

108TH CONGRESS
1ST SESSION

H. R. 1070

To amend title 49, United States Code, relating to improving transportation and security of household goods, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 2003

Mr. PETRI (for himself, Mr. LIPINSKI, Mr. MICA, Mr. REHBERG, Mr. KLECZKA, Mr. BAKER, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BROWN of South Carolina, Mr. LATOURETTE, Mr. HONDA, Mr. BURGESS, and Mr. BAIRD) introduced the following bill; which was referred to the Committee on Transportation and Infrastructure

A BILL

To amend title 49, United States Code, relating to improving transportation and security of household goods, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Securing Consumers’
5 Assurance in Moving Act of 2003”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) There are approximately 1,500,000 inter-
2 state household moves every year and, while the vast
3 majority of these interstate moves are completed
4 successfully, consumer complaints have been increas-
5 ing since the Interstate Commerce Commission was
6 abolished in 1996 and oversight of the household
7 goods industry was transferred to the Department of
8 Transportation.

9 (2) While the overwhelming majority of house-
10 hold goods carriers are honest and operate within
11 the law, there appears to be a growing criminal ele-
12 ment that is exploiting a perceived void in Federal
13 and State enforcement efforts and who prey upon
14 consumers.

15 (3) The movement of an individual's household
16 goods is unique from the movement of a commercial
17 shipment. A consumer may utilize a moving com-
18 pany once or twice in his or her lifetime and entrust
19 virtually all of his or her worldly goods to a mover.

20 (4) Current Federal regulations allow for a
21 household goods carrier found to be in violation of
22 Federal law to be subject to civil penalties but pro-
23 vide no remedy for consumers who have been
24 harmed by fraudulent or deceptive trade practices of
25 a household goods mover.

1 (5) Various courts have interpreted the
2 “Carmack” amendment, related to a carrier’s liabil-
3 ity in loss and damage claims, to preclude States
4 from pursuing any actions against interstate house-
5 hold goods carriers, including the application of con-
6 sumer protection laws against fraudulent movers.

7 (6) Federal resources are inadequate to prop-
8 erly police or deter, on a nationwide basis, those
9 movers who willfully violate Federal regulations gov-
10 erning the household goods industry and knowingly
11 prey on consumers who are in a vulnerable position.
12 It is appropriate that a Federal-State partnership be
13 created to enhance enforcement tools against fraud-
14 ulent moving companies.

15 (7) The Department of Transportation should
16 provide greater information to consumers and review
17 current consumer protection regulations, including
18 insurance and loss and damage remedies relating to
19 individual household goods moves, in order to rec-
20 ommend modifications to current Federal law and
21 regulations relating to rights and liabilities of both
22 consumers and household goods carriers.

1 **SEC. 3. FEDERAL-STATE RELATIONS RELATING TO TRANS-**
2 **PORTATION OF HOUSEHOLD GOODS.**

3 (a) NONPREEMPTION OF INTRASTATE TRANSPOR-
4 TATION OF HOUSEHOLD GOODS.—Section
5 14501(c)(2)(B) of title 49, United States Code, is amend-
6 ed by inserting “intrastate” before “transportation”.

7 (b) ENFORCEMENT OF CONSUMER PROTECTION
8 WITH RESPECT TO INTERSTATE HOUSEHOLD GOODS
9 CARRIERS.—Chapter 145 of title 49, United States Code,
10 is amended by adding at the end the following:

11 **“§ 14506. Enforcement of consumer protection with**
12 **respect to interstate household goods car-**
13 **riers**

14 “(a) IN GENERAL.—Notwithstanding any other pro-
15 vision of this title, an individual or a State or political
16 subdivision of a State may enforce a consumer protection
17 law, regulation, or other provision (having the force of
18 law) of such State or political subdivision with respect to
19 the interstate transportation of household goods as de-
20 fined in section 13102(a)(10)(A).

21 “(b) PRIOR NOTIFICATION.—Before taking any ac-
22 tion to enforce a consumer protection law, regulation, or
23 other provision of a State relating to interstate transpor-
24 tation of household goods as defined in section
25 13102(a)(10)(A) with respect to a motor carrier providing
26 such transportation, the State or a political subdivision of

1 a State shall notify, in writing, the Secretary of Transpor-
 2 tation of its intention to enforce such law, regulation, or
 3 other provision with respect to such carrier; except that,
 4 if it is not feasible for the State or political subdivision
 5 to provide the prior notification, the State or political sub-
 6 division shall provide the notification, in writing, imme-
 7 diately upon instituting such action.

