

**Department of Transportation
Office of the Chief Information Officer**

SUPPORTING STATEMENT

TRANSPORTATION OF HOUSEHOLD GOODS; CONSUMER PROTECTION

INTRODUCTION

The Federal Motor Carrier Safety Administration (FMCSA) requests the Office of Management and Budget's (OMB) approval for the revision of an information collection request (ICR), titled "Transportation of Household Goods; Consumer Protection," covered by OMB Control Number 2126-0025, and currently due to expire on August 31, 2019.

1. Circumstances that make collection of information necessary.

FMCSA has authority to regulate the commercial operations of the household goods industry. See 49 U.S.C. § 14104, "Household goods carrier operations," (Attachment A). Under § 14104(a)(1), paperwork required of household goods (HHG) carriers must be minimized to the maximum extent feasible consistent with the protection of individual shippers.

This ICR includes the information collection requirements contained in title 49 CFR part 375, Transportation of Household Goods in Interstate Commerce; Consumer Protection Regulations (Attachment B).

On July 12, 2005, FMCSA published a Final Rule titled "Transportation of Household Goods; Consumer Protection Regulations," (70 FR 39949) (Attachment C), which specifies how motor carriers transporting household goods by commercial motor vehicle in interstate commerce must assist their individual customers who ship household goods. The collected information encompasses that which is generated, maintained, retained, disclosed, and provided to, or for, the agency under 49 CFR part 375.

On August 10, 2005, the President signed into law the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Pub. L. 109-59, 119 Stat. 1144, (August 10, 2005), (Attachment D). The Agency consequently revised this ICR to address these statutory impacts in a final rule titled "Amendments to Implement Certain Provisions of the Safe, Accountable, Flexible, Efficient Transportation Act: A Legacy for Users (SAFETEA-LU)" (72 FR 36760) (July 5, 2007) (Attachment E). Section 4205 of SAFETEA-LU (Attachment F) amended 49 U.S.C. 14104(b) by requiring the HHG motor carrier to conduct a physical survey of the household goods to be transported on behalf of the individual shipper. The carrier must then provide the shipper with a written estimate, based on the physical survey, of charges for the transportation and all related services. The statute permits two exceptions to this requirement.

First, the individual shipper may elect to waive a physical survey of the household goods. The waiver must be in writing; it must be signed by the individual shipper before the household goods shipment is loaded; and the motor carrier must retain a copy of the waiver as an addendum

to the bill of lading. The copy of the waiver agreement is subject to the same record retention requirements that apply to the bill of lading, as provided in section 375.505(d).

Second, the motor carrier need not conduct a physical survey if the household goods are located beyond a 50-mile radius of the location of the carrier's household goods agent preparing the written estimate provided to the individual shipper. Section 4205 also added certain requirements for HHG carriers to provide specified informational publications to individual shippers.

On November 29, 2010, FMCSA published a final rule titled "Brokers of Household Goods Transportation by Motor Vehicle" (75 FR 72987) (Attachment G) that extended certain recordkeeping requirements to household goods brokers. Specifically, FMCSA provided for the electronic distribution of certain consumer protection documents and required both household goods brokers and motor carriers to retain records of electronic distribution for three years.

On July 16, 2012, FMCSA published a direct final rule titled "Transportation of Household Goods in Interstate Commerce; Consumer Protection Regulations: Household Goods Motor Carrier Record Retention Requirements" (77 FR 41699) (Attachment H) that amended the regulations governing the period during which HHG motor carriers must retain documentation of an individual shipper's waiver of receipt of printed copies of consumer protection materials. The three-year required retention period for those receipts was reduced to one year. This change harmonizes the retention period with other document retention requirements applicable to HHG motor carriers. FMCSA also amended the regulations to clarify that an HHG motor carrier is not required to retain waiver documentation from any individual shippers for whom the carrier does not actually provide services.

2. How, by whom, and for what purpose is the information used.

The collected information will assist consumers in their commercial dealings with interstate motor carriers by enabling them to receive consumer protection materials electronically.

FMCSA will use the information provided by the shippers, when necessary, while conducting reviews, audits and investigations of carriers to determine if a carrier/mover is in compliance with the Federal requirements. If this collected information were not available, FMCSA will have no means of independently verifying compliance.

3. Extent of automated information collection.

FMCSA estimates that approximately 60% of consumers will elect to receive consumer protection materials electronically. None of the information is submitted to FMCSA.

4. Efforts to identify duplication.

FMCSA is unaware of any other collections of information that will duplicate, overlap, or conflict with this ICR.

5. Efforts to minimize the burden on small businesses.

FMCSA acted to further minimize the burden on small businesses by offering the option to provide a hyperlink on their websites to the FMCSA website containing FMCSA's publication "Your Rights and Responsibilities When You Move" (Attachment I). Using the hyperlink will eliminate the cost of hardcopy reproduction. The HHG motor carrier is required to retain either electronic or paper receipts showing the shipper has received both documents and verification of the shipper's agreement to access the Federal consumer protection information on the internet. The three-year required retention period for those receipts was reduced to one year as the result of FMCSA amending its HHG regulations in 2012, as discussed previously above. By reducing the retention period, the burden on small businesses will be further minimized. In addition, FMCSA limited the document retention requirement to require HHG motor carriers to retain receipts from only those consumers for whom they provide household goods transportation services.

6. Impact of less frequent collection of information.

The information in this ICR renewal proposal will be collected when a consumer requests that a mover provide an estimate and when a consumer decides to have a particular mover transport household goods. Certain information will be transferred to the consumer for the consumer to educate himself/herself of his/her rights and responsibilities in commercial transactions with the mover. Therefore, frequency is based on the number of moves and requests made, based on shippers needs, and is not a factor that FMCSA or the carrier can control.

7. Special circumstances.

The information is not collected more frequently than quarterly since the data is required only when services are requested by the consumer. This is to help the consumer understand each part of the commercial transaction and determine whether they are being defrauded or deceived by a mover.

