others:

Karen Donovan, a member of the public, was present during the public comment period on Day 3.
Paul Milotte, AMSA, was present all three days.
Eugene Mulero, Transport Topics, was present for a portion of Day 1.
Robert Russo, New Jersey Warehousemen and Movers Association (NJWMA), was present on the first and second days and provided a written statement which was read during the public comment period on Day 3.

**John Esparza called into the Brochure subgroup and full-group discussions on the second day.*

***Kelsey Owen was present on the first and second days.*

****Kurt Larson was only present during a portion of the second day.*

Day 1 – May 2, 2017

1. Call to Order and Introductions

Kenneth Rodgers and Heather Paraino called the meeting to order and introduced Scott Michael, the President and CEO of AMSA.

Rodgers addressed the following recent administrative changes:

- Dan Veoni has resigned from his position at American Moving and Storage Association (AMSA) and is no longer a member of the Working Group.
- Heather Paraino has taken on the role of Chairperson.
- Scott Michael has replaced Dan's position on the Working Group.

2. Update on Timeline and Goals

Julianne Schwarzer, U.S. DOT Volpe Center, reviewed some of the ground rules and presented the agenda, goals, and timeline. She reminded the group that this is a Federal Advisory Committee Act (FACA) regulated meeting and that members of the public were welcome to share their comments on Day 3 during the public comment period.

- *Recent Activities:*
 - Subgroups have each had two conference calls since the last onsite meeting.
- *Agenda and Timeline:*
 - Paraino presented an adjusted timeline from what was initially set by Congress. She emphasized that the group needs to stick to the updated timeline to meet their goals.
 - Upcoming onsite meetings are being extended by one day due to cancellation of the March meeting.
 - The plan is to have recommendations finalized after the June onsite meeting.
 - Volpe will continue drafting the report following the onsite meetings and the expectation is to have it submitted for review by FMCSA in September.
- *Goals:*
 - We will focus on reviewing the minutes from previous meetings, discussing the subcommittee work, and helping to establish and finalize recommendations.
 - What happens if other subgroups do not agree with the recommendations for a particular group?
 - The full Working Group can work out any discrepancies together. The purpose of subgroups is to accomplish work faster and elevate the recommendations to the next level. It does not mean that the subgroup's opinions outweigh the rest of the group on their specific topic.
 - Reminder to everyone that their information is important and that everyone has valid ideas even when there is disagreement.

3. Group Exercise

Schwarzer led the group in a warm-up exercise asking them to consider and then share their answers to the following three questions. Below are the main responses from the group:

1. *What is something you learned at the previous meeting or subgroup meetings?*

- a. I learned that there is a budget and we are able to implement this with money allotted.
- b. There is “power of discussion” which involves getting people, and myself, to understand our ultimate goal is to protect consumers; my perspective is from the streets; and to be around people who work towards protecting consumers is enlightening.
- c. This is a consumer education issue – we need to provide clarity on the issue to best communicate business to consumers.
- d. I learned about the larger presence of mover fraud and intentions of trying to make a choice between the legitimate movers and the criminals – criminals have such a large presence.
- e. I learned about FACA and government processes.
- f. There are very different backgrounds and perspectives but there was a commonality among the solutions discussed.
- g. There was a consensus that the current required paperwork and communications can be improved.
- h. Despite different backgrounds, there is a general interest in educating consumers.
- i. There is a lot of conversation about unlicensed movers which surprised me – license does not necessarily mean good mover.
- j. The general feeling is that the existing regulations are sufficient to weed out bad guys. However, my initial reaction is that we need more regulation.

2. *What is one thing you still need to know?*

- a. Do we need something tangible for our group or just ideas?
- b. I still need a better understanding of the claims process and about complaints that come into the Agency.
- c. What roles do Household Goods brokers play in industry?
- d. Who are we presenting group recommendations to? How does this flow into policy making for U.S. DOT public policy? What is the process for this development?
- e. What impact will these recommendations have on consumers and industry? What is the next step?
- f. There are a large number of required forms and documents – how many will we be able to get rid of and consolidate?
- g. What is our goal? To give the customer detailed information or inform them on where they can find it?
- h. What approaches have people taken in the past? What has worked or not worked?
- i. How many moves are good moves? How often does the consumer have a positive experience?

3. *What information/data do you need to get to the answer?*

- a. How are moving and storage companies better protected?
- b. We need more data collection and understanding what roles brokers play during compliance reviews of motor carrier or mover – small carriers depend on brokers.
- c. What data does FMCSA/AMSA have today? One key recommendation may be establishing ways to gather more effective data.
- d. What data do we have today regarding the public who use movers? The scope is broadening and traditionally, there were age group sections but this is not true now – ethnicity and geography both contribute.
- e. Frequency and severity of bad moves are important statistics.

- f. Could we suggest a new entrant program as part of training to help people understand their responsibilities?

Discussion

Monique Riddick informed the group that there are reports that were generated for FMCSA's moving season campaign that can be provided to address some of these data needs.

Rodgers reminded the group that the overall goal based on the FAST Act requirements is to address the three specific points: Education, Brochure, and Paperwork.

- We will submit the draft report with recommendations to Congress – we are hopeful that they will consider these recommendations.
- Our main concern is from a rule making perspective – Household Goods is a secondary function and safety is the Agency's primary focus.

4. Paperwork Subgroup Report Out

Dianne Gunther, U.S. DOT Volpe Center, provided a brief recap of what has been established for this subgroup and then Schwarzer facilitated the discussion.

Brief Recap

*NOTE: All recommendations are still under discussion by the Working Group and are subject to change.

- Rights and Responsibilities:
 - Streamline and condense this document – holding on to this until other documents have been decided.
 - Make this available earlier in the process.
 - This would be a good place to include notice of tariff.
 - Warn movers of broker tariffs or those who don't have tariffs.
- Order for Service:
 - Recommendation to eliminate and move critical pieces to estimate or bill of lading.
- Estimate:
 - Determine how to address arbitration program and complaint procedure.
 - We want to streamline this document.
 - We could eliminate the practice of amending the estimate (remove the "checkbox" loophole).
 - Discuss eliminating non-binding estimates (confusing and misleading).
 - Further discussion on including date spreads on estimate.
- Other Documents:
 - Bill of lading – keep but simplify.
 - Inventory – eliminate or allow shippers to waive with informed consent.
 - High value inventory – keep and add to bill of lading.
 - Freight bill – suggestion to keep as business practice but eliminate the requirement for HHG movers.
 - Invoice – change freight bill to invoice.
 - Attachment to bill of lading and weight tickets – more discussion needed.

- General recommendations:
 - Change “physical” to “visual” inspections (“visual” would include both physical and virtual inspections).
 - Allow for documents to be provided electronically.
 - Waive the right to paper documents.

Paperwork Subgroup Members

- Francisco Acuna
- Thomas Balzer
- Thomas (TJ) Carney
- Scott Michael
- Not present: Richard Corona

Discussion

Rights and Responsibilities:

- There is a new version of this document (updated in 2013) which is more streamlined and easier to digest.
- This document can be provided via a link – it is delivered with the estimate and consumer must agree to receive it electronically in writing.
- Consider delivering it when making an appointment online, prior to receiving order for service.
- We need to include information from STB at the time of the estimate.
- Common goals of all materials:
 - To protect consumers from entering into an arrangement with a mover that will take advantage of them.
 - To provide consumers with necessary information to avoid being scammed.
- One recommendation could be to eliminate the use of the pre-2013 version.
- Potentially eliminate requirement for consumer to waive receipt of document in writing – allow it to be accessed electronically.
 - Consider keeping the requirement for the consumer to actively opt out of using this document. This adds a touch point and prompts them to take more notice of the document.
- For future consideration: Congress may want to consider studying and potentially eliminating brokers and freight forwarders from the Limited Service Exclusion (LSE) definition, and increase resources to FMCSA to regulate these entities.

Order for Service:

- Recommendation to eliminate this document and move critical pieces to bill of lading.
- Most of the information on this document is also required on the bill of lading – many carriers combine order for service with estimate or bill of lading.