8 “(c) LIMITATION ON STATUTORY CONSTRUCTION.—
 9 Nothing in this section shall be construed as authorizing
 10 a State or political subdivision of a State to bring an en-
 11 forcement action under a consumer protection law, regula-
 12 tion, or other provision of the State relating to interstate
 13 transportation of household goods as defined in section
 14 13102(a)(10)(A) with respect to an activity that is incon-
 15 sistent with Federal laws and regulations relating to inter-
 16 state transportation of household goods.”.

17 (c) CONFORMING AMENDMENT.—The analysis for
 18 chapter 145 of such title is amended by adding at the end
 19 the following:

“14506. Enforcement of consumer protection with respect to interstate house-
 hold goods carriers.”.

20 **SEC. 4. WORKING GROUP FOR DEVELOPMENT OF PRAC-**
 21 **TICES AND PROCEDURES TO ENHANCE FED-**
 22 **ERAL-STATE RELATIONS.**

23 (a) IN GENERAL.—Not later than 90 days after the
 24 date of enactment of this Act, the Secretary of Transpor-

1 tation shall establish a working group of State attorneys
 2 general, State consumer protection administrators, and
 3 Federal and local law enforcement officials for the purpose
 4 of developing practices and procedures to enhance the
 5 Federal-State partnership in enforcement efforts, ex-
 6 change of information, and coordination of enforcement
 7 efforts with respect to interstate transportation of house-
 8 hold goods and making legislative and regulatory rec-
 9 ommendations to the Secretary concerning such enforce-
 10 ment efforts.

11 (b) CONSULTATION.—In carrying out subsection (a),
 12 the working group shall consult with industries involved
 13 in the transportation of household goods.

14 **SEC. 5. CIVIL AND CRIMINAL PENALTY FOR HOLDING**
 15 **HOUSEHOLD GOODS HOSTAGE.**

16 (a) IN GENERAL.—Chapter 149 of title 49, United
 17 States Code, is amended by adding at the end the fol-
 18 lowing:

19 **“§ 14915. Holding household goods hostage**

20 “(a) HOLDING HOUSEHOLD GOODS HOSTAGE DE-
 21 FINED.—For purposes of this section, the term ‘holding
 22 household goods hostage’ means the knowing and willful
 23 failure to deliver to, or unload at, the destination of a ship-
 24 ment of household goods which is subject to jurisdiction
 25 under subchapter I or III of chapter 135, for which

1 charges have been estimated by the motor carrier pro-
2 viding transportation of such goods, and for which the
3 maximum amount required to be paid at the time of deliv-
4 ery under regulations issued by the Secretary is 110 per-
5 cent of such estimated charges.

6 “(b) CIVIL PENALTY.—Whoever is found holding a
7 household goods shipment hostage is liable to the United
8 States for a civil penalty of not less than \$10,000. If such
9 person is a carrier or broker, the Secretary of Transpor-
10 tation may suspend for a period of not less than 6 months
11 the registration of such carrier or broker under chapter
12 139.

13 “(c) CRIMINAL PENALTY.—Whoever has been con-
14 victed of holding household goods hostage shall be fined
15 under title 18 or imprisoned not more than 2 years, or
16 both.”.

17 (b) CONFORMING AMENDMENT.—The analysis for
18 such chapter is amended by adding at the end the fol-
19 lowing:

“14915. Holding household goods hostage.”.

20 **SEC. 6. CONSUMER HANDBOOK ON DOT WEB SITE.**

21 Not later than 1 year after the date of enactment
22 of this Act, the Secretary of Transportation shall take
23 such action as may be necessary to ensure that publication
24 OCE 100 of the Department of Transportation, entitled
25 “Your Rights and Responsibilities When You Move”, is

1 prominently displayed, and available in language that is
2 readily understandable by the general public, on the Web
3 site of the Department of Transportation.

