

# HOUSEHOLD GOODS CONSUMER PROTECTION WORKING GROUP REPORT TO CONGRESS

Pursuant to Section 5503(d) of the Fixing America's Surface  
Transportation Act (P.L. 114-94)

September 2019

## BACKGROUND

In addition to its primary safety mission, the Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA) conducts a national household goods program that promotes increased compliance and consumer education through data analysis, investigations, enforcement, and outreach.

Section 5503 of the Fixing America's Surface Transportation (FAST) Act required the Secretary of Transportation to establish a Household Goods Consumer Protection Working Group (Working Group) for the purpose of developing recommendations on how to best convey to consumers relevant information on Federal laws concerning the interstate transportation of household goods by motor carriers. The FAST Act required a report to Congress on implementation of the Working Group's recommendations. This report fulfills that requirement.

As required by the FAST Act, the Working Group must be composed of individuals with expertise in consumer affairs, educators with expertise in how people learn most effectively, and representatives of the interstate HHG moving industry. The Working Group was composed of 15 individuals meeting the requirement established by the FAST Act.

## WORKING GROUP RECOMMENDATIONS AND FMCSA RESPONSE

The FAST Act specified that the Working Group address the following in its recommendations to the Secretary:

- Using state-of-the-art education techniques and technologies, including optimizing the use of the Internet as an educational tool.
- Reducing and simplifying the paperwork required of motor carriers and shippers in interstate transportation.
- Condensing FMCSA publication ESA 03005 entitled *Ready to Move-Tips for a Successful Interstate Move* into a format that is more easily used by consumers.

The Working Group produced a report containing 19 recommendations that address these three areas. The Working Group met three times at Department of Transportation headquarters in Washington, D.C. Additional information about the Working Group is available on (<https://www.fmca.dot.gov/fastact/house-goods-consumer-protection-working-group>.) At these meetings, public comments were received, and discussed, and several comments were incorporated into the resulting recommendations. The Working Group completed its task to develop recommendations as described in the FAST Act and was terminated in 2018.

The Working Group provided its report to FMCSA on September 25, 2017. Upon receipt of the report, FMCSA analyzed the recommendations to identify those that can be easily implemented and those that will require regulatory or statutory change. Since receipt of the Working Group's report, FMCSA has focused on developing implementation plans for the recommendations as described in the tables below.

The FMCSA has carefully measured each of the Working Group's recommendations subject to the following considerations:

- Does the recommendation enhance consumers' ability to understand their rights and responsibilities?
- Does the recommendation reduce the economic burden on motor carriers?
- Does the recommendation simplify regulatory requirements to the benefit of industry and consumers?

The FMCSA will complete actions with resource implications within FMCSA's existing resources unless otherwise noted. In those cases which require a change to FMCSA's statutory authority, in the "FMCSA Actions" column, FMCSA has noted that further review is needed to determine if these recommendations should be implemented. The following tables outline FMCSA's response to each recommendation, and the proposed actions where applicable. The FMCSA agrees with many of the Working Group's recommendations and is taking action on those that can be easily implemented without statutory change.

**Addressing the Use of State-of-the-Art Education Techniques and Technologies**

<b>Working Group Recommendation</b>	<b>FMCSA Actions</b>
<p>1. Develop and maintain modern communication tools, platforms, and partnerships to educate consumers.</p>	<ul style="list-style-type: none"> <li>• Working with the industry and other organizations to direct outreach to and promote consumer awareness for individuals experiencing life events that might require a move.</li> <li>• Engaging in consumer protection outreach efforts year-round rather than seasonally, including advertising and social media campaigns.</li> <li>• Optimizing the use of the internet, partnerships, and multiple platforms to bring information to consumers.</li> <li>• Enhancing the Protect Your Move website by implementing many of the suggestions detailed in the Working Group's report.</li> <li>• Generating discussion and interest offline through resources, to include college campuses, and collaborating with industry stakeholders to target individuals experiencing life events that might necessitate a move (such as marriage, a new home, graduation, a new job, or retirement).</li> </ul>

