

State of California

Gavin Newsom, Governor

Department of Consumer Affairs Bureau of Household Goods and Services



Household Movers Act Laws, Rules and Regulations

*(Including statutory references to the Public Utilities Code and General Orders
of the Public Utilities Commission)*

Issued By

Bureau of Household Goods and Services
(Formerly the Bureau of Electronic and Appliance Repair,
Home Furnishings, and Thermal Insulation)
4244 South Market Court, Suite D
Sacramento, California 95834



Revised February 2019

Publication Date: February 2019

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

TABLE OF CONTENTS
Business and Professions Code
Division 8, Special Business Regulations
Chapter 3.1, Household Movers Act
Operative July 1, 2018

Section	Article 1. General Provisions and Definitions	Page
19225	Short Title	1
19225.5	Definitions.....	1
19225.7	Construction of citation and discipline provisions regarding officers, agents, or employees of any person and corporation.....	1
19225.9	Exercise or performance of powers or duties by Chief; powers granted to the director	2
19226	Regulation of the transportation of used household goods and personal effects.....	2
19227	Transportation of used household goods and personal effects for compensation	2
19228	Transfer of powers and duties of Public Utilities Commission to director; effect, administration, and enforcement of existing rules and regulations.....	2
19229	Household Movers Fund.....	2
19229.1	Declaration of public interest; preserving the use of public highways; timely processing of applications and complaints.....	2
19233	Regulation of commerce with foreign nations or the several states	3
19234	Personnel.....	3
19234.1	Protection of the public	3
Section	Article 2. Regulation of Household Movers	
19235	Requirement of compliance with provisions of chapter; engaging in business	3
19236	Display of vehicle identification symbol.....	4
19237	Requirement of permit or operating authority for household mover; violations.....	4
19238	Original permit	5
19239	Examination, qualifications, fingerprints, and financial responsibility.....	5
19239.1	Certificate of Workers' Compensation Insurance; Certificate of Self-insurance	6
19239.2	Acceptance of certificate; effective date	7
19239.3	Prohibited transfer of a permit	7
19239.4	Failure to obtain or maintain workers' compensation insurance; permit suspension; reinstatements	7
19240	Application and fee for the issuance or transfer of a permit	8
19241	Used office, store, and institution furniture and fixtures.....	8
19242	Shippers; rules and regulations	9
19243	Household movers; rules; electronic forms.....	9
19244	Employing, directing operation of a vehicle without permit.....	9
19245	Carrier's lien on used household goods and personal effects; amount; release to consignor or consignee; enforcement of lien by household mover; custody of household goods;.....	9
19246	Notice regarding consignor's rights; Definition; Notice to requirements; form	10
19247	Link to the Bureau's internet website	12
Section	Article 3. Accident Liability Protection	
19248	Protection against liability.....	12
19249	Evidence of insurance or bond.....	13

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

19250	Acceptable documents in lieu of the original or duplicate insurance policy.....	13
19251	Written notice required before cancellation of insurance	13
19252	Insurance enforcement; rules and regulations.....	13
Section	Article 4. Rates	
19253	Duty to fix rates.....	13
19253.1	Prohibited advertisements, quotes, or rates	13
19253.2	Establishing procedures for rates greater than the maximum rate.....	14
19253.3	Application and enforcement of the rates	14
19254	Prohibition on commissions or refund of rates to shippers, consignee, or employee thereof	14
19255	Prohibition on permitting rates less than or more than established rates	14
19256	Prohibition on obtaining transportation at rates less than or more than established rates	14
19257	Prohibition on obtaining allowances, rebates, or payments for damages	14
Section	Article 5. Reports, Records and Inspections	
19258	Maintaining of records; reports to Bureau	14
19259	Filing of any contract, agreement or arrangement between household movers	15
19260	Regulation of forms of accounts, records and memoranda	15
19260.1	Requirement of compliance with prescribed forms of accounts, records, or memoranda.....	15
19260.2	Access to lands, buildings and equipment of household movers	15
19260.3	Inspection and examination of lands, buildings, equipment, accounts, records.....	15
19261	Application to persons having control; records, inspections.....	15
19262	Annual list of vehicles used; submittal to Department of the California Highway Patrol; penalty for failure to obtain insurance coverage.....	15
Section	Article 5.3 Delivery and Claims	
19265	Claims against household movers.....	16
Section	Article 5.4 Subhauling Agreements	
19266	Subhauling agreements	16
19266.1	Subhauling; adoption of rules and regulations.....	16
19266.2	Applicability to subhaulers not subject to this chapter.....	16
Section	Article 5.5 Estimates	
19267	Estimates to shippers; rules and regulations	16
Section	Article 6. Proceedings	
19268	Conduct of proceedings; Hearing.....	16
19269	Violations of this chapter; injunctions, petitions.....	17
19269.1	Abandoned stored household goods or property; proceeding; court appointed or bureau hired receiver.....	17
19270	Petition and Answer	18
Section	Article 7. Suspension and Revocation of Permits	
19271	Voluntary suspension.....	18