8. Compliance with 5 CFR § 1320.8.

On May 2, 2019, FMCSA published a notice in the Federal Register (84 FR 18916) (Attachment J) with a 60-day comment period announcing its intention to seek OMB review and approval to extend this ICR.

Summary of Public Comments Received

On May 2, 2019, FMCSA published a notice in the Federal Register Docket Number: FMCSA-2018-0356 with a 60-day public comment period to announce information collection request for the Transportation of Household Goods, Consumer Protection. One commenter responded, the American Moving & Storage Association (AMSA) with remarks regarding the ICR and activities required in the transportation of household goods (FMCSA-2018-0356). Specific concerns encompassed the Fixing America's Surface Transportation Act (FAST Act) Household Goods Consumer Protection Working Group (Working Group) which produced a report of 19 recommendations to address the Congressional mandate to: 1) condense the

publication ESA 03005 of the FMCSA into a format that is easily used by consumers; 2) using state-of-the-art education techniques and technologies, including optimizing the use of the Internet as an educational tool; and 3) reduce and simplify the paperwork required of motor carriers and shippers in interstate transportation.

A. Informational Documents Provided to Prospective Shippers

AMSA states the Your Rights and Responsibilities When You Move (R&R) pamphlet was updated in 2013; however, it was not formally adopted into the FMCSA regulations. AMSA supports the recommendation of the Working Group (Recommendation #5) for FMCSA to initiate a rulemaking to formally adopt the 2013 version while also continuing to look for opportunities to further streamline the content. This document is currently provided to consumers prior to the distribution of the order-for-service. AMSA believes this timeframe is often too late to prove useful, as a consumer has already entered a contract and no longer has the flexibility to choose a different mover. As recommended by the Working Group, movers should be required to deliver this document earlier in the move, with the estimate, to better inform consumers' decision-making.

Currently, consumers have the option to receive the R&R electronically, if they sign a written waiver. AMSA supports the recommendation of the Working Group (Recommendation #14) to allow movers to provide an electronic copy without collecting a written consent to waive their right to a hard copy. Movers and consumer would retain the ability to use paper forms if they choose. This reform will reduce the time and money movers may spend printing and delivering the R&R without reducing quality of the information delivered.

FMCSA worked closely with the American Moving & Storage Association (AMSA) on the FAST Act Working Group. Currently, the Working Group's recommendation report is under consideration in the Agency's concurrence process. Therefore, FMCSA isn't prepared to respond to comments at this time.

Signed Receipt for Verification of Booklets Received

AMSA states providing the R&R to customers is a necessary collection for the performance of FMCSA's functions. Removing the need for a waiver to provide consumers with the electronic version, the Agency can make the process simpler for customers and movers who prefer electronic documents by providing movers broader flexibility to develop their own ways to demonstrate that the document was provided. It still would be permissible to provide paper copies and collect the traditional signatures. However, the information collection definition should be expanded to permit electronic means of collecting and retaining proof that the consumer received the materials.

FMCSA worked closely with the AMSA on the FAST Act Working Group. Currently, the Working Group's recommendation report is under consideration in the Agency's concurrence process. Therefore, FMCSA isn't prepared to respond to comments at this time.

B. Physical Surveys – Binding and Non-Binding

AMSA states that currently, consumers living within a 50-mile radius of the mover, the mover is required to perform a physical survey (onsite survey) of the household goods being transported unless the consumer waives this right. Consumers living over 50 miles from the mover, a physical survey is automatically waived. As such a physical survey, unless waived by the customer, is necessary for the performance of FMCSA functions.

Physical surveys can be inconvenient for customers to schedule and even more challenging when they intend to obtain multiple estimates. Thus, consumers may waive their right to a physical survey due to inconvenience which may decrease their protection against unscrupulous movers. There is technology available now that can accurately provide virtual surveys to be conducted on a customer's smartphone or tablet without the mover ever entering the home. Therefore, AMSA supports the Working Group's Recommendation #7 to expand the recommendation of a physical survey to include virtual surveys. If virtual surveys were permitted, FMCSA would eliminate the automatic waiver right for consumers living beyond 50 miles from the mover. From a business perspective, modern technology can often save movers time and fuel costs by deploying less personnel to perform physical surveys which is Recommendation #8.

FMCSA worked closely with the AMSA on the FAST Act Working Group. Currently, the Working Group's recommendation report is under consideration in the Agency's concurrence process. Therefore, FMCSA isn't prepared to respond to comments at this time.

C. Orders for Service, Bills of Lading

Orders for Service, Goods Inventories, and Bills of Lading

AMSA states the order for service (OFS) is a document permitting a mover to transport a customer's goods. The regulations in 49 CFR 375.501 require that 15 informational elements be included in this documents. The bill of lading (BOL) is a written agreement between a mover and customer for the services to be provided...it is essentially the contract. The information collected in both documents, cumulatively is necessary and required by FMCSA for interstate transportation. The OFS and BOL contain much of the same information. AMSA supports recommendations #9 and #10 to eliminate the OFS and add the critical information to the BOL. This action will benefit both the consumer and mover to eliminate paperwork the consumer must read and understand, and that movers must produce.

FMCSA worked closely with the AMSA on the FAST Act Working Group. Currently, the Working Group's recommendation report is under consideration in the Agency's concurrence process. Therefore, FMCSA isn't prepared to respond to comments at this time.

Weighing Shipments

AMSA states weight tickets are a vital data point for non-binding estimates, OFS, BOL, freight bill, etc., in the move process. Weighing a shipment is required on non-binding estimates as outlined in 49 CFR Part 375.507 and is used to determine the final charges for the load. However, if transit to the nearest weigh station is considered, this is a significant underestimation as scales in some parts of the country can be up to 30-40 miles away. More study should be required to determine the accurate time burden of this data collection.

FMCSA does not have additional information to revise our estimate at this time.

9. Payments or gifts to respondents.

There are no payments or gifts to respondents for this information collection.

10. Assurance of confidentiality.

None of the information collected by movers will be confidential.

11. Justification for collection of sensitive information.

There are no questions of a sensitive nature.

