

SERVICE DATE – MARCH 9, 2012

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. RR 999 (Amendment No. 5)

RELEASED RATES OF MOTOR COMMON CARRIERS
OF HOUSEHOLD GOODS

Digest:¹ The Board will grant in part the petition of the American Moving and Storage Association and postpone the date by which interstate moving companies of household goods must comply with the changes outlined in earlier Board decisions in this proceeding that were served on January 21, 2011, and January 12, 2012. Parties were originally required to comply no later than April 2, 2012, but they now must be in compliance no later than May 15, 2012.

Decided: March 8, 2012

In this decision, the Board will grant in part a petition to postpone the effective date of the decisions served in this proceeding on January 21, 2011, and January 12, 2012, until May 15, 2012.

BACKGROUND

In a decision served January 21, 2011 (January 2011 Decision), the Board implemented a Congressional directive to enhance consumer protection in the case of loss or damage that occurs during interstate household-good moves.² The January 2011 Decision required movers to provide certain information concerning the two available cargo-liability options on the written estimate form—the first form that a moving company must give to a customer—and tentatively raised the dollar value levels used in reimbursing a consumer under the replacement-value option for lost or damaged goods when the consumer had not declared in advance how much the goods were worth. In a decision served on January 12, 2012 (January 2012 Decision), the Board, after reviewing comments filed in response to the January 2011 Decision, modified the requirement in the January 2011 Decision that certain information be put on the estimate form, and it adopted the raised value levels. The Board also clarified other aspects of the January 2011 Decision,

¹ The digest constitutes no part of the decision of the Board but has been prepared for the convenience of the reader. It may not be cited to or relied upon as precedent. Policy Statement on Plain Language Digests in Decisions, EP 696 (STB served Sept. 2, 2010).

² See Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), § 4215, Pub. L. No. 109-59, 119 Stat. 1144, 1760 (2005). The Board published notice of the January Decision on January 31, 2011 (76 Fed. Reg. 5,431).

including the application of these changes to household-goods freight forwarders. Finally, the Board established April 2, 2012, as the effective date for moving companies to comply with the changes outlined in the two decisions.

On February 8, 2012, the American Moving and Storage Association (AMSA), a national trade association for the moving industry, filed a petition for postponement of the effective date of the January 2011 and January 2012 decisions. AMSA requests that the Board move the April 2 effective date to November 1, 2012, in order to allow additional time for: (1) the Federal Motor Carrier Safety Administration (FMCSA) to complete the process of updating its rights and responsibilities brochure to correspond with the Board's January 2011 and January 2012 Decisions; (2) the industry to redesign and print estimate forms containing the new valuation notice; and (3) AMSA to educate and train customer service and sales force representatives about the changes outlined in the Board's decisions. AMSA requests expedited action.

Patricia Jennings, an industry consultant and software vendor, filed a comment in response to AMSA's petition. Ms. Jennings states that her company has nearly completed the changes to the software and forms that are sold to customers in order to comply with the January 2011 and January 2012 Decisions. Ms. Jennings states that her company will be ready within the next two weeks to have her tariff clients in compliance by the current April 2 effective date. Ms. Jennings states that she has no objection to AMSA's proposed extension until November 1, but asks that the Board render its decision no later than February 28, 2012, to permit her company to make any needed additional changes to software code and forms and alert customers of the new effective date.

Joe Harrison, an industry consultant, also filed a comment in response to AMSA's petition. Mr. Harrison agrees that the April 2 effective date should be postponed to allow movers and vendors more time to amend documents and educate employees. However, Mr. Harrison does not believe that the FMCSA will need to make any substantial changes to its brochures to accommodate our January 2011 and 2012 Decisions, and he projects that any changes that FMCSA may decide to make will not likely be completed by November 1, 2012. Mr. Harrison requests that the Board consider changing the effective date to May 15, 2012, the start of the peak moving season. Such an extension would permit consumers to benefit from the Board's January 2011 and 2012 decisions while at the same time giving the moving industry more time to comply with the new rules. Mr. Harrison also requests that a change to the effective date not be tied to any changes the FMCSA may make to its rights and responsibilities brochure.

DISCUSSION AND CONCLUSIONS

While AMSA's request for some postponement of the effective date is reasonable, we will not grant the full extension it seeks. Instead, because we conclude that there are no major conflicts between the FMCSA brochures and the new rules, the Board will postpone the effective

date only until May 15, 2012, in order to provide additional time for affected parties to come into compliance, and in order to allow consumers to benefit from the changes as soon as possible.

This decision will not significantly affect either the human environment or the conservation of energy resources.

It is ordered:

1. AMSA's petition to postpone the effective date of the January 2011 and January 2012 Decisions is granted in part.
2. The January 2011 and January 2012 Decisions will be effective on May 15, 2012.
3. A notice of this decision, and of the January 2012 Decision, will be published in the Federal Register.

By the Board, Chairman Elliott, Vice Chairman Mulvey, and Commissioner Begeman.