



Federal Motor Carrier Safety Administration

# FMCSA

## HHG Final Rule Training

2022



# AGENDA

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- 1. Commercial Enforcement Mission**
- 2. Fixing America's Surface Transportation Act**
- 3. Household Goods Working Group's Recommendation Report**
- 4. Household Goods Final Rule**
- 5. Non-Regulatory Recommendations**
- 6. Frequently Asked Questions**
- 7. Animated Consumer Protection Message (Video)**

# COMMERCIAL ENFORCEMENT MISSION

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## Protect consumers from moving fraud:

- **Providing educational tools and resources to educate consumers to avoid being victims of deceptive business practices.**
- **Ensuring Household Goods transportation industries are statutorily and regulatorily compliant.**

# FAST ACT - UPDATING 49 CFR PART 375

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- **Fixing America’s Surface Transportation Act (FAST ACT) established the Household Goods Consumer Protection Working Group (Working Group).**
  
- **Working Group tasked to develop three goals and issue a recommendations report:**
  - 1. Condense publication ESA-03-005 (“*Ready to Move?*”) into a format that consumers can more easily use.**
  - 2. Use state-of-the-art education techniques and technologies, including optimizing the use of the internet as an educational tool.**
  - 3. Reduce and simplify the paperwork required of motor carriers and shippers in interstate transportation.**

# RECOMMENDATION REPORT

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- **Working Group's Recommendation Report (Recommendation Report) included 19 recommendations.**
- **The Household Goods (HHG) Final Rule identified 10 recommendations that required regulatory changes to implement.**

# HHG FINAL RULE BENEFITS

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- **The amended changes streamline documentation requirements, increase efficiency for the transportation of HHG for individual shippers and combat moving fraud.**
- **The amended regulations also include some changes to 49 CFR Part 371 for brokers of HHG which are intended to increase clarify and consistency.**

# HOUSEHOLD GOOD FINAL RULE

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- **Require the preparation of a new binding estimate or new non-binding estimate when the individual shipper tenders additional items or requests additional services.**
- **Incorporate other provisions from the 2011 guidance that clarify that an individual shipper may never be required to sign a blank document.**
- **The shipper may be required to sign an incomplete document only when it is missing certain information that cannot be determined before the document must be signed.**

# HHG FINAL RULE CONTINUED

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- **Allow virtual surveys of household goods.**
- **Update the definition of physical surveys to include live or pre-recorded video instead of in-person surveys.**
- **Require motor carriers to conduct surveys beyond a 50-mile radius.**
- **Remove the requirement for an order for service.**



# HHG FINAL RULE CONTINUED

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- Update the requirements in the bill of lading and provide it earlier in the moving process – issued 3-days before loading.
- Replace the requirement for a freight bill with an invoice.
- Require all motor carriers who have a website to display prominently a link to either *Ready to Move?* on the FMCSA website or to a true and accurate copy of *Ready to Move?* on their own websites.

# IMPORTANT CHANGES TO REMEMBER

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- Definition of the physical survey now means:
  - ❖ A survey which is conducted on-site or virtually
  - ❖ If the survey is performed virtually, the household goods motor carrier must be able to view the household goods through live or pre-recorded video that allows it to clearly identify the household goods to be transported.
- *Ready to Move?* brochure issued to the shipper when the estimate is provided.
- *Your Rights and Responsibilities When You Move* pamphlet is given to the shipper at the time the estimate is presented.
- Bill of Lading is presented 3-days in advance of the pickup day.
- New estimate must be generated if shippers' tender additional items or needs other services.
- Order of Service removed.

# **NON-REGULATORY RECOMMENDATIONS**

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- **The remaining nine recommendations did not require a rulemaking for implementation.**
- **Develop and maintain modern communications tools and partnerships to educate consumers.**
- **Develop online education modules that are short and easily understood.**
- **Develop and maintain modern tools to assist the moving industry with its efforts to educate consumers.**
- **Provide additional funding for staff and resources dedicated to HHG consumer education.**

# NON-REGULATORY RECOMMENDATIONS

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- Finalize the proposed rulemaking published at 79 FR23306 to allow for electronic delivery of all documents.
- Updating the *Ready to Move?* brochure.
- Change the name of the *Ready to Move?* brochure.
- *Ready to Move?* brochure should be available electronically and printable.
- Condense the *Ready to Move?* brochure as outlined in the Recommendation Report: Appendix H.