12. Estimates of Burden Hours for Information Collected.

This supporting statement divides the burden into five collections roughly corresponding to the subsections in the HHG regulations in which the specific paperwork and record keeping requirements for HHG movers appear:

- IC-1: Required Information for Prospective Individual Shippers
- IC-2: Estimating Charges
- IC-3: Pick Up of Shipments of Household Goods
- IC-4: Transportation of Shipments
- IC-5: Consumer Complaints

Each collection is discussed separately below. The burden hour estimates incorporate the following annualized assumptions and statistics:

- 4,212 HHG movers are active.¹
- 611 HHG movers enter the industry.²
- 7,552,536 million Americans move interstate.³
- 617,503 professional interstate moves take place.⁴

¹ FMCSA's Licensing and Insurance (L&I) and Motor Carrier Management Information Systems (MCMIS) databases. As of November 1, 2018. Includes carriers, brokers, freight forwarders, and enterprise companies.

² FMCSA's L&I and MCMIS databases. As of November 1, 2018. Average of calendar years 2015-2017.

³ U.S. Census Bureau, 2016 American Community Survey 1-Year Estimates. S1101 - HOUSEHOLDS AND FAMILIES. Available at https://factfinder.census.gov/bkmk/table/1.0/en/ACS/16_1YR/S1101. Accessed October 30, 2018.

⁴ The number of persons per household estimated in the 2016 American Community Survey, 2.65, implies that there were 2,850,014 interstate household moves by that population (see https://factfinder.census.gov/bkmk/table/1.0/en/ACS/16_1YR/S1101. Accessed October 30, 2018). A report released by the American Moving and Storage Association (AMSA) indicates that 650,000 of the annual interstate HHG moves are conducted by professional movers (see AMSA, About Our Industry. Available at www.moving.org/newsroom/data-research/about-our-industry. Accessed October 30, 2018). If the same proportion of all interstate HHG moves are conducted by professional movers

- Shippers contact three HHG movers per move.⁵
- The average HHG mover can print and store 1,600 pages of paper per hour.⁶

In addition, the annual burden hour cost estimates incorporate the following wage rates for workers in the truck transportation industry:

Table 1. Estimated Wage Rates

Standard Occupational Classification (SOC) Code ⁷	Occupational Title	Base Median Hourly Wage ⁸ (a)	Load Factor ⁹ (b)	Loaded Hourly Wage (a × b = c)
43-9061	Office Clerks, General	\$15.21	1.422	\$21.63
23-1011	Lawyers	\$63.41		\$83.470
15-1134	Web Developers	\$34.77		\$49.44
53-1048	First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors	\$27.48		\$39.08
43-5011	Cargo and Freight Agents	\$21.75		\$30.93
15-1140	Database and Systems Administrators and Network Architects	\$34.44		\$48.97
43-4051	Customer Service Representatives	\$17.55		\$24.96

IC-1: Required Information for Prospective Individual Shippers

HHG consumer protection regulations require movers to provide certain information to prospective shippers, including the following:

during each of the three years covered by this ICR, then that suggests that there will be 617,503 professional moves annually.

⁵ As in the previous three supporting statements, FMCSA assumes that the optimal search depth for shippers is 3 movers, that is, the search costs will outweigh the marginal benefits (a more desirable combination of quality, timeliness, and low cost) of contacting additional companies after a third mover is contacted.

⁶ Consistent with the currently approved ICR.

⁷ Bureau of Labor Statistics. “Occupational Employment Statistics, May 2017 Occupation Profiles.” Available at www.bls.gov/oes/current/oes_stru.htm. Accessed March 8, 2019.

⁸ Bureau of Labor Statistics. “May 2017 National Industry-Specific Occupational Employment and Wage Estimates, NAICS 484000 – Truck Transportation.” Available at www.bls.gov/oes/current/naics3_484000.htm#15-0000. Accessed March 8, 2019.

⁹ The load factor is estimated by dividing the total cost of compensation for private industry workers of the trade, transportation, and utilities industry (\$27.68) by the average cost of hourly wages and salaries (\$19.46) as reported by the Bureau of Labor Statistics. Bureau of Labor Statistics. “Table 10. Employer costs per hour worked for employee compensation and costs as a percentage of total compensation: private industry workers, by industry group, June 2017.” Available at www.bls.gov/news.release/archives/ecec_09082017.pdf. Accessed March 8, 2019.

- a) A copy of Department of Transportation publication FMCSA–ESA–03–005 (or its successor publication) titled “Ready to Move?”¹⁰ with every written cost estimate.
- b) The contents of part 375 appendix A, titled “Your Rights and Responsibilities When You Move”¹¹ (Department of Transportation publication FMCSA–ESA–03–006, or its successor publication).
- c) A concise, easy-to-read, accurate summary of the mover’s arbitration program.
- d) A concise, easy-to-read, accurate summary of the mover’s complaint and inquiry handling procedures.

To estimate burden hours for IC-1, the Agency divides activities into five subsections:

- “Ready to Move?” Pamphlet;
- “Your Rights and Responsibilities When You Move” document;
- Summary of arbitration programs and summary of complaint and inquiry procedures;
- Internet Website Hyperlinks to Federal Consumer Protection Information; and
- Signed Receipt for Verification of Booklets Received.

Using the assumptions and statistics listed above—that 617,503 professional interstate HHG moves occur each year and that shippers contact and receive cost estimates from, on average, three movers per shipment—FMCSA estimates that shippers create 1,852,509 cost estimates each year (617,503 shipments × 3 contacts).

“Ready to Move?” Pamphlet

Under §375.213(a), HHG movers are required to provide with every written estimate a copy of Department of Transportation publication FMCSA–ESA–03–005 (or its successor publication) titled “Ready to Move?” (Attachment K). HHG movers can accomplish this either (1) by physically distributing the pamphlets, or (2) by providing a hyperlink on their websites. The annual burden for physical distribution requires HHG movers to print and store their supplies of “Ready to Move?” pamphlets. FMCSA estimates that 40 percent of all consumers (shippers) will request a paper version of this pamphlet. The Agency assumes that established HHG carriers will already have an electronic version of this document stored and ready to print from their computer systems, and that new carriers will be able to obtain it from the www.protectyourmove.gov website in under 1 minute.