Working Group Recommendation	FMCSA Actions
<p>2. Develop online (and other) education modules that are short and easily understood, and aligned with the different phases of the moving process.</p>	<ul style="list-style-type: none"> <li>• Developing an online consumer education program.</li> <li>• Providing outreach information in different modules to meet the different needs of each module’s target audience.</li> <li>• Including definitions of important moving-industry terminology throughout the modules.</li> </ul>
<p>3. Develop and maintain modern tools to assist the moving industry with its efforts to educate consumers.</p>	<ul style="list-style-type: none"> <li>• Developing website content, webinars, videos, and any other training or materials targeted at new entrant brokers and motor carriers, as well as established motor carriers.</li> <li>• Partnering with industry and other stakeholders to expand the reach of FMCSA’s consumer protection message.</li> <li>• Making available voluntary training opportunities in collaboration with State agencies, other stakeholders, and industry partners.</li> </ul>
<p>4. Provide additional funding for staff and resources dedicated to household goods consumer education. This funding would allow FMCSA to increase and improve upon their current consumer education efforts.</p>	<ul style="list-style-type: none"> <li>• This recommendation is currently being assessed.</li> </ul>
<p>5. The 2013 version of FMCSA-ESA-03-006, “Your Rights and Responsibilities When You Move” should be formally adopted, further condensed and streamlined, and updated to include this Working Group’s recommendations. It should also be easier for movers to provide this document electronically, and it should be provided to consumers earlier in the moving process.</p>	<ul style="list-style-type: none"> <li>• 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. The proposed changes would meet the Paperwork Reduction Act requirements.</li> </ul>
<p>6. FMCSA’s guidance that if a consumer tenders additional items or requests additional services prior to loading, and the mover agrees to such additions, that the mover</p>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>

Working Group Recommendation	FMCSA Actions
<p>should prepare a completely new estimate (instead of amending the existing one), should be formally adopted. Additionally, the mover should maintain a record of the date, time, and manner that the new estimate was accepted by the shipper.</p>	
<p>7. Change the requirement for a “physical” survey to a “visual” survey. The term “visual survey” should include both physical and virtual surveys.</p>	<ul style="list-style-type: none"> <li>• FMCSA supports this recommendation and is identifying the regulatory and potential statutory changes that may be necessary for implementation.</li> </ul>
<p>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.</p>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<p>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.</p>	<ul style="list-style-type: none"> <li>• 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.</li> </ul>
<p>10. The critical items from the order for service should be added to the bill of lading so that these documents can be combined. A statement should also be added that the bill of lading incorporates by reference all the services and charges printed on the estimate. The requirement to provide names, addresses, and telephone numbers of additional motor carriers involved in the move should be eliminated from the bill of lading.</p>	<ul style="list-style-type: none"> <li>• 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. FMCSA would maintain the requirements for the mover to provide names, addresses, and telephone numbers of additional motor carriers involved in the move.</li> </ul>

Working Group Recommendation	FMCSA Actions
<p>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).</p> <p>12. Remove the requirement for a freight bill, and the written notices for a freight bill should be transferred to an invoice.</p> <p>13. Finalize the proposed rulemaking published at 79 FR 23306 (4/28/14) to allow for electronic delivery of all required documents.</p> <p>14. Eliminate the current requirement for consumers to sign a written waiver in order to receive their documents electronically.</p>	<ul style="list-style-type: none"> <li>• FMCSA supports these recommendations and 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.</li> <li>• As to item 13, FMCSA finalized the proposed rule allowing for electronic delivery of all required documents and the rule became effective on June 15, 2018 (83 FR 16210).</li> </ul>

\*Some of these descriptions have been summarized. Further details are provided in the Working Group’s report.

#### Addressing FMCSA Publication ESA 03005

Working Group Recommendation	FMCSA Actions
<p>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.</p>	<ul style="list-style-type: none"> <li>• FMCSA supports this recommendation and 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.</li> </ul>
<p>16. The title of FMCSA publication ESA 03005 should be changed from “Ready to Move?” to “Choose Your Mover.”</p>	<ul style="list-style-type: none"> <li>• FMCSA will not be taking action on this recommendation.</li> <li>• The Agency does not agree to change the name of the pamphlet because changing the name will not address the concerns relating to the stages in the moving process.</li> </ul>
<p>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</p>	<ul style="list-style-type: none"> <li>• FMCSA is developing an improved electronic version of this document to meet these recommendations. FMCSA believes the Paperwork Reduction Act</li> </ul>

Working Group Recommendation	FMCSA Actions
<p>should also be mobile-friendly. Consideration should be given to how the brochure can be both visually appealing and direct consumers' attention to the right places.</p>	<p>implementations would be minimal. The brochure would be reduced resulting in a diminished paperwork burden to the motor carrier.</p>
<p>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.</p>	<ul style="list-style-type: none"> <li>• This recommendation, though beneficial to consumers, will likely increase regulatory requirements on the industry. FMCSA is assessing the cost impact of this recommendation before taking further action.</li> </ul>
<p>19. ESA 03005 should be condensed to include only the content found in Appendix H of the Working Group report.</p>	<ul style="list-style-type: none"> <li>• Identifying the regulatory changes, if any.</li> <li>• If regulatory changes are minimal, FMCSA will develop a new document to address this recommendation.</li> </ul>

**CONCLUSION**

The FMCSA's Household Goods Program's mission is to protect consumers from rogue carriers and moving fraud, and to provide education and tools to help consumers avoid becoming victims of deceptive business practices. The FMCSA appreciates the opportunity Congress provided in the FAST Act to establish the Working Group and the tasks given. These recommendations, when implemented, should offer streamlined documentation requirements for interstate household goods motor carriers and household goods brokers, and improve the protection of America's moving public.