

**Department of Transportation
Federal Motor Carrier Safety Administration**

SUPPORTING STATEMENT

TRANSPORTATION OF HOUSEHOLD GOODS; CONSUMER PROTECTION

SUMMARY

- This ICR is a revision due to the “Implementation of Household Goods Working Group Recommendations” final rule.
- There is also a change in agency estimates, resulting in lower estimates of household goods (HHG) carriers, for-hire interstate moves, and the number of new entrant HHG carriers.
- There is a total of 230,517 burden hours decrease due to the final rule and a total of 343,559 burden hours decrease due to change in agency estimates. This is a total decrease of 574,076 burden hours. Please see section 15 for details on the changes.
- There are 5 information collections as follows:
 - 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

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 November 30, 2022.

1. Circumstances that make collection of information necessary.

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

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 motor vehicle in interstate commerce must assist their

individual customers who ship household goods. The collected information encompasses that which is generated, maintained, 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 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 must conduct a physical survey if the household goods are located within a 50-mile radius of the location of the carrier's HHG 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 F) that extended certain recordkeeping requirements to HHG brokers. Specifically, FMCSA provided for the electronic distribution of certain consumer protection documents and required both HHG 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 G) 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. In the rulemaking, FMCSA reduced the three-year required retention period for those receipts 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.

FMCSA updates the regulations at 49 CFR parts 371 and 375 in a final rule titled “Implementation of Household Goods Working Group Recommendations” (87 FR 24431) (Attachment H). The final rule makes various changes to the HHG regulations that the Household Goods Consumer Protection Working Group recommended to FMCSA. These

changes include further revisions to streamline FMCSA’s publication “Your Rights and Responsibilities When You Move” (Attachment I), which are incorporated in appendix A of the regulations, requiring “Your Rights and Responsibilities When You Move” to be provided along with the estimate, requiring new binding or non-binding estimates when an individual shipper tenders more goods or requests additional service instead of a revised estimate, allowing a motor carrier to provide a virtual survey and removing the 50-mile radius for when a survey is required, removing the requirement for an order for service and incorporating that document into the bill of lading, and other minor updates to increase the clarity of the regulations. These changes are intended to reduce the paperwork burden on HHG motor carriers and reduce confusion for individual shippers.

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

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 would 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” and publication FMCSA–ESA–03–005 (or its successor publication) titled “Ready to Move?” (Attachment K). 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. FMCSA reduced the three-year required retention period for those receipts to one year as the result of FMCSA amending its HHG regulations in 2012, as discussed above. By reducing the retention period, the burden on small businesses was 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. FMCSA previously shortened the FMCSA publication “Your Rights and Responsibilities When You Move,” and the “Implementation of Household Goods Working Group Recommendations” final rule updates and requires the use of this shortened version of the booklet.

Additionally, the following changes will further reduce the burden on small businesses and consumers by reducing the information that must be distributed and read by motor carriers and consumers. The “Implementation of Household Goods Working Group Recommendations” final rule updates the requirements for document collection by motor carriers and those they distribute to individual shippers in the transportation of HHG. The changes eliminate the Order for Service document, placing those items on the Bill of Lading.

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 information is designed to help the consumer understand each part of the commercial transaction and determine whether he/she is being defrauded by a mover.

8. Compliance with 5 CFR § 1320.8.

On August 10, 2021, FMCSA published an NPRM titled “Implementation of Household Goods Working Group Recommendations” (86 FR 43814) (Attachment K) with a 60-day comment period announcing its intention to seek OMB review and approval to update this ICR. No comments were received regarding the collection of information discussed in the NPRM.

On DATE, FMCSA published a final rule titled “Implementation of Household Goods Working Group Recommendations” (87 FR 24431) (Attachment I) with a 30-day comment period announcing its intention to seek OMB review and approval to update this ICR.

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 result from calculations using unrounded values, and therefore totals may not sum. The burden hour estimates incorporate the following assumptions and statistics:

- 5,100 HHG movers are active.¹
- 213 HHG movers enter the industry each year.²
- 558,851 for-hire interstate moves take place each year.³
- Shippers contact three HHG movers per move.⁴
- The average HHG mover can print and store 1,600 pages of paper per hour.⁵

¹ FMCSA's Licensing and Insurance (L&I) and Motor Carrier Management Information Systems (MCMIS) databases. As of September 28, 2020.

² FMCSA's L&I and MCMIS databases. As of September 28, 2020. Average of calendar years 2022-2024.