Because this is a two-page document, the Agency assumes that HHG movers will print these documents themselves in batches throughout the year. Given the 1,852,509 written estimates, there will be 741,004 requests for paper versions of the “Ready to Move?” pamphlet, resulting in a total of 1,482,008 printed pages (741,004 requests × 2 printed pages), and a total of 926 burden hours (1,482,008 pages ÷ 1,600 pages per hour). Including a copy of this document with the written estimate will be a negligible source of additional burden.

¹⁰ Available at www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/Ready_To_Move_Brochure_2006.pdf. Accessed April 9, 2019.

¹¹ Available at www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/Rights-and-Responsibilities-2013.pdf. Accessed April 9, 2019.

The Agency assumes printing and storing the pamphlets will be completed by an employee equivalent to an office clerk with a loaded hourly wage of \$21.63 (Table 1). This results in a total annual burden hour cost of \$20,029 ($\21.63×926 hours).

“Your Rights and Responsibilities When You Move” Document

The “Your Rights and Responsibilities When You Move” document does not have to accompany every written estimate, but it is required to be provided before a service order is executed. The Agency assumes that a copy of the document will be provided for each of the 617,503 HHG shipments that occur each year.

To calculate the burden associated with the “Your Rights and Responsibilities When You Move” document, the Agency uses assumptions analogous to those for the “Ready to Move?” pamphlet: established HHG carriers will already have an electronic version of the document stored on their computer systems ready to print; and new carriers will be able to obtain the “Your Rights and Responsibilities When You Move” brochure from the www.protectyourmove.gov website in under 1 minute.

Due to the length of this document (25 pages), carriers may opt to have copies produced by professional printing services. This would presumably reduce the time burden of this requirement, but increase other costs to respondents discussed in section 13 of this ICR. The Agency lacks information on what method movers will choose and calculates burden estimates assuming that movers produce copies themselves. As mentioned above, FMCSA estimates that 40 percent of all consumers (shippers) will request a paper version of this pamphlet. The total number of copies produced by all HHG movers is estimated to be 247,001 ($617,503 \times 40\%$), which equals 6,175,025 pages ($247,001$ pamphlets $\times 25$ pages), and 3,859 burden hours ($6,175,025$ pages $\div 1,600$ pages per hour).

The Agency assumes printing and storing these pamphlets will also be completed by an office clerk. Multiplying the total annual burden hours by the loaded hourly wage of \$21.63 (Table 1) results in a total annual burden hour cost of \$83,470 ($\$21.63 \times 3,859$ hours).

Summaries of Arbitration Programs and Complaint and Inquiry Procedures

Drafting Documents: The Agency believes that both the summary of the arbitration program and the summary of complaint and inquiry procedures will be one-page documents (two pages in total) that carriers will produce copies of themselves. Established firms will have already created these documents, but the 611 new HHG movers that enter each year will be required to create them; these will contain information specific to the firm, so there are no ready-made documents that movers can simply download. The Agency assumes that new firms will spend 2 hours initially creating each type of summary, resulting in 2,444 annual burden hours (611 new firms $\times 2$ summary documents $\times 2$ hours per document).

The Agency assumes an individual equivalent to a lawyer will complete this task at a loaded hourly wage of \$90.17 (Table 1). New firms will incur an estimated burden hour cost of \$220,375 ($\$90.17 \times 2,444$ hours).

Printing Documents: As with the “Your Rights and Responsibilities When You Move” document, the summaries of arbitration programs and complaint and inquiry procedures are required to be provided before a service order is executed but do not have to accompany every written estimate. Of the 617,503 HHG shipments that occur each year, the Agency assumes that 40 percent of shippers will request paper copies. Further, the Agency assumes that HHG movers will print these documents themselves in batches throughout the year. Therefore, the total number of printed copies produced and stored by all HHG movers is estimated to be 247,001 ($617,503 \times 40\%$), which equals 494,002 printed pages ($247,001 \text{ pamphlets} \times 2 \text{ pages}$), and 309 burden hours ($494,002 \text{ pages} \div 1,600 \text{ pages per hour}$).

The Agency assumes this task will also be completed by an office clerk. Multiplying the annual burden hours by the loaded hourly wage of \$21.63 (Table 1), results in a total annual burden hour cost of \$6,684 ($\$21.63 \times 309 \text{ hours}$).

Internet Website Hyperlinks to Federal Consumer Protection Information

As an alternative to printed versions of the “Ready to Move?” and “Your Rights and Responsibilities When You Move” documents required to be provided with every written estimate before an order for service is executed, HHG movers may provide a hyperlink directed to each of these documents from their websites. FMCSA expects programming/uploading the hyperlinks/documents to be a one-time, 0.5-hour burden for new entrants, as the FMCSA weblink will not change within the three years covered by this ICR. The Agency estimates that the 611 annual new entrants will incur a total of 306 annual burden hours ($611 \text{ new entrants} \times 0.5 \text{ hours}$) programming/uploading the hyperlinks/documents.

The Agency assumes this task will be completed by a web developer with a loaded hourly wage of \$49.44 (Table 1), resulting in an estimated total annual burden hour cost of \$15,129 ($\$49.44 \times 306 \text{ hours}$).

Signed Receipt for Verification of Booklets Received

If a shipper elects to receive “Ready to Move?” and “Your Rights and Responsibilities When You Move” booklets electronically, the HHG mover must, before it executes an order for service for shipment of household goods, obtain a signed and dated electronic or paper receipt showing that the individual shipper has received the two pamphlets that includes, if applicable, verification of the shipper's agreement to access the Federal consumer protection information on the Internet. Further, the signed receipt must be maintained for one year from the date the shipper signs the receipt.

To do this, an HHG mover would have to place a form on its website to be printed and signed by the shipper, and then the HHG mover would have to retain the signed document for one year. The associated burden would include informing the shipper of the necessity to fill out the statement,

receiving the statement, filing it (or converting to electronic copies), and emptying the file after the retention period.