4 **SEC. 7. DISPLAY OF INFORMATION ON HOUSEHOLD GOODS**
5 **TRANSPORTATION RELATED WEB SITES.**

6 Not later than 1 year after the date of enactment
7 of this Act, the Secretary of Transportation shall modify
8 the regulations contained in part 375 of title 49, Code of
9 Federal Regulations, to require a motor carrier or broker
10 that is subject to such regulations and that establishes and
11 maintains a Web site to prominently display on the Web
12 site—

13 (1) the Department of Transportation number
14 of the motor carrier or broker;

15 (2) the OCE 100 publication referred to in sec-
16 tion 6; and

17 (3) in the case of a broker, a list of all motor
18 carriers providing transportation of household goods
19 used by the broker and a statement that the broker
20 is not a motor carrier providing transportation of
21 household goods.

22 **SEC. 8. CONSUMER COMPLAINT DATA BASE.**

23 (a) ESTABLISHMENT OF SYSTEM.—Not later than 1
24 year after the date of enactment of this Act, the Secretary
25 of Transportation shall—

1 (1) establish a system for filing and logging
2 consumer complaints relating to motor carriers pro-
3 viding transportation of household goods and for
4 compiling complaint information gathered by the
5 States with regard to such carriers, a database of
6 the complaints, and a procedure for the public to
7 have access to the database and for carriers to chal-
8 lenge information in the database; and

9 (2) issue regulations requiring motor carriers of
10 household goods to submit on a semi-annual basis
11 reports summarizing—

12 (A) the number and general category of
13 complaints lodged by consumers;

14 (B) the number of claims filed for loss and
15 damage, including the aggregate amount of
16 claims; and

17 (C) the number of claims resolved during
18 the reporting period and the aggregate amount
19 of claims paid by the carrier.

20 (b) USE OF INFORMATION.—In determining which
21 motor carriers providing transportation of household
22 goods should be subject to a commercial investigation, the
23 Secretary of Transportation shall consider information in
24 the data base established under subsection (a).

1 **SEC. 9. INSURANCE REGULATIONS.**

2 (a) REVIEW.—Not later than 1 year after the date
3 of enactment of this Act, the Secretary of Transportation
4 shall undertake a review of the current Federal regula-
5 tions regarding insurance coverage provided by motor car-
6 riers providing transportation of household goods and re-
7 vise such regulations in order to provide enhanced protec-
8 tion for shippers in the case of loss or damage as deter-
9 mined necessary.

10 (b) DETERMINATIONS.—The review shall include, but
11 not be limited to, a determination of—

12 (1) whether the current regulations provide ade-
13 quate protection for shippers;

14 (2) whether an individual shipper should pur-
15 chase insurance as opposed to the carrier; and

16 (3) whether there are abuses of the current reg-
17 ulations that leave the shipper unprotected in loss
18 and damage claims.

19 **SEC. 10. CIVIL PENALTIES RELATING TO HOUSEHOLD**
20 **GOODS BROKERS.**

21 Section 14901(d) of title 49, United States Code, is
22 amended—

23 (1) by striking “If a carrier” and inserting the
24 following:

25 “(1) IN GENERAL.—If a carrier”; and

26 (2) by adding at the end the following:

1 “(2) ESTIMATE OF BROKER WITHOUT CARRIER
2 AGREEMENT.—If a broker for transportation of
3 household goods subject to jurisdiction under sub-
4 chapter I of chapter 135 makes an estimate of the
5 cost of transporting any such goods before entering
6 into an agreement with a carrier to provide trans-
7 portation of household goods subject to such juris-
8 diction, the broker is liable to the United States for
9 a civil penalty of not less than \$10,000 for each vio-
10 lation.

11 “(3) UNAUTHORIZED TRANSPORTATION.—If a
12 person provides transportation of household goods
13 subject to jurisdiction under subchapter I of chapter
14 135 or provides broker services for such transpor-
15 tation without being registered under chapter 139 to
16 provide such transportation or services as a motor
17 carrier or broker, as the case may be, such person
18 is liable to the United States for a civil penalty of
19 not less than \$25,000 for each violation.”.

20 **SEC. 11. PROGRESS REPORT.**

21 Not later than 1 year after the date of enactment
22 of this Act, the Secretary of Transportation shall transmit
23 to Congress a report on the progress being made in imple-
24 menting this Act.

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