# FREQUENTLY ASKED QUESTIONS

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**Question 1: Can a Household Goods Mover provide a bill of lading to the customer electronically?**

➤ **Answer 1: Yes**

**Question 2: Must the bill of lading be filled out and completed when provided three days in advance?**

➤ **Answer 2: Yes. The bill of lading must be completed and provided three days before the move. However, if the move takes place on fewer than three-day notice to the motor carrier, the bill of lading may be issued on the pickup day, before loading the shipment.**

# FAQ'S CONTINUED

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**Question 3: Is the bill of lading a final copy or an “Open” live document where either party can change the document?**

- **Answer 3: Yes. The bill of lading must be provided three days before the move. However, if the move takes place on fewer than three-day notice to the motor carrier, the bill of lading may be issued on the pickup day, before loading the shipment. The bill of lading must be finalized at least 3 days before the move if the move is being conducted under that non-expedited timetable.**

# FAQ'S CONTINUED

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**Question 4: Does the customer have to sign the bill of lading in advance? Does the mover need customer acknowledgment that they received the bill of lading?**

- **Answer 4: Yes. The individual shipper must sign the bill of lading in advance. If it is a same day move, the bill of lading must be signed before loading the shipment. The regulations do not require that the customer acknowledge the receipt of the bill of lading. However, the bill of lading must be signed by the individual shipper.**

**Question 5: If the customer's acknowledgment is required and the customer fails to acknowledge receipt of the bill of lading before the move date, does the mover need to cancel the job?**

- **Answer 5: No.**

# FAQ'S CONTINUED

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**Question 6: Can a customer waive the 3-day bill of lading requirement?**

- **Answer 6: No. However, the bill of lading ultimately must be completed before loading the shipment. Suppose the bill of lading is presented one day before the move (due to a same day booking). In that case, the bill of lading will be signed once it is presented to the individual shipper – before loading on the pickup day.**

**Question 7: Is the 3-day bill of lading required with same-day or next-day bookings?**

- **Answer 7: No. The bill of lading must be issued and signed prior to loading. Therefore, in this case the bill of lading will be issued on the pickup day prior to loading.**



# FAQ'S CONTINUED

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**Question 8: Are there any instances when a revision of the estimate will be allowed?**

- **Answer 8: No. Pursuant to the 2022 regulatory updates, revised estimates are no longer permitted. A new estimate must be prepared.**

**Question 9: Are movers able to complete a new estimate onsite?**

- **Answer 9: Yes.**

**Question 10: Is a new estimate valid if the movers have already loaded some of the items?**

- **Answer 10: No. A new estimate must be prepared before loading.**

# FAQ'S CONTINUED

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**Question 11: Is the new estimate required to indicate or identify that it is a new estimate?**

- **Answer 11: Yes. The new estimate should note the time and date the new estimate was prepared.**

**Question 12: Must the new estimate clearly describe the shipment and all services provided from the original estimate, plus the additional HHG tender by the shipper and/or services request by the shipper?**

- **Answer 12: Yes. The carrier's new estimate must clearly identify all the goods and services to be transported.**

# FAQ'S CONTINUED

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**Question 13: What does without penalty mean? If the estimate was written by the broker and the job is rescinded, is the shipper eligible for a broker refund even if it's past the broker's cancellation period?**

- **Answer 13: Without penalty, the shipper will not forfeit their right to a full refund if the move is canceled or the bill of lading is rescinded prior to 3-days.**

# FAQ'S CONTINUED

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**Question 14: If the individual shipper tenders' additional items to be moved or requires additional services on the day of the move, resulting in a new binding estimate or a new nonbinding estimate, is the carrier required to create a new bill of lading?**