Estimate:

- Arbitration program and complaint procedure could be included in the estimate.
- Discussion on sending an electronic, amended estimate.

- There is a trend with criminals to amend an estimate without the consumer’s knowledge. The solution could be to require issuance of a complete, new estimate.
- The “checkbox” allows motor carriers to check the box after the consumer signs.
- The current process makes it difficult for FMCSA to prove it was a hostage load.
- Considering the occurrence of a “day-of” change – is there a sufficient way to revise estimate?
 - Ex: a dining room set was originally on estimate but brother took care of it yesterday so I need a lower price because that set is not included anymore.
 - They could revise it electronically.
 - Sometimes small changes don’t require a revised estimate.
- Some additional rules apply post-load – movers can sometimes provide services but collect the money later.
- Would it be difficult or expensive for movers to reissue an estimate?
 - **Action Item:** Scott Michael will reach out to AMSA membership to get more stakeholder input.
- Could we require a signature (in lieu of the checkbox) instead of reissuing a new estimate?
 - Ex: what about adding a small section for the revision on original estimate with a signature?
 - Consumer needs to accept responsibility for what they sign.
 - There was agreement among members with removing the checkbox.
- We want to change the section in the regulations stating you may provide blank documents pertaining to the move.
- Additional issue with containerized shipments (Ex: if something doesn’t fit in four boxes as originally established in the estimate).

Additional estimate discussion items:

- *Eliminate non-binding estimates, only allow binding*
 - There is a place in the market for non-binding estimates. This recommendation might not make sense.
 - Binding estimates represent over 90% of shipments.
 - The structure of non-binding estimates sets expectations for how to handle disputes.
 - Shipping by weight has a lot of convenience for move-ranging – weight tickets keep things honest but offer a more expensive route for consumers.
 - Criminals won’t follow any rules – they won’t have tariffs or weight tickets.
 - In terms of intrastate vs. interstate:
 - Interstate rarely uses non-binding estimates.
 - Intrastate doesn’t even sell binding forms – they only use non-binding estimates.
 - Consensus is that non-binding estimates are typically used with good intent and are useful in certain regions of the country.
- *Include date spreads in estimate*
 - Two different aspects to this:
 - Cost to move during peak season is different than cost to move off peak.
 - This allows flexibility for the shipment if it doesn’t arrive on a specific date.
 - The premise is to give the carrier a timeframe to work with consumer:

- Makes it clear for investigators to determine if move was facilitated under contractual agreement between motor carrier and consumer.
- Helps both consumer and motor carrier to understand when delivery is expected.
- Bad guys just indicate a single date – it is not clear to the consumer that this date might be the first available and they don't know this until after shipment is already late.
- Spread dates could be also on tariff – why not also include in estimate?
- This might allow us further to eliminate information from the order for service by moving date spread to the estimate.
 - Should the language on the order for service be tweaked, or just moved to the estimate as is?

Bill of Lading:

- Keep but simplify.
- The group opted to save this item for the subgroup discussion.

Inventory:

- Potentially allow shippers to waive inventory.
- It protects consumer and carrier – to meet the burden of proof, customer must prove goods were tendered, delivered in damaged condition, or not delivered at all.
- Legitimate movers use inventory during the claims process for missing items.
- The inventory can protect the mover because the consumer may inflate the value of the goods that were lost or damaged.
- Documenting the inventory is time consuming and costly, and the cost is transferred to the consumer. Consumers do not generally have a good understanding of why an inventory will cost them so much or why it's important. This leads to the consumer selecting a mover who is acting maliciously, or is ill-equipped to provide the necessary services.
 - An option to eliminate the inventory would make legitimate movers more competitive.
- Potentially combine this with a video requirement.
 - If a video is taken during the visual inspection, this could also serve as the inventory.
- Suggestion to allow one of the following:
 - The consumer can waive their right to an inventory (if they acknowledge the risk).
 - The consumer can create a client-generated inventory.
 - The carrier can generate an inventory and this is included in their charges.
 - This requirement can be automatically waived if a video is generated during the visual inspection.
 - The video would have to be subjected to the same requirements as a documented inventory (it would have to meet requirements for timeliness and document retention, and would have to be obtainable by FMCSA investigators).

High Value Inventory:

- Potentially keep but add to bill of lading or elsewhere.
- There is required STB language for high value inventory form – could possibly combine with another document.

- This is not currently required of the mover. It is the consumer's responsibility?
- Adding it to the bill of lading could give it more visibility.

Freight Bill:

- Idea to keep the freight bill as business practice but eliminate the requirement for HHG carriers.
- Recommendation should acknowledge leasing regulations.
- Government responsibility to ensure companies bill for their services.
 - Part 375 talks about how companies invoice customers.

Invoice:

- Possibly change “freight bill” to “invoice” in Subpart H – further discussion needed.

Attachment to the bill of lading and weight tickets:

- If further forms or services are required, the regulations refer to an attachment in order to document these services were provided – is there a better way to document this?
- Weight tickets refers back to the non-binding vs. binding discussion.

General recommendations and considerations:

- Change “physical” to “visual” inspection:
 - Would this further enable criminals?
 - This might be consistent with electronic logging devices. The intent was to allow both physical and virtual inspections under the definition of “visual.”
- Allow documents to be provided electronically:
 - Agreement to allow this without requiring a waiver.
 - Allow electronic signatures.
- Are we still allowing telephone surveys?
 - There is currently a waiver for carriers who are over 50-miles away. Is this now outdated if virtual surveys are allowed?
 - Estimates that are done over the phone create a potential for problems during pickup.
 - Possibly require a waiver for “telephone, non-visual” surveys?
 - Criminals often design an online survey intentionally to confuse consumers.
 - Education subgroup should also discuss this.

5. Brochure Subgroup Report Out

Dianne Gunther, U.S. DOT Volpe Center, provided a brief recap of what has been established for this subgroup and then Schwarzer facilitated the discussion.

Brief Recap

Questions to discuss:

- What is purpose of brochure?
- What is this group trying to accomplish with new brochure?
- When/how will the brochure be provided?

- What content should be in the brochure and what should be eliminated?

Plan for the meeting:

- Group will discuss main purpose of the brochure.
- Subgroup work: Mark up copies of the current brochure, look at content and details and determine what should be added, retained, and eliminated.

Subgroup members

- John Esparza (not present – called into Brochure group discussion)
- Andrew Friedman
- Gabriel Meyer
- Not present: Charles (Chuck) White

Discussion

Who is the target audience for the brochure? Who would benefit most from this? Who would most likely be taken advantage of?

- Recommendations should be strategic.
- Target audience is very broad – not one specific type of person.
- Inexperienced movers would likely benefit more from the brochure.
- How do we get the information to them before they are face to face with the mover?
- We want to help them determine if they are working with a legitimate company.
- Advertisement approach – we could require these documents be on movers’ websites.
 - Sophisticated movers have a good network of systems.
- Presenting it to consumer groups (Ex: Better Business Bureau) would be helpful to make sure they have up-to-date information.
 - Monique informed the group that FMCSA is currently reaching out to the National Association of Realtors as well as the American Association of Retired Persons (AARP).
- The document should inform the consumer to do their due diligence when choosing their mover.
- What are the most important things to convey off the bat?
 - Do your due diligence before hiring a mover.
 - Know who you are booking with (broker, mover, etc.).
 - Know the signs of a bad mover.
- One challenge is determining how FMCSA gives advice on identifying signs of a bad mover – Agency is constrained by legal regulations.
- Could FMCSA utilize the complaint database? (Ex: green, yellow, red flags.)
 - Big companies sometimes have more complaints than small ones.
 - “Protect Your Move” – can show complaints filed.
- Task for group – look into finding more resources to inform consumers with whom they are working.
- Further understand the definition of “broker.”