FMCSA estimates that 60 percent of all consumers (shippers) will request an electronic version of the booklets, resulting in 370,502 receipts that must be kept on file for one year (617,503 shipments × 60%). On average, each HHG mover would have to perform this process approximately 88 times every year (370,502 ÷ 4,212 movers). The Agency estimates that movers would spend no more than a total of 4 hours on this process, which results in an annual burden of 16,848 hours.

Assuming an office clerk will complete this task at a loaded hourly wage of \$21.63 (Table 1), the Agency estimates respondents will incur a total annual burden hour cost of \$364,422 ($\$21.63 \times 16,848$ hours).

Subtotal for IC-1

The total annual burden for IC-1, Required Information for Prospective Individual Shippers, is estimated to be **24,692 hours** (926 hours for “Ready to Move?” pamphlet + 3,859 for “Your Rights and Responsibilities” pamphlet + 2,753 for arbitration and complaint summaries + 306 for website hyperlinks + 16,848 for signed receipts).

The total annual burden hour cost is estimated to be **\$710,109** (\$20,029 for “Ready to Move?” pamphlet + \$83,470 for “Your Rights and Responsibilities” pamphlet + \$227,059 for arbitration and complaint summaries + \$15,129 for website hyperlinks + \$364,422 for signed receipts).

IC-2: Estimating Charges

As required by 49 CFR §375.401, HHG movers must conduct physical surveys of shippers’ items to be transported in order to provide written estimates of shipping charges. The exceptions to the physical survey requirement apply when the shipper’s goods are outside of a fifty-mile radius of the mover’s location, or if the shipper waives a physical survey in writing. The process of generating estimates is divided into the following ten steps:

1. Traveling to the pickup location;
2. Estimating the quantity and weight of items to be transported;
3. Estimating accessorial and incidental charges;
4. Reviewing and obtaining information from tariff guides and schedules;
5. Calculating the estimate;
6. Recording the estimate;
7. Copying the estimate;
8. Attaching one copy to the service order and another copy to the bill of lading;
9. Providing the estimate to the prospective shipper; and
10. Returning to mover’s terminal.

The Agency identified three categories of shipping charge estimates: binding estimates, non-binding estimates with physical surveys, and non-binding estimates exempt from physical surveys. FMCSA assumes that any estimate based on a physical survey will take 2 hours to complete, whereas those for which a physical survey is not conducted will take 0.5 hours. A written explanation of the volume-to-weight conversion formula must also accompany non-binding estimates that were based on volume and converted to a weight-based rate.

Table 2 provides details on how the Agency calculated the burden hour and cost estimate associated with each type of estimate.

Table 2. Burden Associated with Written Cost Estimates

Type of Estimate	Percent of Estimates	Responses	Hours per Response	Total Annual Burden Hours
Physical Survey: Binding	60%	1,111,505	2	2,223,010
Physical Survey: Non-Binding	35%	648,378	2	1,296,756
No Physical Survey: Non -Binding	5%	92,626	0.5	46,313
Total	100%	1,852,509		3,593,866

Consistent with previous ICRs, the Agency assumes that 10 percent, or 74,100 (741,004 estimates × 10%), of non-binding estimates will require an explanation of volume to weight conversions. Movers will establish these formulas when beginning operations, and providing this document, when required, with cost estimates will be a negligible source of burden only for the 611 new movers that enter the industry each year. Given the negligible nature of this burden, the Agency does not include it in these burden calculations. The total annual burden for IC-2, Estimating Charges, is estimated to be **3,593,866 hours**.

The Agency assumes all tasks associated with IC-2 will be completed by a first line supervisor of transportation and material moving workers with a loaded hourly wage of \$39.08 (Table 1), resulting in an estimated total annual burden hour cost of **\$140,448,283** (\$39.08 × 3,593,866 hours).

IC-3: Pick Up of Shipments of Household Goods

Under subpart E of part 375, three items are required to be prepared for every shipment: an order for service, an inventory of the goods shipped, and a bill of lading. For shipments initiated with non-binding cost estimates, movers may be required to produce written weight tickets for each shipment.

Orders for Service, Goods Inventories, and Bills of Lading

Preparation of orders for service, goods inventories, and bills of lading may be customary for HHG movers, but in past burden estimates, the Agency has excluded only the burden for goods inventories as occurring in the normal course of business. It will continue this practice in the current burden estimates. The preparation of the bill of lading and the order for service are

estimated to take 0.5 hours each per shipment, totaling 617,503 burden hours as outlined in Table 3.

Table 3. Burden Associated with Orders for Service and Bills of Lading

	Documents	Burden Hours per Document	Total Annual Burden
Orders for Service	617,503	0.5	308,752
Bills of Lading	617,503	0.5	308,752
Total	1,235,006		617,503

Weighing Shipments

Shipping charges may be based either on volume or weight; for the latter case, final charges are typically determined after the goods have already been placed on a moving truck. Consequently, binding estimates are volume-based because final shipping charges are determined and agreed upon before the shipments have had the opportunity to be weighed, and shipments charged according to weight are only associated with some non-binding estimates. If shipping charges are based on weight, movers must complete and retain weight tickets for each weighing of a shipment.

FMCSA does not have a source for an estimate of the fraction or numbers of shipments charged according to volume or weight. It continues to assume, however, as it has in the past, that all non-binding estimates will be charged based on weight.

Although the HHG consumer protection regulations specify the procedures required for weighing shippers’ goods, the only paperwork burden associated with these requirements is contained in 49 CFR §375.519, which requires movers to obtain written weight tickets, specifies the content of those tickets, and discusses proper handling of these documents. In past supporting statements, the Agency had included the total time spent in the weighing process (assumed to be 5 minutes) in its burden estimates, whereas the time spent completing and handling weight tickets, currently assumed to be 1 minute, is the specific paperwork burden associated with the weighing requirements.

Shipments may be weighed more than once if an individual shipper requests a reweighing. If the second measurement is performed on the same scale as the first, both weights may be recorded on the same weight ticket. The use of a different scale seems likely to occur only when the shipper objects to the accuracy of the original scale. The Agency assumes that this is a rare occurrence, and consequently that one weight ticket will be generated per shipment. Table 4 summarizes the burden associated with creating weight tickets.