- **Answer 14: No. The carrier must enter the charges from the binding or non-binding estimate on the bill of lading – already furnished. This action does not require a new 3-day period to rescind the bill of lading.**
- **A statement that the bill of lading incorporates by reference all the services included on the estimate, including any new estimate prepared by the mover. 375.505(17).**
- **The bill of lading must be signed and dated by the shipper and the mover at origin and destination.**

## **FAQ'S CONTINUED**

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**Question 15: If a binding estimate is charging a different rate than what it's specified in the carrier's tariff, can the carrier be cited for charging a different rate than specified in the tariff (see 49 U.S.C. 13702(a)(2), or is there a decision that indicates that a binding estimate is binding regardless of tariff rates?**

- **Answer 15: Yes. The carrier's tariff must list all charges and services. Therefore, the carrier can be cited. However, the shipper must be billed only for the amount in the binding estimate, not the tariff rates and charges.**

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**Question 16: After a broker provides an estimate and collects the estimate fee, is a broker allowed to revise the estimate upon shipper's request, if so, up to how many times can the broker revise the estimate prior to loading shipment?**

- **Answer 16: No. The broker cannot revise the estimate, the broker must complete a new estimate. The new rule does not specify the number of estimates prepared. However, the loading cannot take place until the bill of lading is signed by the shipper and the mover.**



# FAQ'S CONTINUED

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**Question 17: Can the carrier charge the shipper to provide an estimate?**

- **Answer 17: Maybe – depending on the estimate type. A charge can be assessed for a binding estimate. However, this charge must be in the carrier's tariff. A carrier may not assess a charge for preparing a non-binding estimate.**

**Question 18: Is the carrier/broker required to provide the shipper with a new estimate for a non-binding estimate?**

- **Answer 18: Yes. A new estimate is required when additional items are tendered, or additional services are needed once the bill of lading is issued. However, the bill of lading can be missing the final charges on a non-binding estimate which will be collected 30-days after the shipment is delivered.**

# FAQ'S CONTINUED

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**Question 19: Does the carrier have to provide the shipper with the bill of lading at delivery or would the invoice be sufficient?**

- **Answer 19: Yes. The bill of lading must be signed and dated at origin and destination. At the time of payment of transportation charges, the mover must give the shipper an invoice identifying the service provided and the charge for each service. It is customary for most movers to use a copy of the bill of lading as the invoice.**

**Question 20: Does the bill of lading have to be signed and returned in the 3-day period?**

- **Answer 20: Yes. The bill of lading must be presented to the shipper 3-days prior to the move. However, if it is a one-day move, the bill of lading must be signed prior to loading the shipment.**



# FAQ'S CONTINUED

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**Question 21: May I provide individual shippers with a written estimate?**

- **Answer 21: Yes. You must provide each individual shipper with an estimate of transportation and accessorial charges. When you provide an estimate, it must be in writing and must be based on a physical survey of the household goods conducted by the authorized motor carrier on whose behalf the estimate is provided.**

**Question 22: Must I provide individual shippers with Federal consumer protection information?**

- **Answer 22: Yes. You are required to provide either a copy of or a link on your website to both the publication titled “*Ready to Move?—Tips for a Successful Interstate Move*” (DOT publication FMCSA–ESA–03–005, or its successor publication) and “*Your Rights and Responsibilities When You Move*” (DOT publication FMCSA-ESA-03-006, or its successor publication).**

# FAQ'S CONTINUED

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**Question 23: How must I provide a new binding estimate?**

- **Answer 23: You must base the binding estimate on the physical survey unless the survey is waived.**
  
- ❖ **If the individual shipper requests additional services after the bill of lading has been issued, you must inform the individual shipper of the additional charges involved. You must prepare a new binding estimate and have the new binding estimate signed by the individual shipper.**
  
- ❖ **Prepare a new binding estimate prior to loading.**
  
- ❖ **The new estimate must be signed by the individual shipper.**
  
- ❖ **You should maintain a record of the date, time, and manner that the new estimate was prepared.**
  