- Recommendation possibly to revise information in the National Consumer Complaint Database (NCCDB)
 - Idea to give a company rating and publicize that the company rating is based on size.
 - FMCSA noted that they would likely not be able to give a rating because they cannot show favoritism.
- Any other messages/headlines to get across in the brochure?
 - There is an existing checklist to ensure that we include certain points.
 - Is the brochure a roadmap?
 - How can we make the brochure more simplistic?
 - How is the presentation of content?
 - Maybe reduce the section about “finding the problem” – It exists in the Rights and Responsibilities document.
 - Look further into asking how do you prevent the problem?
- Top complaint with MoveRescue is time of delivery – most legitimate movers give date spreads.
 - There’s a red flag for vagueness about delivery time with date spreads, but this can occur even with legitimate movers (it is hard to predict the exact day of delivery).
 - Maybe have a disclaimer to understand when to expect delivery – even with a legitimate practice, it is good to understand when to expect it.
- False promises of delivery occurs sometimes – getting delivery promise in writing is important.
- Coverage is important.
- Make sure consumer knows where the company is located.

What about the format of the brochure?

- Brochure needs to exist in print and electronic forms to be viable.
- Option to distribute an abbreviated document or refer consumer to a website with the full details.
- Need to consider how different ethnic communities can access the information.
- Should document be in multiple languages?
- Some of the checklist content is in the Rights and Responsibilities document and could be added to the brochure.

6. Better Business Bureau Presentation – Kelsey Owen

Kelsey Owen, Better Business Bureau (BBB), delivered a presentation to the group providing general information about the company.

Owen’s role at BBB

- Owen has worked at her local BBB for 2 years.
- Owen works with local businesses and consumers in the area.
- Her main role is to reach out to these businesses via social media and local media outlets.
- Owen often will reach out to victims in the area who have had issues with criminals.

Overview of BBB

- The BBB divides the U.S. into territories, and there is a BBB in each territory that is responsible for all consumers in that area.
 - Each BBB is staffed with over 20 people who answer complaints.
- Consumers file complaints, and there are two opportunities to respond.
 - If two weeks go by and no response occurs, this is noted in company business profile.
- The BBB has nationally had 10,000 mover complaints (broken down by local vs. interstate, company and licensing status).
- BBB scam tracker – this is a new tool and a way to identify criminals and victims.
- BBB has more than 5.3 million companies – they check the company licensing and take complaints on accredited vs. non-accredited.
- BBB receives all forms of customer reviews (positive, neutral, or negative).
- They only publish information with the idea that it is from a verified customer.
- Each BBB is responsible for educating consumers with a public relations person via social media.
- When we see patterns of complaints, we put out warnings as a way to highlight criminals.
- There are 110 regional BBBs with a standardized way of rating in place by their headquarters.
- Does AMSA consider the BBB rating? – Yes, they can't have a negative BBB rating.

7. Education Subgroup Report Out

Gunther, U.S. DOT Volpe Center, provided a brief recap of what has been established for this subgroup and then Schwarzer facilitated the discussion.

Brief Recap

- Develop a strategy, but leave any catchy infographics and other details to FMCSA.
- Rescinding recommendation for an ombuds approach.
- Recommendations for internet as educational tool.
 - Use Google Analytics/Google AdWords year round (providing funding).
 - Leverage multiple other tools/platforms to disseminate information (podcasts, YouTube, Facebook, Twitter, and others).

Subgroup Members

- Jennifer Gartlan
- Kelsey Owen
- Jonathon Todd
- Not present: Charles (Chuck) White
- Not present: Margaret McQueen

Discussion

- During the subgroup calls, this group struggled with the overall scope.
- Develop a more strategic view for how FMCSA can help.
- We are looking at high level issues that resonate with consumers.

- Internet and internet marketing.
- What key questions does group have?
 - What is the style of communication?
 - How do we focus on having a positive experience with the move?
- Recommendation for dedicated staff, modernized messaging, and a focus on using the internet.
- Funding would be necessary for managing Google Analytics.
- Need to ensure the educational activities are successful and a good use of resources.
- Schwarzer mentioned identifying some “touch” points for these educational materials regarding when they reach consumers.
 - Realtor associations, military offices, wedding shows, and university job fairs.
- Let’s talk about the audience who has committed to a mover:
 - Need to educate about their rights and expectations.
 - Critical education should be on the front end of picking a good mover.
 - Getting the information into consumer’s hands is the hard part (before the move).
 - FMCSA has a small social media campaign with Facebook and Twitter during moving season.
- FMCSA would need additional funding if they were to hire a full time employee dedicated to consumer protection and outreach year-round.
 - HHG has an outreach effort; however, this is all condensed solely into moving season.
- Google AdWords focuses on local movers first – you need to be intentional in search topics.
 - Ex: google “tips on moving” and Realtors.com shows up.
- Brokers and movers can have very good IT resources and can be very good at finding ways to stay at the top.
- Some companies would be difficult to get in touch with and making changes is tough.
 - It requires a lot of staff – unless Congress can mandate a collaborate effort.
 - A general recommendation could be to work with certain outlets to help distribute the message.
 - Keep the recommendation open and don’t tie it to any one social media platform – important that social media does not spread false information.
- Does FMCSA receive many phone calls from consumers at the pre-stage of selecting the right movers? Or is it not until they realize there is a problem?
 - Rodgers informed the group that they don’t get many calls.
 - They direct callers to the Protect Your Move website so they can look at information on their company.
 - FMCSA would need more staff on the HHG team to address these calls. Their priority is resolving hostage loads.
- Call center tracks all complaints, how they come in and whether they went straight to NCCDB – this is something maybe we should track to see what works today.
- What are some other education ideas?
 - Collaboration with private parties
 - Methods of distribution
 - Social media
 - Texting, newspapers, and other methods of communication
 - Reaching different ethnic groups – does this align with modernization?

- Should we be looking at protectyourmove.gov for recommendations on modernizing?
 - One example, Identitytheft.gov, exemplifies a simple format for modernization.
- Recommendation overall should be to increase HHG resources as a priority.
 - Majority of problems could be resolved if more resources were in place.
- Consider opportunities for FMCSA to partner with different groups.

8. Report Roll Up

Gunther led a discussion with the group about how the group's recommendations would be rolled up into a report format.

High Level Outline

- Executive Summary.
- Introduction/Background.
- Task #1: Condense Publication ESA 03005.
- Task #2: Use state-of-the-art education techniques and technologies.
- Task #3: Reduce and simplify paperwork required of motor carriers and shippers.
- Conclusion.
- If needed: Appendices.

I. Executive Summary

- The Working Group asked that this include a brief overview of all of the recommendations.

II. Introduction/Background

- Brief description of HHG and FMCSA's role in regulating HHG motor carriers.
- Working group charge and process (met 3 times in person, broke into subgroups, etc.).
- Main considerations:
 - Improve consumers' access to information (push it out to them sooner).
 - Make moving process easier for movers and consumers by reducing and streamlining paperwork.
- Any other considerations?
 - Consumers seem to be getting information in different ways (technologies, outlets, and social media).
 - Key considerations by the subgroups.
 - Additional ideas that were discussed.
 - Might be helpful to see information gathered outside of this group.

III. Tasks #1, #2, #3

- Brief background and description of the task.
- Discussion – important conversations that took place.
- Findings and conclusion with rationale.
- Recommendation.

IV. Conclusion

- Reiterate what was stated in introduction.
- Readdress FAST Act requirements, values, and goals.

V. Appendix if necessary

Anything Else?

- Any recommendations that were discussed and rejected and the relevant thought process of the group (ex: non-binding estimate discussion). This should maybe be included at the end, before the Conclusion.
- What is the plan for distributing feedback?
 - Gunther will email a draft to the group for feedback and then collect and incorporate responses.
 - Might be helpful to review draft initially in subgroups.
- How would overlap between subgroups be addressed?
 - This depends. It can be discussed if the issue arises.
- How do we get to a bulleted list of recommendations?
 - Use what was discussed in final subgroup report out on Day 3.
 - Continue with subcommittee meetings between now and June onsite meeting.
 - Begin to streamline and draft bullet points to jump-start recommendations.
- What is the plan of review for the report?
 - Step 1: Goes through Working Group concurrence.
 - Step 2: Review by FMCSA.
 - Step 3: Review by the Office of the Secretary.
 - Step 4: Final review by Congress.
 - Everyone makes comments/edits/feedbacks along the way.
 - Working Group members should get copies of all of the changes.
- Goal timeline – September is the goal for the report to begin the review process.