Table 4. Burden Associated with Weight Tickets

Total Shipments	40% with Non-Binding Estimates	Minutes per Response	Total Annual Hourly Burden
617,503	247,001	1	4,117

Subtotal for IC-3

The total annual burden for IC-3, Pickup of Shipments of Household Goods, is estimated to be **621,621 hours** (617,504 hours for orders for service and bills of lading + 4,117 hours for weight tickets).

The Agency assumes all tasks associated with IC-3 will be completed by a cargo agent with a loaded hourly wage of \$30.93 (Table 1). This results in an estimated total annual burden hour cost of **\$19,226,738** ($\$30.93 \times 621,621$ hours).

IC-4: Transportation of Shipments

Notifications of Delays and Early Deliveries

After goods have been placed in transit, the HHG consumer protection regulations require movers to generate and maintain some additional documents associated with the status of the shipments. Under subpart F of part 375, movers are required to generate and maintain notifications of both delays (§ 375.605) and early delivery (more than 24 hours before the specified date) (§ 375.607) of shipments, and to furnish to shippers upon request the records of contact regarding delays. The notifications regarding delays may be conducted by telephone, fax, e-mail, overnight courier, certified mail, or in person. The Agency believes that movers will use the most expeditious and reliable methods possible—generally assumed to be telephone or email—and will very rarely opt to send paper documents via courier or certified mail. However, movers must furnish a written record of delay notifications if asked to do so by shippers.

The Agency assumes that 20 percent of shipments are delayed, and that shippers request written records of the delay notification in 20 percent of those cases, that is, in 4 percent of total shipments (20% delayed shipments \times 20% contact record requested). The Agency also assumes movers notify shippers of early delivery in 2 percent of shipments. Generating and maintaining records of both types of contact are assumed to take 5 minutes, and furnishing requested copies of the records of notifications of delays are assumed to take 15 minutes. Table 5 summarizes the burden associated with notifications of delays and early arrivals.

Table 5. Burden Associated with Notifications of Delays and Early Delivery

	Percent of Total Shipments	Number of Shipments	Minutes per Response	Total Annual Hourly Burden
Delayed	20%	123,501	5	10,292
Delayed AND Contact Record Requested	4%	24,700	15	6,157
Early	2%	12,350	5	1,029
Total		160,551		17,496

Storage-in-Transit (SIT) Expiration

Under 49 CFR 375.609, movers holding goods for storage-in-transit (SIT- the temporary warehouse storage of a shipment pending further transportation) must notify shippers of the expiration of their storage periods at least 10 days in advance. After the SIT period expires, goods convert to permanent storage and are no longer the liability of the HHG mover. The notifications may be conducted by fax, e-mail, overnight courier, or certified mail, return receipt requested. The Agency believes that movers will use the most expeditious and reliable method possible—generally assumed to be email—and will very rarely opt to send paper documents via courier or certified mail. Nevertheless, carriers must maintain records of these notifications, although the regulations do not specify that these records be kept in a written format.

Consistent with previous ICRs, the Agency assumes that 10 percent of shipments will be in SIT expiration situations and that HHG movers will generate notifications through a company standard e-mail message. These notifications will be generated either automatically or with minimal input from company staff, resulting in negligible burden. But, the Agency also assumes that retention of email records is a standard business practice. Consequently, the Agency does not include estimates of burden associated with notifications of SIT expirations in these calculations.

Subtotal for IC-4

The total annual burden for IC-4, Transportation of Shipments is estimated to be **17,496 hours**, comprised entirely of the burden associated with the notifications of delays and early deliveries.

The Agency assumes all tasks associated with notifications of delays and early deliveries will be completed by a customer service representative with a loaded hourly wage of \$24.96 (Table 1). This results in a total annual burden hour cost of **\$436,700** ($\$24.96 \times 17,496$ hours).

IC-5: Consumer Complaints

Under 49 CFR 375.209, HHG movers are required to keep written or electronic records of all complaints and inquiries received from shippers. Established movers will already have such

record keeping systems in place, whereas the 611 new firms will have to establish record-keeping procedures. The Agency estimates the paperwork burden time for logging the complaints in accordance with §375.209, not the time needed to resolve the complaint, which is not required by §375.209. Further, the Agency assumes that responding to complaints is a standard business practice.

Establishing Complaint and Inquiry Record Systems

The Agency assumes that new firms will spend no more than 30 minutes on average establishing a written or electronic log of complaints or inquiries, or developing a system to retain written complaints or inquiries from consumers. The total annual burden associated with establishing complaint and inquiry record systems is estimated to be 306 hours (611 new firms × 0.5 hours).

FMCSA assumes a database and systems administrator will undertake this task with a loaded hourly wage of \$48.97 (Table 1). This results in a total annual burden hour cost of \$14,985 ($\48.97×306 hours).

Records of Complaints and Inquiries

HHG movers may receive complaints in writing, via e-mail, or orally, either in person or over the telephone. In the first two cases, merely retaining the paper or electronic document would be sufficient for meeting this record keeping requirement. In the last case, movers would have to take extra actions to generate a paper or electronic entry by producing a transcript or summary of the conversation with the shipper; however, recorded telephone conversations would also suffice for meeting this requirement. The Agency assumes movers will opt to produce electronically, rather than paper, the required transcripts or summaries of oral communications.

The Agency had assumed in the past that each shipment receives, on average, two complaints or inquiries. The nature of the complaint or inquiry will determine, in part, which method of communication a shipper uses. FMCSA and local Better Business Bureaus (BBB) logged a total of approximately 9,574 (6,314 to the BBB in 2017¹² and an average of 3,260 annually to FMCSA 2015-2017) complaints in 2017 against HHG movers. A 1999 study into consumer complaints conducted by Saint Louis University on a focus group of consumers¹³ found that 5 contacts was the median number required for resolving complaints, and that 20 percent of complaints required over 10 contacts. Although this study is somewhat dated, the Agency believes its results to be reasonable starting points for evaluating paperwork burden. Most complaints were in industries¹⁴ with characteristics like those of interstate HHG moves, those industries in which products or services, and therefore prices, are tailored to suit the needs of the customers, leaving greater opportunity for disagreements of price relative to the customers' expectations. Complaints

¹² Better Business Bureau, BBB Tip: Hiring a Mover. Available at www.bbb.org/article/tips/13306-bbb-tip-hiring-a-mover. Accessed February 13, 2019.