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

19272	Removal of identifying symbols during suspension	18
19273	Termination of suspension; restoration of permit	18
19274	Permits not exercised for one year	18
19274.1	Sale, lease, assignment or other transfers of permits	18
19275	Filing of false report to bureau; suspension; revocation; fine; conviction of misdemeanor or felony	19
19275.1	Stop order issued by Department of Industrial Relations.....	19
19275.2	Written recommendation for suspension; notice; hearing.....	20
19276	Application for a new permit after cancellation or revocation.....	21
Section	Article 8. Fines and Penalties	
19277	Failure to comply; willful violation; imprisonment	21
19277.1	Failure to comply with vehicle identification requirements.....	22
19278	Aiding or abetting any household mover; corporation or persons willful violation; fine or imprisonment; misdemeanor	22
19279	Household movers; aiding or abetting any household mover; citation and fine	22
19279.1	Fine for operating without a permit.....	22
19279.2	Corporation or person willful violation of this chapter.....	22
19279.3	Advertising without a valid permit.....	22
19280	Falsification of permit status; memberships to an association or location	23
19281	Separate and distinct offenses	23
19282	Accrued remedies and penalties	23
19283	Fines not paid within a specified time period.....	23
19283.1	Enforcement by peace officer	23
19283.2	Fines collected; payment to Fund	24
19284	Written notice to appear	24
Section	Article 9. Household Mover Uniform Business Permit Fee Act	
19285	Household Mover Uniform Business Permit Fee Act.....	24
19286	Adequate transportation system essential	24
19287	City or county assessments, levies, excise or licensee fees.....	24
19288	Permit fee payable to the bureau; fee schedule	24
19288.1	Fees pursuant to Public Utilities Code sections 5003.1 and 5003.2.....	25
19288.2	Default on payment of fees; penalty	25
19289	Checks returned unpaid; collection of fees	25
19290	Expiration of permits; delinquency and penalty fees	25
19292	Failure to allow inspections; suspension; revocation.....	26
19293	Rules and regulations; enforcement of this section.....	26
Section	Article 10. Operative Date	
19294	Effective date of this chapter.....	26

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

Public Utilities Commissions' Related Codes and General Orders
Division 2. Regulation of Related Businesses by the Public Utilities Commission

Chapter 6. Transportation Rate Fund and Fees.....	27
5002. Gross operating revenue	27
5003.1 Statements of gross operating revenue; fee.....	27
5003.2 Fee based on gross operating revenue; increase.....	27
General Orders.....	28
84-H. Collect-on-Delivery Shipments	28
100-M. Payment of Damages For Personal Bodily Injuries and Damage	30
102-H. Engagement of and Payment to Independent Contractor Subhaulers.....	34
124-C. Filing of Annual Reports	37
136-C. Cargo Insurance and Liability for Loss and Damage	37
139-B. Handling of Claims for Loss or Damage of Property	41
142. Transportation and Accessorial Services.....	46

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

Household Movers Act
Business and Professions Code Division 8, Chapter 3.1, Sections 19225-19294