9. Tabled Discussion Questions

1. Do we need a better understanding of the claims process with carriers?
 - It took a long time for the Agency to adopt Federal standard of claims process – educational opportunities?
 - Criminals go out of their way to misinform consumers – what about a statement required to put on documents regarding valuation?
 - Ex: if the estimate has extra money in valuation coverage – this causes companies to lose business – if the cost is too good to be true it probably is.
 - Situations also exist where the deductible is very high.
 - Customer is often not clear about carrier liability in terms of insurance.
 - For do-it-yourself moves (when consumers rent trucks) – loss or damage in transit is not usually covered or is a very small amount per pound.
 - Possibility to file a claim against the criminal bond.
 - Statutorily defined bond amount – if a company goes out of business there is a next stop for claims.
 - Insurance available for customers 3rd party – carrier is always responsible in terms of liability.

- If someone is brokering HHG, are they bound by brokerage bond?
 - Brokers have no liability for damage unless they act like a carrier.
2. What role do HHG brokers play in industry?
 - Criminal movers get drivers or other staff working for them to apply for HHG authority to get them back in moving industry, using their own tariff.
 - If HHG broker regulations were adhered to, this could be a way for consolidation – if rules were followed, consumers should be protected and understand their rights.
 - Some brokers pose as movers; some have the name “broker” or “moving” in their name.
 - Rules require HHG broker giving an estimate to be based on tariff.
 - Brokers are defined as the third party who puts two parties together and are getting paid a fee for service.
 - 25% of moves every year are in the full service space – everyone else is moving differently.
 - Consumer preferences are changing.
 - One suggestion is that Congress deregulate full-service HHG movers slightly so that they can compete with other types of moving services.
 3. How does the moving public source movers today?
 - Friends and family who have moved.
 - References from other people who have moved.
 - Part of the problem is that consumers are undervaluing the service.
 - The Education subgroup should aim to communicate what consumers are really risking when they are moving.
 4. What is the impact of the recommendations on consumers and industry?
 - Paperwork reduction – huge impact to business practices.
 - This could roll up into claims, might take some training and additional thought.
 - Number of overall interstate moves has declined – people who had turned to full service moving are declining and looking at other models.
 - We should look more to the industry as a whole – additional research and working groups.
 - Younger generations of people have fewer and fewer items to move.
 - Consumers have different priorities.
 5. How do we tell good guys from bad guys?
 - The number of years a mover is licensed (1-2 years is probably not good).
 - Do they have a physical location?
 - Check the BBB for complaints.

10. Day 1 Wrap Up

Paperwork

- Rights and Responsibilities:
 - Eliminate older version and update new version based on group discussion.
 - Eliminate electronic receipt waiver.
- Order for Service – eliminate this document and move the critical pieces to the bill of lading.
- Estimate:
 - Withdrew recommendation to only allow binding estimates.

- Continue to discuss checkbox elimination.
- Consider what date spreads should look like.
- Bill of lading – Keep but simplify.
- Inventory – Further discussion of eliminating waiver.
- High value inventory – Add to the bill of lading or another existing document.
- Freight bill – Change language in Subpart H to “invoice” and remove this requirement for HHG movers.
- Attachment to bill of lading and weight tickets – discuss further.
- Change physical to visual survey (discuss waiver for non-visual survey).
- Discuss what electronic documents would look like.

Brochure

- What is the ideal format?
- Who? All consumers.
- When? Given earlier in the process.
- How? More discussion.
- Why? Too much content.
- What does customer need to know?

Education

- Elevate to more strategic discussion.
- Target ways to educate year round vs. peak season.
- Increase prioritization of HHG in Agency and industry.
- Look at partnership opportunities.
- Should education be consumers only?
- Should there be a new entrant training focus?

Day 2: May 3, 2017

11. Call to Order

Paraino, Chairperson, called the group to order and introduced the subgroup work.

Schwarzer discussed the agenda and plan for the day.

- Each subgroup will have a designated person keeping track of their recommendations and discussions.
- Following the individual subgroup breakouts, we will bring the discussions back to the full group to report out, present the discussion and any action items agreed upon by the groups.

12. Paperwork Subgroup Report Out

Initial ideas:

- Potential recommendation – all paperwork documents should be allowed to be electronic.
- Rule-making should allow for electronic signatures.

Rights and Responsibilities:

- Eliminate the pre-2013 version.
- Eliminate requirement for shippers to waive their right of receipt of the paper document.
- Provide earlier in the process, when the estimate is delivered.
- Further discussion on streamlining after other recommendations are in place.

Order for Service:

- Recommend eliminating.
- Move all pertinent parts to bill of lading.

Inventory:

- We want to keep this but there are some cases where it isn't necessary.
- We want to allow for a waiver of the inventory but retain high value inventory.
- Incorporate high value inventory items in bill of lading.
- Potential for client or carrier generated inventory option?
- Potential for an automatic waiver if there is a video?
- What are cases where the inventory isn't done?
 - Some criminals don't do inventories.
 - Local intrastate movers don't do inventories.
 - What about account-only inventory?
- Offering video inventory as an alternative might work.
- Overall, eliminating inventory might put the mover at a disadvantage.
 - Inventory is often largest document handled by consumers.
 - Waiving the inventory may impact the ability for consumer to meet claims.
 - There is an operational value to inventory.
- Idea to offer inventory information in the estimate – carriers may want to build this into their pricing strategy, staffing for the move, etc.
- What happens if, at pick up time, they want to add or remove items from the estimate?
 - Do inventory at time of pickup as opposed to time of estimate.
 - Waiver could be offered at time of estimate.
- Group consensus seemed to be positive about the ability to waive inventory, but not to completely eliminate the requirement.
- Discussion on “piece count” as an alternative.
 - Current regulations require inventory to be identified and described – this is more time consuming than a piece count.
- Consumers often find inventories to be confusing. They can be handwritten, and the shorthand and codes can be hard to interpret.

Estimate:

- Discussion of eliminating the allowance of the amending estimate:
 - Remove “checkbox” and require that the mover write a new estimate.
 - This may depend on fluidity of moving day and issues that arise.
- What kind of burden would issuance of a new estimate place on mover?

- Most estimates are issued electronically; so not too much of a burden.

Bill of Lading

- Holding off on this discussion for next meeting.
- Probably want to simplify this – need to revisit this at the subgroup meeting.

Freight Bill

- Discussed eliminating this.
- Discussed modifying Subpart H of Part 375 to change from “freight bill” to “invoice.”
- It is not a document requirement for HHG moves under Part 371, but it is required of all motor carriers under Part 371.
 - This could be an exclusion solely for HHG industry.

Other:

- Change physical survey requirement to visual survey – include a date and time stamp.
- Currently, the inventory is automatically waived if the mover is 50 miles from the physical location of the goods. Is this still applicable if virtual surveys are allowed?

Discussion items for subgroup:

- Simplify/streamline bill of lading.
- Further vet elimination of amendment to the estimate.
- Further discuss the potential for the consumer to waive the inventory.
- Discussion on 50 mile radius waiver.
- Revise Rights and Responsibilities document requirements (after the other recommendations have been determined).
- Further discuss the secondary recommendation to possibly standardize some of the documents by creating forms that everyone would be required to use.

13. Brochure Subgroup Report Out

Objective:

Condense “Ready to Move” brochure into a format more easily understood by consumers.

Background:

- Brochure has too much information.
- New brochure will be designed to be distributed to consumers prior to the move.
- We believe brochure is not getting to consumer at the right time. It needs to get to the consumer before they select a mover.
- Consumers do not understand the difference between movers and brokers. The revised brochure needs to provide clear guidance on this.
- Key lesson from new brochure will be to “choose your mover carefully.”

Possible working titles:

- Ready to choose your mover?
- How to choose your mover.

Key points:

1. Take your time and plan in advance.
 - a. Do: Get written estimates from multiple movers.
 - b. Don't: Wait until the last minute.