¹³ See James E. Fisher, Dennis E. Garrett, Mark J. Arnold, Mark E. Ferris, (1999) "Dissatisfied consumers who complain to the Better Business Bureau", *Journal of Consumer Marketing*, Vol. 16 Issue: 6, pp.576-589.

¹⁴ For example, franchised auto dealers, used auto dealers, home remodeling, auto repair, roofing contractors.

generally are fewer for businesses offering homogenous products at fixed prices. The study also found that consumers overwhelmingly opt for oral communication, telephone or face-to-face, when lodging complaints. In the 19 years since this study was produced, consumers and firms may have opted to use email most often to resolve complaints.

The Agency uses this study to derive several key assumptions for evaluating the burden of the complaint and inquiry recordkeeping requirements. First, it assumes that the median number of contacts, 5, is currently applicable as the average number of contacts per complaint. Second, the Agency assumes that the 9,574 complaints referred to FMCSA and the BBB are generally the 20 percent of complaints requiring more than 10 contacts. Consequently, if these 9,574 complaints represent 20 percent of all complaints to HHG movers, the Agency estimates that 47,870 total complaints occur each year ($9,574 \div 20\%$). Factoring in an average of 5 contacts per complaint, the Agency estimates that HHG movers are keeping 239,350 records ($47,870 \text{ complaints} \times 5 \text{ contacts}$). In addition, the Agency assumes that every HHG shipment will generate on average one non-complaint inquiry per year, resulting in 617,503 non-complaint records ($1 \text{ inquiry} \times 617,503 \text{ annual shipments}$).

It is also necessary for the Agency to determine the method of contact. Inquiries and complaints are unlikely to be initiated in writing, and the Agency assumes consumers will opt for email 20 percent of the time and oral communication 80 percent of the time. Maintenance of records of email correspondence is a standard business practice and is assumed to generate no extra burden.

Oral communication requires a carrier to generate a record. The Agency estimates this task takes 1 minute for inquiries and 5 minutes for complaints. As stated above, the Agency assumes that these records will be maintained electronically. Table 6 presents a summary of the burden associated with generating records of oral communications.

Table 6. Burden Associated with Records of Complaints and Inquiries

Record Type	Contacts	Oral Contacts (80%)	Minutes per Contact	Annual Hourly Burden
Complaints	239,350	191,480	5	15,957
Inquiries	617,503	494,002	1	8,233
Total	856,853	685,482		24,190

The Agency assumes that generating a record of oral communication will be completed by a customer service representative with a loaded hourly wage of \$24.96 (Table 1). This results in a total annual burden hour cost of \$603,782 ($\$24.96 \times 24,190 \text{ hours}$).

Subtotal for IC-5

The total annual burden for IC-5, Consumer Complaints, is estimated to be **24,496 hours** (306 hours for establishing record systems + 24,190 hours for recording complaints and inquiries).

The total annual burden hour cost of IC-5 is estimated to be **\$618,767** (\$14,985 for establishing a complaint and inquiry record system + \$603,782 for recording complaints and inquiries).

Total Burden of HHG Consumer Protection Regulations

Table 7 summarizes the estimates of the total annual burden of the HHG consumer protection regulations.

Table 7. Summary of Annual Burden for All Collections

Information Collection	Number of Respondents	Number of Responses	Total Annual Hourly Burden	Total Annual Burden Hour Cost
IC-1 Informational Documents Provided to Prospective Shippers	4,212	1,853,731	24,692	\$710,109
IC-2 Written Cost Estimates for Prospective Shippers		1,852,509	3,593,866	\$140,448,283
IC-3 Orders for Service, Bills of Lading		1,482,007	621,621	\$19,226,738
IC-4 In-Transit Service Notifications		160,551	17,496	\$436,700
IC-5 Complaint & Inquiry Records, Including Establishing Record System		686,093	24,496	\$618,767
Total	4,212	6,034,891	4,282,171	\$161,440,597

Estimated Annual Number of Respondents: 4,212 household goods movers.

Estimated Annual Number of Responses: 6,034,891 [1,853,731 for IC-1 + 1,852,509 for IC-2 + 1,482,007 for IC-3 + 160,551 for IC-4 + 686,093 for IC-5].

Estimated Annual Burden Hours: 4,282,171 [24,692 for IC-1 + 3,593,866 for IC-2 + 621,621 for IC-3 + 17,496 for IC-4 + 24,496 for IC-5].

13. Estimates of Total Annual Costs to Respondents.

HHG movers will bear materials costs of producing documents, storing documents, and mailing requested notifications of in-transit delays.

Producing Documents

The estimates of the costs of producing required documents is based on the total number of pages movers will need to produce multiplied by a flat rate of \$0.15 per page. Table 8 details the number of pages per printed document, the number of documents printed, and the total annual cost of printing cost of printing to respondents.

Table 8. Estimated Annual Cost of Printing*

Information Collection		Pages per Document	Documents Printed	Total Pages Printed	Total Printing Cost
IC-1	“Ready to Move?” Pamphlet	2	741,004	1,482,008	\$222,301
	“Your Rights and Responsibilities”	25	247,001	6,175,025	\$926,254
	Arbitration and Complaint Procedures	2	247,001	494,002	\$74,100
IC-2	Written Cost Estimates, Prospective Shippers	1	1,852,509	1,852,509	\$277,876
IC-3	Service Orders	1	617,503	617,503	\$92,625
	Bills of Lading	1	617,503	617,503	\$92,625
	Weight Tickets	1	247,001	247,001	\$37,050
IC-4	In-Transit Service Notifications: Delays	1	24,700	24,700	\$3,705
				Total	\$1,726,536

* Values may not total due to rounding.