³ The number of persons per household estimated in the 2018 American Community Survey, 2.63, implies that there were 2,830,154 interstate household moves by that population (see <https://data.census.gov/cedsci/table?id=ACS%205-Year%20Estimates%20Data%20Profiles&tid=ACSDP5Y2018.DP02&hidePreview=true>). Accessed November 4, 2020). A report released by the American Moving and Storage Association (AMSA) indicates that 550,000 of the annual interstate HHG moves were conducted by professional movers (see AMSA, About Our Industry. Available at www.moving.org/newsroom/data-research/about-our-industry. Accessed November 4, 2020). If the same proportion of all interstate HHG moves are conducted by professional movers during each of the three years covered by this ICR, then that suggests that there will be 558,851 professional moves annually. Lacking the necessary data, FMCSA did not adjust this estimate to account for interstate moves that fall under the commercial zone exemptions in 49 CFR Part 372. The AMSA will become a conference of the ATA. AMSA to Become Conference of American Trucking Associations (Aug. 7, 2020), available at <https://www.moving.org/amsa-to-become-conference-of-american-trucking-associations/>.

⁴ 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.

⁵ Consistent with the currently approved ICR.

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 ⁶ | Occupational Title | Base Median Hourly Wage ⁷ (a) | Load Factor ⁸ (b) | Loaded Hourly Wage (a × b = c) |
|--|--|--|------------------------------|--------------------------------|
| 43-9061 | Office Clerks, General | \$21.63 | 1.54 | \$33.31 |
| 23-1011 | Lawyers | \$61.39 | | \$94.54 |
| 15-1134 | Web Developers | \$34.70 | | \$53.44 |
| 53-1048 | First-Line Supervisors of Transportation and Material Moving Workers, Except Aircraft Cargo Handling Supervisors | \$28.64 | | \$44.11 |
| 43-5011 | Cargo and Freight Agents | \$21.95 | | \$33.80 |
| 15-1140 | Database and Systems Administrators and Network Architects | \$36.69 | | \$56.50 |
| 43-4051 | Customer Service Representatives | \$18.07 | | \$27.83 |

IC-1: Required Information for Prospective Individual Shippers

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

- a) A copy of Department of Transportation publication FMCSA–ESA–03–005 (or its successor publication) titled “Ready to Move?”⁹ with every written cost estimate.

⁶ 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.

⁷ 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.

⁸ The load factor is estimated by dividing the total benefit cost of compensation for private industry workers of the trade, transportation, and utilities industry (\$14) by the average cost of hourly wages and salaries (\$25.85) as reported by the Bureau of Labor Statistics. Bureau of Labor Statistics. “Table 4. Employer costs for Employee Compensation for private industry workers by occupational and industry Group, December 2019. .” Available at https://www.bls.gov/news.release/archives/ecec_03192020.pdf. Accessed November 4, 2020.

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

- b) The contents of part 375 appendix A, titled “Your Rights and Responsibilities When You Move”¹⁰ (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 558,851 for-hire interstate HHG moves occur each year and that shippers contact and receive cost estimates from, on average, three movers per shipment—FMCSA estimates that movers compose 1,676,553 cost estimates each year (558,851 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 1,676,553 written estimates prepared annually, there will be 670,621 requests for paper versions of the “Ready to Move?” pamphlet, resulting in a total of 1,341,242 printed pages (670,621 requests × 2 printed pages), and a total of 838 burden hours (1,341,242 pages ÷ 1,600 pages per hour).

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 \$33.31 (Table 1). This results in a total annual burden hour cost of \$27,923 (\$33.31 × 838 hours).

“Your Rights and Responsibilities When You Move” Document

¹⁰ Available at www.fmcsa.dot.gov/sites/fmcsa.dot.gov/files/docs/Rights-and-Responsibilities-2013.pdf. Accessed April 9, 2019.

FMCSA previously required the “Your Rights and Responsibilities When You Move” document to be provided with every Order for Service, but it must now accompany every estimate, which would result in providing an additional two documents per interstate move. The Agency assumes that a copy of the document will be provided for each of the 1,676,553 written estimates that are provided 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 and that shippers request an estimate from three HHG carriers. The total number of copies produced by all HHG movers is estimated to be 670,621 ($558,851 \times 40\% \times 3$), which equals 16,765,531 pages ($670,621$ pamphlets $\times 25$ pages), and 10,478 burden hours ($16,765,531$ 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 \$33.31 (Table 1) results in a total annual burden hour cost of \$349,039 ($\$33.31 \times 10,478$ 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 213 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 852 annual burden hours (213 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 \$94.54 (Table 1). New firms will incur an estimated burden hour cost of \$80,574 ($\94.54×852 hours).