*Note: Use descriptive language and bullet points.

2. Know your Rights and Responsibilities.
 - a. Review the Protect Your Move website.
3. Use only licensed movers.
 - a. Check FMCSA website to confirm registration.
4. Check mover's complaint history.
 - a. Check BBB.
 - b. Check FMCSA Protect Your Move website.
 - c. Ask for recommendations.
 - d. Ask for references from movers.
5. Read and understand information provided by each mover.
 - a. Understand services.
 - b. Understand how and when delivery will occur.
 - c. Ask questions when confused.
 - d. Make sure all promises are in writing.
6. Red flags to watch out for:
 - a. Refusal to provide onsite or visual inspection.
 - b. Mover demands large cash deposit up front.
 - c. Mover refuses to put terms in writing.
 - d. Price seems too good to be true.
 - e. Lack of physical address or facilities for movers.
7. Understand your mover's responsibilities for loss or damage to your goods.
 - a. Ask mover to explain coverage options and process for handling loss and damage claims.

*Notes:

- This is intending to prompt the consumer to ask questions.
 - Valuation might be a better word to use than "claims."
 - Idea for a disclaimer that says "ensure estimate has full value replacement insured."
8. Ask if you are hiring a mover or a broker (a broker arranges your move with a mover, but does not take responsibility for your move).
 - a. Moving broker arranges for transportation of your cargo, utilizing for-hire carriers to provide actual truck transportation.

- b. Moving brokers are sales teams that book your move and sell it to an actual moving company.
- c. Moving broker is not a mover. Brokers do not assume responsibility nor are authorized to transport your HHG.
- d. Brokers do not have moving trucks or professional movers. Brokers for interstate movers are required to use only movers that are registered with FMCSA.
- e. If you use a broker, be sure to understand their role, and know what moving company will be responsible for the actual move.
- f. If you don't know if you are dealing with a mover or a broker, ask!

***Notes:**

- Upfront clarity goes a long way.
- Oftentimes consumers may assume brokers are the moving company.
- There can be a fine line between what happens in the industry as a normal practice and what is deceptive.
- Information relating to whether a company is a mover or broker should be more prominent on the company's website.

Additional notes:

- It is very important that the brochure be available both online and in paper format.
- Propose that all licensed HHG movers and brokers be required to prominently display link on their websites to this brochure.
- Is linking to Protect Your Move an alternative to distribution?
- Goal is to get it out to them earlier in the process – the brochure should be distributed when the visual survey is scheduled or waived.

Parking lot issues:

- For Education group: Clarify with mover before moving day whose truck will pick up your goods?
- Understand that delivery dates can't be confirmed in advance, particularly for small loads.
- Include a resource on website for general moving tips? (Separate from required documents).

Format discussion:

- Need consensus on eight main bullet points and corresponding sub-bullet points.
- How would this present on a website?
- Esparza has examples of infographics and formatting suggestions – we could possibly attach in an appendix to the report as an examples?
- Make it more visually appealing (one page, larger font).
- Maybe move away from a paper document – people gain more information elsewhere (Ex: smartphones).
- Increase usefulness to consumer – hyperlinks available.

14. Education Subgroup Report Out

Discussion of Goals and Values:

FAST Act requirement task: Provide recommendations on use of state-of-the-art education techniques and technologies using the Internet as an educational tool.

- Think structurally about the recommendations and scope.
- Working group understanding of intent.

Goals:

- Increase awareness and expose practices of bad movers.
- Structure for continuous improvement of education to the public.
- Make current content more digestible.

Values:

- Find ways to communicate with public.
- FMCSA has a responsibility to communicate with industry and public more effectively.

Recommendations:

*Note: Each recommendation will include the industry challenges it is working to address, observations on what is currently happening, and action items for the group.

1) Funding for additional staff and resources dedicated to HHG consumer education

Challenge:

- Lack of dedicated resources for year round education to consumers and industry.

Observations:

- Lack of awareness.
- More moving throughout the year, not just during peak moving season.
- Ineffective allocation of materials and resources.
 - Priorities are currently focused on safety, not HHG.
 - Resources could be allocated down the road for optimization on this.

Action Items:

- Dedicated staff for project management, marketing, and consumer education (focus on incorporating use of Internet).
- Using state-of-the-art techniques and technologies and optimizing internet usage.
- Dedicated funding (focus on incorporating use of Internet).
- Develop data (intake interviews, make education effective).
- Collaboration.
- Develop content delivery and messaging tactics.

2) Develop tools to assist industry in educating consumers

Challenge:

- No public resources targeting movers today.

Observations:

- Every consumer goes through a mover.
- New Entrant audits – there is increased regulatory requirements for movers today.
- NCCDB uses information from consumer complaints – already influences publications – this is a tool already available.
- Nothing that targets industry on specific point of educating consumers.

Action Items:

- Provide tools (website content, webinars) for movers and new hires.
 - AMSA does a lot of this – partnership opportunities available.
- Voluntary training opportunities should be available.
 - Many agencies provide training throughout the country.
 - Train the trainer.

3) Develop and maintain modern communications tools, networks and platforms (consumer audience focus)

(Ex: Identitytheft.gov)

Challenge:

- Lack of awareness – outdated website, changed habits and expectations.
- Communication reaches consumers too late.
 - Need frequent communication from all different angles.

Observations:

- Changes in buying habits, media consumption.
- Demand for quick access information – need “crisp, succinct” information.
- Traditional marketing to movers is generational which doesn’t work anymore.

Action Items:

- Modernize messaging (infographics, actionable statements).
- Year round outreach.
- Deliver/streamline messaging (multiple platforms).
- Collaborate with industry stakeholders (data sharing).
 - Life events, AARP
- Know what you are buying.
 - Moving is a valuable and costly service.
 - Consumers should take care in considering this.
- Need further feedback on scope and aligning language to meet requirements.

- Might be a good idea to look at the current website to see what is there.

15. Day 2 Wrap Up

Paperwork Subgroup Outcomes:

- This group determined the following recommendations:
 - All documents should be available electronically.
 - Rights and Responsibilities – eliminate the pre-2013 version.
 - Rights and Responsibilities - eliminate requirement to waive right to a paper copy.
 - Eliminate order for service and move important content to bill of lading.
- Need more discussion:
 - Informed waiver required for consumer to waive inventory.
 - Further discussion on number of waivers for inventory.
 - Inventory waivers should be described in Rights and Responsibilities.
 - Estimate – need more discussion on eliminating ability to amend estimate prior to load.
 - Language will be updated to replace physical with visual inspections, which allows for the use of both virtual and physical inspections.
 - More discussion needed on the 50-mile waiver.
 - Bill of lading – more discussion on streamlining.
 - More discussion on form documents for all movers to use.

Brochure Subgroup Outcomes:

- Brochure should be given out earlier in the moving process.
- Make it easier for consumer to understand.
- Recommendation will be to condense to eight key points – further discussion on these points.
- Document should exist online and on paper.
- Licensed HHG movers and broker should provide brochure via website link.
- Parking lot issues:
 - For Education group – clarify with mover before moving day whose truck will pick up your goods?
 - Understand delivery dates.
- Format:
 - Document kept to one page and/or optimized to phone for scrolling.

Education Subgroup Outcomes:

- Discussed group's goals and values.
- Three main recommendations:
 - Need increased funding for staff and resources for consumer education.
 - Develop tools to assist industry in educating consumers.
 - Develop and maintain modern communications tools, networks, and platforms (consumer audience focus).
- These recommendations need to be updated to encompass the FAST Act requirements.

Closing Remarks:

- Robert Russo will provide a written statement for the public comment period on Day 3.

Day 3: May 4, 2017

16. Call to Order

Paraino, Chairperson, called the meeting to order, presented the agenda, and addressed the group to close out any open items or issues.

17. General Recap of Subgroup Action Items

Paperwork

- Group will plan to think about the discussion from the meeting and work on drafting recommendations separately as a subgroup.
- Subgroup will create a document showing the proposed changes and updates to the documents and will send out to larger group to review.
- This group is planning to have two teleconferences (one on the bill of lading only and one on the remaining items to be discussed).

