

Moving Household Goods – Who Is Required to Hold A Permit?

The highest priority of the **Bureau of Household Goods and Services (Bureau)** in exercising its licensing, regulatory, and disciplinary functions under the Household Movers Act (Act) is protection of the public. To advance consumer protection, the Bureau can impose significant penalties for operating while unpermitted or contracting with an unpermitted household mover. This advisory provides information regarding who is, and is not, required to obtain a Bureau-issued household mover permit and the penalties for operating without a permit or contracting with an unpermitted mover.

Services of a household mover, regardless of permit status, are required to be provided in accordance with the Act. Specifically, Business and Professions Code (BPC) [§ 19235](#) states:

“A household mover shall not engage in the business of transportation of used household goods and personal effects for compensation by motor vehicle *over any public highway in this state, except in accordance with the provisions of this chapter*, which is enacted under the power of the state to regulate the use of public highways.”¹ [emphasis added].

In addition, BPC [§ 19228](#), subdivision (c), mandates that household movers follow all rules, regulations, general orders, and the Tariff in effect as of July 1, 2018, and that failure to adhere to these requirements may serve as grounds for the Bureau taking disciplinary action against a household mover.

PENALTIES FOR UNPERMITTED ACTIVITY

BPC [§ 19283.1](#), subdivision (a), requires the Bureau to ensure that the Act is enforced and obeyed, and that violations are promptly prosecuted. Failure to obtain a Bureau-issued permit may result in one or more penalties under the Act, such as:

Criminal / Administrative: A household mover who fails to obtain a permit may be in violation of BPC [§ 19279.1](#), which may result in an administrative fine. Additionally, BPC [§ 19277](#), subdivision (b), states any person operating as a household mover without a permit may be guilty of a misdemeanor, which is punishable by a fine of up to \$10,000, imprisonment in jail for up to one year, or both, for each violation.² For continued operations in violation of the Act, BPC [§ 19281](#) states every violation is a separate and distinct offense and each day's continuance is a separate and distinct offense.

¹ BPC [§ 19225.5](#), subdivision (m), defines “public highway” as “every public street, road, or highway in this state.”

² Please note, BPC [§ 19283.1](#) authorizes a peace officer to enforce and assist the Bureau in the enforcement of sections 19277 and 19278, resulting from a violation of Section 19236, 19237, 19244, or 19276.

Civil: BPC [§ 19237](#), subdivision (b), prohibits an unpermitted household mover from enforcing any security interest to recover money owed for the transportation of household goods. Further, any person who utilizes the services of an unpermitted household mover may bring civil action to recover all money paid to that mover.

Contracting: Contracting with an unpermitted household mover is a violation of BPC [§ 19278](#), which is a misdemeanor and could subject the contracting party to a fine up to \$1,000, three months in jail, or both. Again, every violation is a separate and distinct offense and each day's continuance is a separate and distinct offense.

BUSINESSES REQUIRED TO OBTAIN A HOUSEHOLD MOVER PERMIT

BPC [§ 19237](#) requires any person or entity who acts as a household mover in California to obtain a Bureau-issued permit and possess an operating authority issued by the Federal Motor Carrier Safety Administration (FMCSA) if transporting household goods from this state to another state or from another state to this state. A “household mover” is defined, in part, by BPC [§ 19225.5](#), subdivision (h), as:

“permitted or unpermitted transportation for compensation or hire as a business by means of a motor vehicle or motor vehicles being used in the transportation of used household goods and personal effects over any public highway in this state...”

The information provided below is specific to several business models that commonly operate within the household mover scope: 1) Restoration Companies, 2) Inter-State Household Movers, 3) Brokers, and 4) Storage Containers (Pods). The Act does not provide for a statutory exemption for these business models. Accordingly, each business model must obtain a Bureau issued household mover permit to perform the services of a household mover in California.

RESTORATION COMPANIES³

Restoration companies clean up damage to a home and property following a catastrophic event, such as a natural disaster or other event that causes significant damage to a home. Restoration companies preserve the home and its contents so that further damage does not occur.

During that process, a restoration company may move consumer’s household goods to an alternate location for testing, restoration, and/or storage while the home is restored. This service is known as a move-out or pack-out. If a restoration company transports the household goods for compensation over a highway in California, that restoration company is subject to the statutory requirements of the Act and must be permitted by the Bureau as it is operating as a household mover.

³ Depending on the type of work performed, restoration companies may also be subject to licensure requirements by the Contractors State Licensing Board or the Bureau’s Electronic and Appliance Repair Dealer Registration Law.

BROKERS

A broker is defined by BPC [§ 19225.5](#), subdivision (a), as:

“a person engaged by others in the act of arranging, for compensation, the intrastate transportation of used household goods by a motor vehicle over the highways of this state for, or on behalf of, a shipper, a consignor, or a consignee.”

Additionally, BPC § 19225.5, subdivision (h), states a broker shall be considered a household mover. Consequently, a broker must obtain a permit to arrange for the transport of household goods in California. Because brokers are considered household movers, brokers must also comply with all laws applicable to household movers, including the Tariff, which requires a visual inspection prior to issuing an estimate.

A Broker of Household Goods permit from the FMCSA does not qualify as authority to act as a broker for moves that take place within California. While the FMCSA permit allows a broker to arrange for inter-state moves, a California permit is required for any move on a highway *in this state*.

INTER-STATE HOUSEHOLD MOVERS

An inter-state household mover must obtain a Bureau-issued permit to operate within California when transporting household goods in California, as well as an operating authority from the FMCSA to operate from state to state.