Printing Documents: The summaries of arbitration programs and complaint and inquiry procedures are required to be provided before a bill of lading is executed but do not have to accompany every written estimate. Of the 558,851 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 223,540 ($558,851 \times 40\%$), which equals 447,081 printed pages ($223,540$ pamphlets $\times 2$ pages), and 279 burden hours ($447,081$ pages $\div 1,600$ 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 \$33.31 (Table 1), results in a total annual burden hour cost of \$9,308 ($\33.31×279 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 a bill of lading 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 FMCSA does not expect that the weblink will change within the three years covered by this ICR. The Agency estimates that the 213 annual new entrants will incur a total of 107 annual burden hours (213 new entrants $\times 0.5$ hours) programming/uploading the hyperlinks/documents.

The Agency assumes this task will be completed by a web developer with a loaded hourly wage of \$53.44 (Table 1), resulting in an estimated total annual burden hour cost of \$5,693 ($\53.44×107 hours).

Signed Receipt for Verification of Booklets Received

If a shipper elects to receive the “Ready to Move?” and “Your Rights and Responsibilities When You Move” booklets electronically, the HHG mover must, before it executes a bill of lading 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 335,311 receipts that must be kept on file for one year ($558,851$ shipments $\times 60\%$). On average, each HHG mover would have to perform this process

approximately 66 times every year (335,311 ÷ 5,100 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 20,400 hours (5,100 x 4 hours).

Assuming an office clerk will complete this task at a loaded hourly wage of \$33.31 (Table 1), the Agency estimates respondents will incur a total annual burden hour cost of \$679,520 (\$33.31 × 20,400 hours).

Totals for IC-1

The total annual burden for IC-1, Required Information for Prospective Individual Shippers, is estimated to be **32,955 hours** (838 hours for “Ready to Move?” pamphlet + 10,478 for “Your Rights and Responsibilities” pamphlet + 1,132 for arbitration and complaint summaries + 107 for website hyperlinks + 20,400 for signed receipts).

The total annual burden hour cost is estimated to be **\$1,152,058** (\$27,923 for the “Ready to Move?” pamphlet + \$349,039 for the “Your Rights and Responsibilities” booklet + \$89,882 for arbitration and complaint summaries + \$5,693 for website hyperlinks + \$679,520 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. Physical surveys can either be in-person surveys or virtual surveys. The exception to the physical survey requirement applies when the shipper waives a physical survey in writing. The process of generating estimates is divided into the following eight steps:

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

In-person surveys would include the additional steps of traveling to and from the pickup location. The Agency identified two categories of shipping charge estimates: binding estimates and non-binding estimates, and assumes that both will take 2 hours to complete. 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. Burden Associated with Written Cost Estimates 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 | 65% | 1,089,760 | 2 | 2,179,519 |
| Physical Survey: Non-Binding | 35% | 586,794 | 2 | 1,173,587 |
| Total | 100% | 1,676,553 | | 3,353,106 |

Consistent with previous ICRs, the Agency assumes that 10 percent, or 58,679 (586,794 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 213 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 **3,353,106 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 \$44.11 (Table 1), resulting in an estimated total annual burden hour cost of **\$147,890,762** (\$44.11 × 3,353,106 hours).

IC-3: Pick Up of Shipments of Household Goods

Under subpart E of part 375, two items are required to be prepared for each shipment: 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.

Goods Inventories, and Bills of Lading

Preparation of goods inventories and bills of lading may be customary for HHG movers, but in past burden estimates, the Agency has excluded the burden for goods inventories as HHG movers would already prepare these in the normal course of business. It will continue this practice in the current burden estimates. The preparation of the bill of lading is estimated to take 0.5 hours per shipment, totaling 279,426 burden hours as outlined in Table 3.