Article 1.
General Provisions and Definitions

19225. This chapter may be cited as the “Household Movers Act.”

19225.5. For purposes of this chapter, unless the context otherwise requires, the following provisions shall apply:

- (a) “Broker” means 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.
- (b) “Bureau” refers to the Bureau of Household Goods and Services, as established in Section 9810.
- (c) “Chief” refers to the chief of the bureau.
- (d) “Corporation” includes a corporation, a company, an association, and a joint stock association.
- (e) “Department” refers to the Department of Consumer Affairs.
- (f) “Director” refers to the Director of Consumer Affairs.
- (g) “Fund” means the Household Movers Fund established pursuant to Section 19229.
- (h) “Household mover” includes every corporation or person, their lessees, trustee, receivers, or trustees appointed by any court whatsoever, engaged in the 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. A broker, as defined in subdivision (a), shall be considered a household mover. The Legislature intends “household mover” to have the same meaning as “household goods carrier” in former Section 5109 of the Public Utilities Code, as that section read on June 30, 2018.
- (i) “Inspector” refers to an inspector either employed by, or under contract to, the bureau.
- (j) “Motor vehicle” means every motor truck, tractor, or other self-propelled vehicle used for transportation of property over the public highways, other than upon fixed rails or tracks, and any trailer, semitrailer, dolly, or other vehicle drawn thereby.
- (k) “Owner,” with respect to a motor vehicle used in the transportation of property for compensation by a household mover, means the corporation or person who is registered with the Department of Motor Vehicles as the owner of the vehicle, or who has a legal right to possession of the vehicle pursuant to a lease or rental agreement.
- (l) “Person” includes an individual, a firm, or a copartnership.
- (m) “Public highway” includes every public street, road, or highway in this state.

19225.7. In construing and enforcing the provisions of this chapter relating to citations and discipline, the act, omission, or failure of any officer, agent, or employee of any person or corporation, acting within the scope of his or her official duties or employment, is the act, omission, or failure of the employing person or corporation.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

19225.9. Every power granted to or duty imposed upon the director under this chapter may be exercised or performed in the name of the director by a deputy or assistant director or by the chief, subject to conditions and limitations that the director may prescribe.

19226. The regulation of the transportation of used household goods and personal effects in a motor vehicle or motor vehicles over any public highway in this state shall be exclusively as provided in this chapter. Any provision of the Public Utilities Code in conflict with the provisions of this chapter does not apply to a household mover.

19227. The transportation of used household goods and personal effects in any truck or trailer for compensation over any public highway in this state is a highly specialized type of truck transportation. This chapter is enacted for the limited purpose of providing necessary regulation for this specialized type of truck transportation only, and is not to be construed for any purpose as a precedent for the extension of that regulation to any other type of truck transportation not presently so restricted.

19228. (a) Notwithstanding any other law, and until the time the director adopts regulations implementing this chapter, powers granted to, or duties imposed on, the Public Utilities Commission pursuant to the former Chapter 7 (commencing with Section 5101) of Division 2 of the Public Utilities Code are transferred to, and may be exercised by, the director in administering this chapter.

(b) All rules, regulations, general orders, forms, and Maximum Rate Tariff 4, as most recently amended as of July 1, 2018, by the Public Utilities Commission, adopted, administered, or enforced by the Public Utilities Commission for purposes of implementing and administering the former Chapter 7 (commencing with Section 5101) of Division 2 of the Public Utilities Code, that are in effect immediately preceding July 1, 2018, shall remain in effect and shall be administered and enforced by the director, until the operative date of regulations adopted by the director to implement this chapter.

(c) Until the operative date of regulations implementing this chapter, household movers shall observe the rules, regulations, general orders, and Maximum Rate Tariff 4, as most recently amended as of July 1, 2018, by the Public Utilities Commission, that are administered and enforced by the director pursuant to this chapter. A violation of those rules, regulations, general orders, or tariff may be grounds for discipline.

19229. (a) The Household Movers Fund is hereby established within the State Treasury. Moneys in the fund shall be used, upon appropriation by the Legislature, by the bureau for the administration of this chapter.

(b) Except as otherwise provided in this chapter, all moneys, including fines or penalties imposed under this chapter, collected pursuant to this chapter shall be deposited into the fund.

(c) Notwithstanding subdivision (a) of Section 205, the Household Movers Fund is a special fund within the Professions and Vocations Fund and is subject to subdivision (b) of Section 205.

19229.1. (a) The use of the public highways for the transportation of used household goods and personal effects for compensation is a business affected with a public interest. It is the purpose of this chapter to do all of the following:

(1) Preserve for the public the full benefit and use of public highways consistent with the needs of commerce without unnecessary congestion or wear and tear upon those highways.