Brochure

- Group wants to work on refining the language and incorporating feedback from the larger group.
- Aim to receive comments from the larger group by end of May for this group to review and address when they reconvene at their subgroup teleconference.
- Focus on working together during the subgroup calls in the interim and begin finalizing recommendations prior to June meeting.

Education

- Receive comments from the larger group by May 17 and then will address these during their subgroup teleconference.
- Group needs to work further on incorporating the specific language from the FAST Act requirements into their proposed recommendations.

18. Moving Forward: Preparing for June meeting

- Gunther will begin to write the report with the information from this meeting.
- Action items will need to be reported out at the next group meeting to discuss what was accomplished.
- Tie all recommendations, established and tentative, to the directive to help fill in gaps.
- Volpe will help draft report – Working Group provides the expertise.
- Paperwork group will have one meeting specifically on bill of lading and then another meeting on the remaining action items.
- We will decide whether having an extra day in June is necessary (June 27-29).

19. Subgroup teleconference schedule: (scheduled meetings in bold)

Paperwork Subgroup:

- Teleconference on bill of lading (**Tuesday, 5/23/2017 1:00 – 2:30pm EST**).
- Teleconference on remaining four action items (**Tuesday, 5/30/2017 1:00 – 2:30pm EST**).
- Subgroup will create a document showing changes and updates proposed to the documents and will send out to larger group to review:
 - 14 items are currently required to be on the bill of lading – Gunther will send this list to the group.
 - Bill of lading may end up with more items but this will enable us to decrease the overall number of documents.
 - We also want to reference the 2013 version of the Rights and Responsibilities as there are some differences.

Brochure Subgroup:

- Large group to provide feedback by Friday, 5/26/2017.
- Teleconference (**Monday, 6/5/2017 1:00 – 2:30pm EST**).
 - Form and content are main discussion items.

Education Subgroup:

- Large group to provide feedback to Volpe by 5/17/2017.
- Teleconference (**Wednesday, 5/24/2017 11:00am – 12:30pm EST**).

Important Dates:

- June 29 – August 1: Wrap up and finalize recommendations.
- End of September: FMCSA will submit for concurrence.

20. Public Comment Period

Rodgers introduced the public comment period, as required per the agenda and the Federal Register Notice.

Statement Summary – Robert Russo

Russo, NJWMA, provided a written statement which is summarized below and included in full in Appendix A at the end of the minutes:

- The “General Requirements” opening paragraph of the brochure should begin with a strongly worded disclaimer with a warning statement to grab the attention of the reader.
- A tariff advisory in the brochure should state that mover’s tariff rates may be higher if goods are added on moving day – ask for rates before requesting additional services.
- If the estimate is combined with the order for service, the estimate should be considered an addendum to the bill of lading and the shipper must sign that they agree to accept cost and dates.
- Weight tickets should not be eliminated and inventories should not be waived.

- If virtual estimates are used in place of written inventories, they must be of high definition quality, generated within 24 hours before pick up and performed by qualified people.
- Non-binding estimates are needed.
- When a mover issues a binding estimate prior to moving day with additional items or services, a new binding estimate should be issued prior to loading, with consumer consent. Check boxes should not be accepted.
- Online resources for Ready to Move should use bullet points for topics and click to expand topics, such as delivery spread date explanations.

Other items which go beyond the scope of this HHG Working Group mission:

- Definition of brokers should include a warning about deposits paid to brokers may not be applied to the moving cost.
- FMCSA's issuance of DOT numbers can be confusing, if not deceptive when the same prefix of the DOT/MC number is used for brokers and movers.
- Consider changing the term from "Binding Estimate" to "Binding Cost of Services," since it is a more accurate term for a binding contract.
- It is very expensive to operate a legitimate moving company, so consumers are naturally attracted by unrealistically low binding estimates. I suggest that carriers with repeated violations involving consumer fraud should be placed out of service.
- FMCSA should have complete tariff authority and enforcement.

Statement Summary – Karen Donovan

Karen Donovan is a member of the public who provided a statement which is summarized below and included in more detail in Appendix A at the end of the minutes:

My husband and I moved from California to Washington D.C. using an AMSO ProMover with an A+ BBB rating. As our goods were traveling, the truck caught on fire, and our goods were destroyed.

The company told us we could not access our goods and transported them. This fight continues today, and we still have not been able to access our goods. The company sent us a check for \$1,200 that should have been valued at \$80,000. We sued them as we were making no progress.

It is important that FMCSA recognizes that the problem is not only rogue movers, as we moved with a professional certified mover.

My experience with MoveRescue was less than satisfactory. When I called them, I explained what happened in great detail, and the person I spoke with was still in law school and unable to help me. I was referred to a man at AMSA who sent me arbitration forms.

We made it to within an hour's drive of our goods and the entity refused to provide us access, and instead wanted to FaceTime with us.

I believe FMCSA has the tools necessary to help people, they just need better resources and coordination.

Donovan also indicated that she spoke with Lawrence Hawthorne with FMCSA who was very helpful. However, when she checked in with FMCSA on the status of her complaint, she said it had been referred to enforcement and received no further assistance.

21. Meeting Summary/Next Steps/Concluding Thoughts

Reflection on Public Comments

- Rodgers felt that Donovan's comments were very timely in regards to our efforts – reducing and eliminating documents and being careful not to eliminate something that will provide adequate consumer protection.
- Donovan's story will spur us to expand our consideration of which carriers we target.
- She appreciated that if the rules in place were followed, this would not have happened.
- Resources are important; this was an issue with lack of staff and enforcement.
- If Agency only has resources to deal with hostage scenarios, they don't have enough for the remaining cases.
- It was noted that some companies advertise that they are AMSA members even if their membership has lapsed, although in Donovan's case the mover was a ProMover at the time of the incident.

Concluding remarks

Paraino thanked FMCSA, Volpe, and all others for providing input, listening and contributing to the progress made this week. The group members will work this into the report and establish directives based on the FAST Act requirements.

Adjournment

The second meeting for the Federal Advisory Council for Household Goods Consumer Protection was adjourned at 11:05am on May 4, 2017.

Certification:

We hereby certify that, to the best of our knowledge, the foregoing minutes are accurate and complete.

//Signed//

Heather Paraino

Chairperson, HHG Consumer Protection Working Group

//Signed//

Kenneth Rogers

DFO, HHG Consumer Protection Working Group

Supplemental Documentation

1. Appendix A: Public Comment Statements: Robert Russo and Karen Donovan (Pages 29-32)
2. Appendix B: FMCSA Resources (Page 33)
3. Appendix C: PowerPoint Presentation: Dianne Gunther

Appendix A: Public Comment Statements

Written statement submitted by Robert Russo, to HHG Working Group meeting May 3, 2017

“I commend the work that members of the HHG Working Group have put into developing recommendations for streamlining paperwork and related brochures involved in moving, so that consumers can make educated decisions on how to select a mover. I also thank the USDOT / FMCSA team for facilitating the HHG Working group. These efforts will enhance consumer protection.

As a third-generation mover with over 40 years experience owning a moving company, and 10 years as the Executive Director of the New Jersey Warehousemen and Movers Association, I understand the issues of this project, therefore, I respectfully submit these additional comments for consideration by the group:

Important Notice to Consumers:

The ‘General Requirements’ opening paragraph of the brochure should begin with a strongly worded disclaimer that grabs the attention of the reader to keep them engaged, i.e.:

WARNING; Before you select a mover, be advised that you will be entering a legal contract for services when you sign the bill of lading. This brochure will provide basic information to help you avoid being scammed. Failure to perform due diligence PRIOR to hiring a mover, may cause stress and financial loss. Research the mover carefully before signing anything since your legal remedies may be limited by the contract you sign. More details are available at www.protectyourmove.gov

A tariff advisory in the brochure should state, ‘A mover’s tariff rates may be higher when services or items are added on moving day than rates quoted on original estimate, ask for rates before you request additional services’. ‘The mover’s tariff may restrict pick up or delivery dates, therefore be sure you understand and agree with charges, and you receive a written copy of what you sign. On moving day, verify that the agreed dates are written on your copy of the bill of lading’.