Record Keeping

To estimate capital costs for record keeping, the Agency considers both electronic and paper storage of records. As stated above, the Agency believes electronic records will almost exclusively be used, and that those records are already retained in the normal course of business.

The Agency estimates that paper records of 370,502 receipts for verification of receiving the electronic booklets would be retained each year with a one-year retention period. The capital costs of storing these records would be borne only by new HHG movers in the form of new filing cabinets.

The Agency employs several assumptions and conventions to estimate the paper storage cost per new firm. First, each new firm will retain on average 88 receipts of verification (370,502 receipts ÷ 4,212 firms). The Agency estimates that firms will be able to store 50 records per inch of filing space, and therefore each firm will use approximately 2 file inches (88 paper records ÷ 50 records per inch = 1.8 file inches, rounded to nearest whole number) for storing verifications.

There are 15 file inches of letter-sized paper records per cubic foot, so each firm will use 0.13 cubic feet (2 file inches ÷ 15 file inches per cubic foot) for storage. A two-drawer file cabinet can store approximately 0.75 cubic feet of records, and consequently one cabinet will provide enough space for an individual firm to store all its records receipts of verification. The Agency assumes a median purchase price of \$100 per cabinet, and assumes the value of the office space it takes up will be negligible. Therefore, the Agency estimates the 611 new entrants per year will incur a total cost of storage of \$61,100.

Mailing

The last type of cost the Agency estimates is the capital cost (envelope and postage) of mailing copies of records of delay notifications requested by shippers. The Agency assumes each mailing costs the carrier \$0.60 (\$0.55 per first class stamp and \$0.05 per envelope). As stated above, FMCSA estimates that 24,700 of these mailings occur each year, which results in an annual cost to the industry of \$14,820 (\$0.60 × 24,700).

Estimated Annual Cost to Respondents:

FMCSA estimates that respondents will incur a total annual capital cost of \$1,802,456, as summarized in Table 9.

Table 9. Annualized Capital Cost to Respondents

Information Collection	Capital Cost
IC-1: Informational Documents Provided to Prospective Shippers	\$1,283,755
IC-2: Written Cost Estimates for Prospective Shippers	\$277,876
IC-3: Orders for Service, Bills of Lading	\$222,300
IC-4: In-Transit Service Notifications	\$18,525
IC-5: Complaint & Inquiry Records	-
Total	\$1,802,456

14. Estimate of Cost to the Federal Government.

There is no cost to the Federal government related to this information collection.

15. Explanation of Program Changes or Adjustments.

This revision includes the following program adjustments due to the lower estimates of HHG carriers and professional interstate moves, an increase in the number of new entrant HHG carriers, as well as the removal of IC6, as stated below:

- Decrease of 4,608 hours for IC1: is a result of the decreased estimate of active HHG carriers;
- Decrease of 783,584 hours for IC2: is a result of the decreased estimate of professional moves completed in a given year;
- Decrease of 141,479 hours for IC3: is a result of the decreased estimate of professional moves completed in a given year;

- Decrease of 4,004 hours for IC4: is a result of the decreased estimate of professional moves completed in a given year;
 - Overall decrease of 8,554 hours for IC5: is due to an increase of 56 hours, as a result of the increased estimate of the number of new entrant HHG carriers, and is due to a decrease of 8,610 hours, as a result of the decreased estimate of professional moves completed in a given year; and
 - Decrease of 400 hours for IC6: is a result of IC6 being removed from the ICR.
-
- Annual Number of Responses: decrease of 2,321,489 due to an adjustment in agency estimate and a decrease of 2600 responses due to the removal of IC-6.
 - Annual Burden Hours: decrease of 942,629 due to an adjustment in agency estimate and a decrease of 400 burden hours due to the removal of IC-6.
 - Annual Burden Hour Costs: increase of \$159,124,277.

The adjustments to the annual number of responses, burden hours, and costs to respondents are primarily due to re-estimates of the number of carriers affected by the ICR (from 4,900 to 4,212) and the number of annual shipments (from 758,000 to 617,503).

Less than 1 percent of adjustments to estimates of the number of responses and the number of burden hours are due to the removal from this ICR of currently approved IC-6: Consumer Complaints. Burden and cost estimates associated with IC-6 are now covered by the “National Consumer Complaint Database (NCCDB)” ICR, OMB Control Number 2126-0067.

16. Publication of results of data collection.

FMCSA does not plan to publish any results.

17. Approval for not displaying the expiration date of OMB approval.

FMCSA is seeking approval to not display the expiration date of OMB approval on the publication “Your Rights and Responsibilities When You Move.” This publication will be printed by the vast majority of the household goods carriers. It will be a burden on them to have to re-print the document.

18. Exceptions to certification statement.

FMCSA is claiming no exception to any element of the certification statement.

Attachments

- A. 49 U.S.C. § 14104, “Household goods carrier operations.”
- B. 49 CFR part 375, Transportation of Household Goods in Interstate Commerce; Consumer Protection Regulations.
- C. Final Rule titled “Transportation of Household Goods; Consumer Protection Regulations,” (70 FR 39949).
- D. Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU), Pub. L. 109-59, 119 Stat. 1144, (August 10, 2005).
- E. Final rule titled “Amendments to Implement Certain Provisions of the Safe, Accountable, Flexible, Efficient Transportation Act: A Legacy for Users (SAFETEA-LU)” (72 FR 36760) (July 5, 2007).
- F. Section 4205 of SAFETEA-LU
- G. Final rule titled “Brokers of Household Goods Transportation by Motor Vehicle” (75 FR 72987).
- H. Final rule titled “Transportation of Household Goods in Interstate Commerce; Consumer Protection Regulations: Household Goods Motor Carrier Record Retention Requirements” (77 FR 41699)
- I. FMCSA’s publication “Your Rights and Responsibilities When You Move.”
- J. 60-day Federal Register (84 FR 18916), May 2, 2019
- K. FMCSA–ESA–03–005 titled “Ready to Move?”