BPC [§ 19237](#) prohibits a household mover, including brokers, from engaging, or attempting to engage, in the business of the transportation of used household goods and personal effects by motor vehicle over any public highway in this state, unless *both* of the following are met:

1. For transportation of household goods entirely within this state, there is in force a permit issued by the Bureau authorizing those operations.
2. For transportation of household goods from this state to another state or from another state to this state, there is in force a valid operating authority issued by the FMCSA.

Federal Authority

Title 49 of the United States Code (U.S.C), [§ 14501](#), states federal authority regarding intrastate transportation and prohibits states from enacting or enforcing laws related to a price, route, or service of any motor carrier with respect to the transportation of property. However, subparagraph (c)(2)(B) of § 14501 states the prohibition *does not apply to the transportation of household goods within a state*.

Consequently, to transport household goods in California, inter-state household movers must comply with permit and other requirements of the Act and all other applicable laws related to the transportation of household goods while in California.

STORAGE CONTAINERS, “PODS”, OR OTHER STORAGE DELIVERY SERVICES

In California, moving packed storage containers to a storage facility, another house, or any other location is within the scope of a household mover because moving the container involves transporting household goods. Consequently, a household mover permit and compliance with all applicable laws is required to perform this service.

California’s requirements may be obscured by the federal definition of household mover in 49 U.S.C. [§ 13102](#), subparagraph (12), which states a household mover is a motor carrier that in the course of transporting household goods, offers the services of binding and non-binding estimates, inventorying, packing and unpacking of items and personal residences, and loading and unloading at personal residences. Additionally, 49 U.S.C. § 13102, subsection (12)(C), grants a limited service exclusion for motor carriers that transport containers or trailers that are entirely loaded and unloaded by somebody not affiliated with the motor carrier.

Based on the federal codes, many companies that deliver and transport storage containers to be packed by the consumer believe they are exempt from Bureau permit requirements, but that limited service exemption only applies to federal requirements. As stated in the section on inter-state movers, 49 U.S.C. [§ 14501](#), subparagraph (c)(2)(b), allows states to adopt and enforce laws to regulate household movers.

There is a limited exemption in California provided by BPC [§ 21701.1](#) for Self-Service Storage Facilities, which is an exemption from regulation under the Act, not from permit requirements, as described below.

If the owner or operator of a self-service storage facility or household mover transports containers to and from a self-service facility owned or operated by the owner, operator, or household mover, the activity may be exempt from regulation under the Act if the owner, operator, or household mover meets *all* of the following requirements:⁴

1. Does not charge more than \$100 to deliver an empty storage container and transport the loaded container or to deliver a loaded container and pick up the empty container.
2. Does not handle the contents of the container (this also applies to affiliates).
3. Has obtained a Bureau household mover permit or a Department of Motor Vehicle (DMV) registration as a motor carrier of property.
4. Has procured and maintained cargo insurance in the amount of at least \$20,000 per shipment.
5. Provides a disclosure to the customer regarding the container transfer services offered.
6. Provides the customer with a brochure containing specified information regarding loading the container.

⁴ Please refer to BPC [§ 21701.1](#) for a full description of the exemption requirements.

Although meeting all of these statutory criteria exempts the activity from regulation under the Act, the applicable operating authority from the Bureau or DMV is still required as noted by BPC § 21707.1, subsection (a)(3).

BUSINESSES NOT REQUIRED TO OBTAIN A HOUSEHOLD MOVER PERMIT

Following are examples of industries that are commonly mistaken for household movers, but they are not required to obtain a Bureau household mover permit.

FREIGHT FORWARDERS

Duties of a freight forwarder are described by 46 U.S.C [§ 515.2](#), subsection (h), as dispatching of shipments on behalf of others and 49 U.S.C. [§ 13102](#), subparagraph (8) as an intermediary to arrange for shipments. In other words, freight forwarders arrange for the use of a motor carrier (among many other services) to ensure freight reaches its destination. In most cases, freight forwarders are subject to federal jurisdiction and must hold operating authority from the Federal Maritime Commission.

While businesses that transport used household goods may also be subject to federal jurisdiction, that is typically because the household mover activity is between states, not because the company is performing the duties of a freight forwarder. An entity that truly operates as a freight forwarder does not fall within the scope of a household mover and therefore, is not required to obtain a Bureau permit. However, any freight forwarder that does transport household goods in California must obtain a Bureau-issued permit.

MOTOR CARRIERS OF PROPERTY

Any person who operates a commercial motor vehicle, as defined by Vehicle Code [§ 34500](#), any truck with two or more axles weighing more than 10,000 pounds, or any other motor vehicle used to transport property for compensation is considered a motor carrier of property. Motor carriers of property are prohibited from operating a commercial vehicle on any highway in this state unless they have registered as a motor carrier of property with the DMV.

Possession of a motor carrier of property registration with the DMV does not exempt any person or entity who is performing the duties of a household mover from obtaining a Bureau household mover permit. Vehicle Code [§ 34601](#), subsection (a), excludes household movers, as defined by the Act, from the definition and requirements of a motor carrier of property, i.e. a motor carrier of property must obtain a household mover permit to operate within the scope of a household mover even if it is registered as a motor carrier of property with the DMV.

If you have questions regarding motor carriers of property, please visit the DMV's [Motor Carrier Permit \(MCP\) - Frequently Asked Questions](#) for more information.