Table 3. Burden Associated with Bills of Lading

| | Documents | Burden Hours per Document | Total Annual Burden |
|-----------------|----------------|---------------------------|---------------------|
| Bills of Lading | 558,851 | 0.5 | 279,426 |
| Total | 558,851 | | 279,426 |

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. The paperwork burden associated with the weighing requirements is currently assumed to be 1 minute. 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 | 35% with Non-Binding Estimates | Minutes per Response | Total Annual Hourly Burden |
|------------------------|---------------------------------------|-----------------------------|-----------------------------------|
| 558,851 | 195,598 | 1 | 3,260 |

Totals for IC-3

The total annual burden for IC-3, Pickup of Shipments of Household Goods, is estimated to be **282,685 hours** (279,426 hours for bills of lading + 3,260 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 \$33.80 (Table 1). This results in an estimated total annual burden hour cost of **\$9,555,617** ($\$33.80 \times 282,685$ 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 × 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% | 111,770 | 5 | 9,314 |
| Delayed AND Contact Record Requested | 4% | 22,354 | 15 | 5,589 |
| Early | 2% | 11,177 | 5 | 931 |
| Total | | 145,301 | | 15,834 |

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. 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.

Totals for IC-4

The total annual burden for IC-4, Transportation of Shipments is estimated to be **15,834 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 \$27.83 (Table 1). This results in a total annual burden hour cost of **\$440,629** ($\$27.83 \times 15,834$ 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 213 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 107 hours (213 new firms \times 0.5 hours).

FMCSA assumes a database and systems administrator will undertake this task with a loaded hourly wage of \$56.50 (Table 1). This results in a total annual burden hour cost of \$6,019 ($\56.50×107 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 shippers make, on average, two complaints or inquiries for each shipment. 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 2017¹¹ and an average of 3,260 annually to

¹¹ 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.

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 consumers¹² 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 industries¹³ 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 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 21 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 558,851 non-complaint records ($1 \text{ inquiry} \times 558,851 \text{ annual shipments}$).

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.

¹² 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.

¹³ For example, franchised auto dealers, used auto dealers, home remodeling, auto repair, roofing contractors.

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 | 558,851 | 447,081 | 1 | 7,451 |
| Total | 798,201 | 638,561 | | 23,408 |

The Agency assumes that generating a record of oral communication will be completed by a customer service representative with a loaded hourly wage of \$27.83 (Table 1). This results in a total annual burden hour cost of \$651,394 ($\$27.83 \times 23,408$ hours).

Totals for IC-5

The total annual burden for IC-5, Consumer Complaints, is estimated to be **23,515 hours** (107 hours for establishing record systems + 23,408 hours for recording complaints and inquiries).

The total annual burden hour cost of IC-5 is estimated to be **\$657,413** (\$6,019 for establishing a complaint and inquiry record system + \$651,394 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 Due to Change in Agency Estimate and Due to the Final Rule | Hourly Burden Due to Final Rule | Total Annual Burden Hour Cost |
|---|-----------------------|---------------------|---|---------------------------------|-------------------------------|
| IC-1 Informational Documents Provided to Prospective Shippers | 5,100 | 1,700,519 | 32,955 | 6,986 | \$1,152,058 |
| IC-2 Written Cost Estimates for Prospective Shippers | | 1,676,553 | 3,353,106 | 41,923 | \$147,890,762 |
| IC-3 Bills of Lading | | 754,449 | 282,685 | -279,426 | \$9,555,617 |
| IC-4 In-Transit Service Notifications | | 145,301 | 15,834 | 0 | \$440,629 |

| | | | | | |
|--|--------------|------------------|------------------|-----------------|----------------------|
| IC-5 Complaint & Inquiry Records, Including Establishing Record System | | 638,561 | 23,515 | 0 | \$657,413 |
| Total | 5,100 | 4,915,383 | 3,708,095 | -230,517 | \$159,696,479 |

Estimated Annual Number of Respondents: 5,100 household goods movers.

Estimated Annual Number of Responses: 4,915,383 [1,700,519 for IC-1 + 1,676,553 for IC-2 + 754,449 for IC-3 + 145,301 for IC-4 + 638,561 for IC-5].

Estimated Annual Burden Hours: 3,708,095 [32,955 for IC-1 + 3,353,106 for IC-2 + 282,685 for IC-3 + 15,834 for IC-4 + 23,515 for IC-5].

Estimated Annual Burden Hours due to Final Rule: a decrease of 230,517 hours [6,986 for IC-1 + 41,923 for IC-2 + a decrease of 279,426 for IC-3].