If the estimate form is combined with an order for service, the estimate should be considered an addendum to the bill of lading, and the shipper must sign they agree to accept the cost and dates.

Weight tickets should not be eliminated since they provide quantifiable information that is used in documenting non-binding estimates. Inventories should not be waived as they provide proof of tender. If virtual estimates in lieu of written inventories are agreed to be accepted, they must be of a high definition quality, generated within 24 hours prior to pick up, and performed or directed by qualified people.

Non-binding estimates are needed because of numerous situation when the details of an anticipated move are vague or insufficient to bind an estimate, such as a shipment loaded into a self-storage unit, or in some hording situations, therefore they should not be eliminated.

When a mover issues a binding estimate prior to moving day and items or services are added, a new binding estimate including a detailed cost of services, and new binding estimate price must be issued prior to loading, with consumer consent. Check boxes should not be accepted since

they can be used for deceptive practices. A new document will take away the incentive of an illegal bait and switch scheme.

On line resources for Ready to Move should use bullet points for topics, click to expand topics, such as explaining delivery spread dates or what reasonable dispatch dates mean.

OTHER ITEMS:

The following comments go beyond the scope of the mission of the HHG Working group, however, in the interest of achieving the goals of improving consumer protection, I am offering these additional comments for consideration, now, or at a later update to the CFR.

Definition of brokers should include a warning that deposit paid to broker may not be applied to moving cost. Since that probably won't happen, so I suggest a new regulation should state that any deposit paid to a mover or a broker must be applied to cost of the move.

FMCSA's issuance of DOT numbers can be confusing, if not deceptive, when the same prefix of the DOT/MC number is used for brokers and movers, therefore, consider issue a different prefix such as BR.

Since FMCSA's priority is hostage shipments, more enforcement personnel are needed to assist consumers, and should be handled as an urgent situation that should at minimum generate a phone call or visit to the carrier's office, but onsite intervention at a consumer's destination by a federal or state officer or a state consumer fraud investigator will provide quicker resolution to an incident and send a message to all illegal operators. The only assistance the hotline serves is to record a hostage situation. FMCSA needs funding to add personnel, or expand authority to other law enforcement agencies to improve consumer protection.

Consider changing the term from 'Binding Estimate' to 'Binding Cost of Services', since it is a more accurate term for a binding contract.

It is very expensive to operate a moving company as a legitimate company is high, therefore consumers are naturally attracted by unrealistically low-ball binding estimates. I suggest that carriers or brokers with repeated violations involving consumer fraud should be out of service, but if they are re-instated, they must pay an incremental increase in bond as well as the threat of criminal charges.

Effective HHG enforcement by FMCSA is compromised because tariff responsibility is assigned to a separate agency. FMCSA should have complete tariff authority and enforcement, since STB's primary focus are the rails.

Thank you for the opportunity to contribute to this process."

Public comments stated by Karen Donovan to the HHG Working Group meeting May 3, 2017

“A year ago I knew nothing about transportation law. My husband and I moved from California to Washington D.C. using an American Moving & Storage Association (AMSA) ProMover with an A+ Better Business Bureau (BBB) rating. As our goods were traveling, the truck caught on fire, and our goods were destroyed.

The company took our goods, told us we could not have access to them, and transported them away. This fight continues today; we have been told we can't access our belongings. I also came in contact with another shipper who lost their belongings as well.

Several days after the incident, we were asked to submit paperwork. This led them to send us a check for \$1,200 for a value of \$80,000. The other entity was treated similarly and they have no legal background. They might have been deprived of their rights by cashing their check. I am here to say if you want to follow the FAST Act mission, please recognize the problem is not only rogue movers because we used a professional mover certified with the BBB.

From personal experience, I can identify over 10 violations that this company committed. The documents issued to my husband do not include any released rates. He was led to select option 1 (waive right to valuation protection). This came only with a \$500 deductible; he sought insurance but they would not cooperate. Insurance documents said boxes would not be covered. He declined coverage.

This was an AMSA ProMover (although I understand the financial constraints of auditing every member of AMSA and looking at all paperwork documents would be difficult). Please recognize you are certifying these people as compliant and they are not. Considering the BBB site, the entity we moved with had over 74 unresolved complaints – half are unavailable on the site. The complaint I filed is not available. (I said we were treated unfairly). They sent a response apologizing. I sent more paperwork, and they apologized again. This went on until we sued them. There needs to be some process where we can identify these issues. BBB can provide an interface with FMCSA – when someone goes on the website, if certain words are used, the consumer can be advised they should file a complaint with FMCSA and advise them of regulations regarding their complaints. BBB can act as a resource for FMCSA – all these entities should work together to get rid of these rogue movers.

My experience with MoveRescue was less than satisfactory. Essentially, as we tried to get access to goods – all we knew was the truck had an incident not described to us – I called MoveRescue. In my second conversation with them I explained the issue in great detail, gave what understanding I had and the person I spoke with was still in law school and could not help. I was called back and told I did not have right to access my goods and was referred to AMSA. I was referred to a man at AMSA who then sent me arbitration forms, but the carrier does not have an arbitration program. We were then within an hour drive of our goods and the entity refused to provide access to our goods and wanted to FaceTime us instead.

I want to submit additional comments – I think you have the tools necessary to help people, you just need better resources and coordination. FMCSA is woefully underfunded to help protect consumers. Over 80% of situations are not hostage situations; there are so many other things to consider.”

One Working Group member suggested filing a claim against the cargo insurance company, which Donovan said she would consider. Donovan asked why this would help as she filed a claim against a traveler carrier but they never reported it to the insurance carrier.

She said they have retained council but it is difficult to find competent carrier attorneys and none are willing to represent plaintiffs.

Scott Michael asked if Donovan subsequently filed anything with AMSA. Donovan responded no, but she intends to - the company does not have an arbitration process.

Donovan said the reason she has not approached AMSA further yet is because this company has done unusual things during this lawsuit; she would prefer to resolve it as much as possible before taking further action.

A Working Group member asked Donovan if she filed anything with FMCSA. Donovan responded that yes, she spoke with Lawrence Hawthorne who was very helpful.

The company had refused to waive the freight charges on the move. Donovan said she called her credit card company to hold these charges and filed paperwork to keep them on hold.

Donovan believes the company might have started refunding some of the shippers who were involved but this does not solve her problem. She has encouraged all shippers on the truck to file complaints.

She checked in with FMCSA to see what happened with her complaint but they told her it was referred to enforcement and she has heard nothing further.

Rodgers will follow up with Donovan to help provide some resolution. He stated that FMCSA appreciates her sharing this story because it gets to the heart of the Working Group's goal of protecting consumers; the recommendations that come from this group will take her comments into consideration.

Appendix B: FMCSA List of Resources

Protect Your Move

- Website: www.protectyourmove.gov - primary resource for the moving public.
- Consumers may check if their mover is registered.
- File HHG complaints and check complaint status on movers/brokers.
- Provides Red Flags list and Moving Fraud Checklist
- Information on the 3 main stages of moving: 1) research before the move; 2) during the move; and 3) after the move if there are problems.

National Consumer Complaint Database (NCCDB)

- Consumers may Google NCCDB to access the complaint database directly to file a complaint.

SAFER

- Website: www.safersys.org
- FMCSA Safety and Fitness Electronic Records (SAFER) System offers company safety data and related services to industry and the public over the Internet. The Users can search FMCSA databases to obtain information on companies registered with FMCSA.
- Users may access the Licensing & Insurance database to verify carrier registration, insurance, authority type, and process agent information, etc.

FMCSA Public Website

- Website: www.fmcsa.dot.gov
- The website's homepage includes three main categories: 1) Drivers; 2) Carriers; and 3) Consumers.
- Provides all types of information on FMCSA, various initiatives, programs, regulations, etc.