(2) Secure to the people just, reasonable, and nondiscriminatory rates for transportation by household movers operating upon the highways.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

(3) Secure full and unrestricted flow of traffic by motor carriers over the highways that will adequately meet reasonable public demands by providing for the regulation of rates of all household movers so that adequate and dependable service by all necessary household movers is maintained and the full use of the highways is preserved to the public.

(4) Promote fair dealing and ethical conduct in the rendition of services involving or incident to the transportation of household goods and personal effects.

(b) To achieve the purposes of subdivision (a), the bureau shall do all of the following:

(1) Prioritize the timely processing of applications and hold application workshops for potential applicants around the state.

(2) Enable electronic filing of applications, reports, and fee payments.

(3) Dedicate staff to answering telephone calls, mailings, and electronic inquiries from household movers.

(4) Prioritize the timely processing of consumer complaints.

(5) Implement electronic case tracking of complaints and their disposition.

(6) Implement a process for appropriate and timely enforcement against illegally operating household movers, including performing staff-driven investigations and enforcement through sting operations and other forms of presence in the field.

(7) Maintain relationships with, and implement outreach and education programs to, local law enforcement, district attorneys, and airports, and coordinate with law enforcement agencies pursuant to subdivision (d) of Section 19283.1.

(8) Meet with household mover trade associations at least annually.

(9) Implement a consolidated case tracking system that integrates each of the transportation program core functions and data collection, administrative compliance details, complaints, and investigations.

19233. This chapter shall not be construed as a regulation of commerce with foreign nations or among the several states, except insofar as those regulations are not prohibited under the provisions of the United States Constitution and the acts of the Congress of the United States.

19234. The director, in accordance with the State Civil Service Act and Section 159.5, may appoint and fix the compensation of clerical, inspection, investigation, and auditing personnel, as well as a deputy chief, as may be necessary to carry out the provisions of this chapter. All such personnel shall perform their respective duties under the supervision and the direction of the chief.

19234.1. Protection of the public shall be the highest priority for the bureau in exercising its licensing, regulatory, and disciplinary functions under this chapter. Whenever the protection of the public is inconsistent with other interests sought to be promoted, the protection of the public shall be paramount.

Article 2.
Regulation of Household Movers

19235. 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.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

19236. (a) Each household mover shall display on each vehicle operated by it an identification symbol in the form and in accordance with rules and regulations prescribed by the bureau. The identifying symbols displayed by household movers subject to the Interstate Commerce Commission Order Ex Parte No. MC-41, Identification of Motor Carrier Vehicles, November 17, 1954, effective January 3, 1955, shall serve in lieu of the display requirements of this section, if the identifying symbols have been recorded by the household mover with the bureau.

(b) For motor vehicles first registered in this state on or after January 1, 1985, the identifying symbol shall be displayed on both the left and right doors of the cab of the vehicle.

19237. (a) A household mover shall not engage, or attempt 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, including by any means or media, advertising, soliciting, offering, arranging as a broker, or entering into an agreement regarding the transportation of used household goods and personal effects, unless both of the following are satisfied:

(1) For transportation of household goods and personal effects entirely within this state, there is in force a permit issued by the bureau authorizing those operations. Permits issued by the Public Utilities Commission pursuant to the former Chapter 7 (commencing with Section 5101) of Division 2 of the Public Utilities Code, that are valid and effective on the operative date of this chapter, shall remain in effect, subject to the provisions of this chapter, for a period of not more than two years after the operative date of this chapter, or until the time the bureau issues, reissues, renews, suspends, revokes, or otherwise alters or amends the permit, whichever occurs earlier.

(2) For transportation of household goods and personal effects from this state to another state or from another state to this state, there is in force a valid operating authority issued by the Federal Motor Carrier Safety Administration.

(b) A household mover that engages, or attempts to engage, in the business of the transportation of used household goods and personal effects in violation of subdivision (a) shall not enforce any security interest or bring or maintain any action in law or equity to recover any money or property or obtain any other relief from any consignor, consignee, or owner of household goods or personal effects in connection with an agreement to transport, or the transportation of, household goods and personal effects or any related services. A person who utilizes the services of a household mover operating in violation of subdivision (a) may bring an action in any court of competent jurisdiction in this state to recover all compensation paid to that household mover.