- ❖ **The individual shipper must agree to the new charges.**

# FAQ'S CONTINUED

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**Question 24: How must I provide a new non-binding estimate?**

- **Answer 24: Prepare a new non-binding estimate which must be signed by the individual shipper.**
- ❖ **You should maintain a record of the date, time, and manner that the new estimate was prepared.**
- ❖ **If you furnish a non-binding estimate, you must enter the estimated charges upon the bill of lading.**

# FAQ'S CONTINUED

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**Question 25: If the shipper signs the bill of lading and then decides to cancel within the 72-hour window of signing the bill of lading, what percentage of the shipper's deposit are we required to refund?**

➤ **Answer 25: The entire deposit must be refunded.**

**Question 26: If our contract states that any move booked within 7-days of the shipper's requested pick-up dates and any cancellations that occur within that window are deemed eligible for a 20% refund only. Can we abide by our contract or what are the refund requirements here?**

➤ **Answer 26: The entire deposit must be refunded.**

# FAQ'S CONTINUED

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**Question 27: If the broker charges a non-refundable fee for a binding estimate, and the shipper rescinds the estimate, would without penalty apply?**

- **Answer 27: No. The without penalty provision only applies to rescission of a bill of lading, not an estimate. However, the carrier's tariff provision governing estimates by require refunding the fee for preparing an estimate.**

# FAQ'S CONTINUED

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**Question 28: The updated regulations require that the bill of lading must be provided to, signed, and dated by the individual shipper at least 3-days before the shipment is scheduled to be loaded. However, in a scenario where the carrier timely provides the bill of lading to the shipper, but the shipper simply fails to sign and date it prior to the three-day deadline, but still wants to move on the scheduled date, is there any leeway to go a forward with the move on that date? Or does the move have to be postponed, even if both parties want to proceed as originally planned?**

- **Answer 28: The move can proceed as noted on the bill of lading as long as it is signed before the shipment is loading.**

## FAQ'S CONTINUED

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**Question 29: What is the minimum information needed on a bill of lading for it to be considered not a blank bill of lading?**

- **Answer 29: The only missing item would be the weight/ final cost for a non-binding estimate shipment. All other items should be completed. Additionally, these typically are situations which are handled through a change order. A change order must be included in the bill of lading.**

# FAQ'S CONTINUED

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**Question 30: With the 3-day requirement for the bill of lading and the requirement to issue new estimates, how is the mover to approach last-minute customer requests and changes? Some real-life examples include:**

- ❖ **Needing packing services to “finish up” a move the consumer planned to pack themselves.**
  - ❖ **Adding a piece of furniture that was originally intended to be sold.**
  - ❖ **Adding delivery to a storage facility or another “post estimate” change in delivery location that adds additional charges.**
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- **Answer 30: Once the carrier arrives to the home, they are to do a walk-around the residence to confirm what needs to be moved. At that point, if additional items or services are requested/required to service the shipment a new binding or non-binding estimate would be prepared at that point. This is done prior to loading the shipment.**



# INFORMATIONAL VIDEOS

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- Informational videos are on the consumer protection website ([www.ProtectYourMove.gov](http://www.ProtectYourMove.gov)).
- These videos are available for you to share with your customers.
- Presently we are updating the videos to be consistent with the HHG Final Rule.
- The next slide shows the most recent video used in the 2022 Moving Season Campaign.

# INFORMATIONAL VIDEO LINKS

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## Protect Your Move – During The Move

- <https://youtu.be/Uo3-EybWMQ8>

## Protect Your Move - After The Move

- <https://youtu.be/Lv1mrmWUMhg>

## Tips For A Successful Move

- <https://youtu.be/6Gr7PU9tNSw>

## Start Your Move Off Right

- <https://youtu.be/I9bGzkppQ20>

***\*\*Videos are being updated to reflect the new HHG regulations\*\****



# QUESTIONS?

**Monique Riddick**

Chief, Commercial Enforcement Division  
FMCSA / U.S. Department of Transportation  
(202) 366-0073  
[Monique.Riddick@dot.gov](mailto:Monique.Riddick@dot.gov)