Facebook: www.facebook.com/FMCSA

Twitter: <https://twitter.com/FMCSA>

Appendix C: PowerPoint Presentation



Household Goods Consumer Protection Working Group

Second In-Person Meeting

May 2-4, 2017





Welcome and Call to Order

- Heather Paraino, Chairperson
- Kenneth Rodgers, Designated Federal Officer (DFO)



Ground Rules / Housekeeping

- Review Working Group ground rules
- Housekeeping items
 - Building information
 - Start/stop/break times
 - Public comment period will be held on May 4 at 10:00 AM



Update, Timeline and Goals

- May 2-4, 2017 – Onsite Meeting
- June 27-29, 2017 – Onsite Meeting
- June 29 – August 1, 2017 – Wrap-up
Recommendations
- August 1 – September 1, 2017 – Draft Report
- September 30, 2017 – Submit Report for Concurrence
Approval



Meeting Agenda and Goals

- Day 1
 - Subgroup report-outs
 - Presentation from Kelsey Owen, BBB
 - Discussion of report roll-up
- Day 2
 - Morning: Continued subgroup work
 - Afternoon: Full group discussion and subgroup report-outs
- Day 3
 - Work on recommendations or action items from Days 1-2
 - Public comment period



Exercise





Paperwork





Paperwork Subgroup Report-Out

- Rights and Responsibilities
 - Streamline/condense this document after the changes to other documents have been adopted.
 - Make it available earlier in the process
 - What does the Education Subgroup think about this?
 - Include notice of tariff and also warn about movers who don't have tariffs, or broker tariffs.



Paperwork Subgroup Report-Out

- Order for service
 - Eliminate and move critical pieces to estimate or bill of lading



Paperwork Subgroup Report-Out

- Estimate
 - Arbitration program and complaint procedure could be included (or should arbitration go in the Rights and Responsibilities?)
 - Consider the requirement to streamline: Would a link/reference be better than printing the full text on the document?
 - Eliminate the practice of amending the estimate ("checkbox" loophole)



Paperwork Subgroup Report-Out

- Estimate continued
 - FOR DISCUSSION: Eliminate non-binding estimates (only allow binding)
 - FOR DISCUSSION: Include date spreads in the estimate
 - The current language can be confusing to the consumer. Consumers are lead to believe that a single date is the delivery date, but the bill of lading says “first available.”
 - Needs further discussion on the details (just move the text that is currently located on the order for service or also tweak the language?)



Paperwork Subgroup Report-Out

- Bill of lading
 - Keep but simplify
- Inventory
 - FOR DISCUSSION: Potentially eliminate or allow shippers to waive
- High value inventory
 - Keep but add to bill of lading



Paperwork Subgroup Report-Out

- Freight bill
 - Keep it as a business practice for driver payment if the carrier chooses, but eliminate the requirement.
- Invoice
 - Change “freight bill” to “invoice” in the consumer regulations, subpart H.
- For future discussion:
 - Attachment to the bill of lading
 - Weight tickets



Paperwork Subgroup Report-Out

- Other general recommendations
 - Change "physical" inspection to "visual" inspection
 - Allow for documents to be provided electronically



Discussion

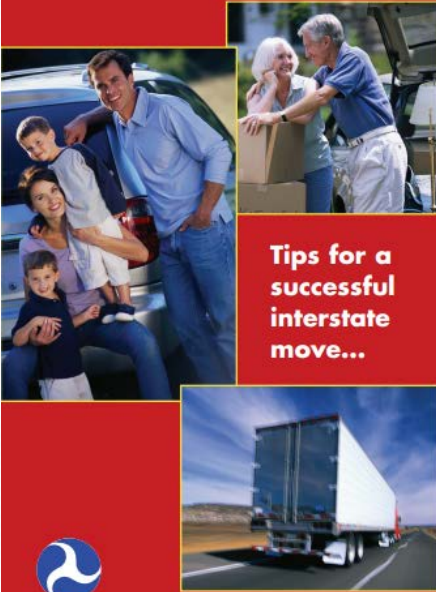
- Eliminate non-binding estimates (only allow binding)
- Include date spreads in the estimate
- Potentially eliminate the inventory, or allow shippers to waive
- Any thoughts on making the Rights and Responsibilities available earlier in the process?




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Federal Motor Carrier Safety Administration

Brochure





Brochure Subgroup Report-Out

- Need to clarify:
 - What is the purpose of the brochure?
 - What are we trying to accomplish with the new brochure?
- The answer to this question helps inform:
 - When/how the brochure should be provided (and by whom)
 - What content to include in the brochure, and what content to eliminate



Brochure Subgroup Report-Out

- Recommendations should be strategic
 - Don't need to necessarily re-write the brochure.
 - Instead, make recommendations on format and what content to include, but leave the details to FMCSA.
 - No change is an option



Brochure Subgroup Report-Out

- For today's meeting
 - Determine the purpose of the “Ready to Move?” brochure, as defined by this Working Group.
 - Help consumers select a mover?
 - Help inform consumers about the mover that they are already working with?
 - Subgroup work: Mark up copies of the current brochure to determine what should stay, what should be eliminated, and what should be added.



Discussion



Kelsey Owen

Better Business Bureau





Education





Education Subgroup Report-Out

- Recommend that FMCSA develop a catchy acronym, icon, or infographic.
 - The subgroup opted to think more strategically rather than getting bogged down in the details.
- Explore and better understand the option to add an ombuds-like position or capability within FMCSA. Provide funding for additional tools and staffing to respond to consumer inquiries.



Education Subgroup Report-Out

- Recommendations for using the internet as an educational tool
 - Use Google analytics to optimize Google search results, and provide funding for its use throughout the year, not just at peak moving season
 - Leverage *multiple* other modern tools/platforms to disseminate information:
 - A series of podcasts
 - YouTube
 - Social Media (Facebook, Twitter)



Discussion



Report Roll-Up





High-Level Outline

- Executive Summary
- Introduction/Background
- Task #1: Condense publication ESA 03005 (Brochure)
- Task #2: Use state-of-the-art education techniques and technologies (Education)
- Task #3: Reduce and simplify the paperwork required of motor carriers and shippers
- Conclusion
- (If needed:) Appendices



Report Outline

- Introduction/Background
 - Brief description of HHG and FMCSA's role in regulating HHG motor carriers
 - What prompted this Working Group? (FAST Act)
 - Working group charge and process (met 3 times in-person, broke into subgroups, etc)
 - Key considerations (Working Group goals and values)
 - Improve consumers' access to information (push it out to them rather than relying on them to find it)
 - Make the moving process easier for both movers and consumers by reducing and streamlining the required paperwork
- Any other information that should go in this section?



Report Outline

- Task #1 (Brochure)
 - Brief description of task and the Working Group's interpretation of FAST Act intent. Reiterate goals and values specific to this task.
 - Recommendation 1
 - Recommendation 2
 - ...
- Task #2 (Education)
 - Brief description ...
 - Recommendation 3
 - Recommendation 4
 - ...
- Task #3 (Paperwork)
 - Brief description ...
 - Recommendation 5
 - Recommendation 6
 - ...



Report Outline

- Sub-section for each recommendation:
 - Background
 - Why is this being recommended? What are the current challenges?
 - Discussion
 - Reiterate some of the more important conversations that took place
 - Describe the anticipated impacts to the industry, consumers, FMCSA, etc
 - Finding(s) / Conclusion(s)
 - Discuss the result of the Working Group's conversations. What did they agree upon and what is their rationale for the recommendation?
 - Recommendation



Report Outline

- Conclusion
 - Reiterate:
 - Recommendations address FAST Act requirements and Working Group goals and values
 - The Working Group worked thoughtfully and collaboratively, and was comprised of a number of different stakeholders and expertise.
 - The Working Group was designated to exist for one year after the recommendation was submitted, and can be called upon to respond to questions about their recommendations.
- Appendix (if needed)
 - This is where supplemental information can be included, if needed (e.g., examples of infographics, samples of paperwork requirements, etc)



Report Outline

- Is there anything missing that should be included?
- Feedback, comments, and suggestions are strongly encouraged!





Day 1 Wrap-Up

- Summary of Day 1 outcomes
- Goals for Day 2