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 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 | 670,621 | 1,341,242 | \$201,186 |
| | “Your Rights and Responsibilities” | 25 | 670,621 | 16,765,531 | \$2,514,830 |
| | Arbitration and Complaint Procedures | 2 | 223,540 | 447,081 | \$67,062 |
| IC-2 | Written Cost Estimates, Prospective Shippers | 1 | 586,794 | 586,794 | \$88,019 |
| IC-3 | Bills of Lading | 1 | 558,851 | 558,851 | \$83,828 |
| | Weight Tickets | 1 | 195,598 | 195,598 | \$29,340 |
| IC-4 | In-Transit Service Notifications: Delays | 1 | 22,354 | 22,354 | \$3,353 |
| | | | | Total | \$2,987,618 |

* 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 335,311 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 66 receipts of verification (335,311 receipts ÷ 5,100 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 1 file inches (66 paper records ÷ 50 records per inch = 1.3 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 0.07 cubic feet (1 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 213 new entrants per year will incur a total cost of storage of \$21,300.

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 ($\$0.60 \times 24,700$).

Estimated Annual Cost to Respondents:

FMCSA estimates that respondents will incur a total annual capital cost of \$2,987,618, as summarized in Table 9.

Table 9. Annualized Capital Cost to Respondents

| Information Collection | Capital Cost | Non-Labor Capital Costs Due to Final Rule |
|--|---------------------|--|
| IC-1: Informational Documents Provided to Prospective Shippers | \$2,804,378 | \$1,676,554 |
| IC-2: Written Cost Estimates for Prospective Shippers | \$88,019 | \$0 |
| IC-3: Bills of Lading | \$113,167 | -\$83,828 |
| IC-4: In-Transit Service Notifications | \$18,173 | \$0 |
| IC-5: Complaint & Inquiry Records | - | \$0 |

| | | |
|--------------|--------------------|--------------------|
| Total | \$3,023,737 | \$1,592,726 |
|--------------|--------------------|--------------------|

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, for-hire interstate moves, and the number of new entrant HHG carriers, as well as the changes in the final rule, as stated below.

For IC1:

- Increase of 6,986 hours is a result of the Rights and Responsibilities booklet being delivered with every estimate, due to the final rule;
- Increase of 1,277 hours is a result of various program adjustments;

For IC2:

- Increase of 41,923 is a result of virtual surveys being conducted for moves beyond 50 miles, due to the final rule;
- Decrease of 282,683 hours is a result of the decreased estimate of for-hire moves completed in a given year;

For IC3:

- Decrease of 279,426 hours is a result of the removal of the Order for Service requirement, due to the final rule;
- Decrease of 59,510 hours is a result of the decreased estimate of for-hire moves completed in a given year;

For IC4:

- Decrease of 1,662 hours is a result of the decreased estimate of for-hire moves completed in a given year;

For IC5:

- Overall decrease of 981 hours is due to a decrease in the hours to establish record systems and the decreased estimate of for-hire moves completed in a given year.

There a total of 230,517 burden hours decrease due to the final rule and a total of 343,559 burden hours decrease due to a change in agency estimate. This is a total decrease of 574,076 burden hours.

The annual number of responses decreased by 1,119,508 due to an adjustment in agency estimate. 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 4,212 to 5,100) and the number of annual shipments (from 617,503 to 558,851).

The annual burden hours overall decrease is $(582,339 - 8,263) = 574,076$ burden hours due to:

- An increase of 8,263 $(1,277 + 6,986)$ due to increase in the burden hours associated with IC-1; and

- A decrease of 582,339 (-282,683 - 279,426 + 41,923 - 59,510 - 1,662 -981) due to burden hours associated with IC-2, IC-3, IC-4, and IC-5.

The total non-labor capital costs due to the final rule is \$1,592,726 which is due to an increase of \$1,676,554 (for IC-1) as a result of the Rights and Responsibilities booklet being delivered with every estimate; and a decrease of \$83,828 (for IC-3) as a result of the removal of the Order for Service requirement.

There is an annual burden hour cost decrease of ($\$161,440,597 - \$159,696,479$) = \$1,744,118.

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 HHG carriers. It will be a burden on them to have to re-print the document every three years.

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. Final rule titled “Brokers of Household Goods Transportation by Motor Vehicle” (75 FR 72987).
- G. Final rule titled “Transportation of Household Goods in Interstate Commerce; Consumer Protection Regulations: Household Goods Motor Carrier Record Retention Requirements” (77 FR 41699)
- H. Final rule titled “Implementation of Household Goods Working Group Recommendations” (87 FR 24431) (April 26, 2022)
- I. FMCSA’s publication “Your Rights and Responsibilities When You Move.”
- J. FMCSA–ESA–03–005 titled “Ready to Move?”
- K. NPRM titled “Implementation of Household Goods Working Group Recommendations” (86 FR 43814) (August 10, 2021).