(c) The operation of a motor vehicle used in the business of transporting household goods and personal effects by a household mover that does not possess a valid permit or operating authority, as required by subdivision (a), constitutes a public nuisance. Any peace officer, as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code, may remove any motor vehicle located within the territorial limits in which the officer may act, when the vehicle is found upon a highway and is being used in a manner constituting a public nuisance. At the request of the bureau, the Attorney General, or a district attorney, city attorney, or county counsel, the law enforcement agency may impound the vehicle for a period not to exceed 72 hours to enable the requesting agency to abate the public nuisance, to obtain an order from the superior court of the county in which the vehicle has been impounded to prevent the use of the motor vehicle in violation of law, and to obtain any other remedy available under law as permitted by Section 19282.

(d) Any person having possession or control of used household goods or personal effects, who knows, or through the exercise of reasonable care should know, that a household mover transported those household goods or personal effects in violation of subdivision (a), shall release the household goods and personal effects to the consignor or consignee, as defined in Section 19245, upon the request of the

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

consignor or consignee. If that person fails to release the household goods and personal effects, any peace officer, as defined in subdivision (c), may take custody of the household goods and personal effects and release them to the consignor or consignee.

19238. (a) To obtain an original permit, an applicant shall submit to the bureau an application in writing, on a form containing information prescribed by the bureau, which is verified under oath, and accompanied by proof of service upon those interested parties, as required by the bureau. The bureau shall require the applicant to attest in the application to facts demonstrating that the applicant is not barred by law or court order from acting as a household mover.

(b) The application shall be accompanied by the fee fixed pursuant to this chapter.

19239. (a) Before a permit is issued, the bureau shall require the applicant to establish ability and reasonable financial responsibility to initiate the proposed operations. The bureau shall require the applicant to establish his or her knowledge and ability to engage in business as a household mover by examination. The examination may be written or oral, or in the form of a demonstration of skill, or any combination of these, and any investigation of character, experience, and any tests of technical knowledge and manual skill that the bureau determines to be appropriate may be employed. In any examination, the qualification of the applicant shall be determined by an appraisal made by a member of the bureau's staff. The criteria used by the bureau staff in making the required appraisal to determine whether the applicant has met the qualifications shall be established by the bureau by rule or regulation, in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. An applicant who has been determined to be unqualified may establish his or her qualifications through a subsequent examination, but no subsequent examination shall be taken prior to 30 days from the date when the applicant was found to be unqualified. If the staff member determines that the applicant is not qualified and denies the application, the bureau shall notify the applicant in writing. Within 30 days of service of the notice, the applicant may file a written request with the bureau for a hearing on the denial. Upon receipt of a timely filed request, the bureau shall request that the matter be set for a hearing. The hearing shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the director shall have all the powers granted therein. If the staff member determines that the applicant is qualified, the bureau may issue a permit without a hearing.

(b) An applicant may qualify in one of the following ways:

(1) If an individual, he or she may qualify by personal examination or by examination of his or her responsible managing employee.

(2) If a copartnership or corporation, or any other type of business organization, it may qualify by examination of the responsible managing officer, an employee who works at least 32 hours per week, or a partner of the applicant firm.

(c) If the individual qualified by examination ceases to be connected with the permitholder, the permitholder shall notify the bureau in writing within 30 days after the cessation. If notice is given, the permit shall remain in force a reasonable length of time in order that another representative of the applicant may be qualified before the bureau. If the permitholder fails to notify the bureau of the cessation within a 30-day period, at the end of that period the permit shall be automatically suspended.

(d) Each applicant for a permit shall electronically submit to the Department of Justice fingerprint images and related information required by the Department of Justice for each owner, partner, officer, and director as a prerequisite to the issuance of a permit to operate as a household mover. The fingerprint images and related information shall be submitted for the purpose of obtaining information as to the existence and content of a record of state or federal convictions and arrests, and information as

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

to the existence and content of a record of state or federal convictions and arrests for which the Department of Justice establishes that the person is free on bail or on his or her own recognizance, pending trial or appeal.

(1) The Department of Justice shall provide a response to the bureau pursuant to paragraph (1) of subdivision (p) of Section 11105 of the Penal Code.

(2) The bureau shall request from the Department of Justice subsequent notification service, as provided pursuant to Section 11105.2 of the Penal Code, for applicants.

(3) The Department of Justice shall charge the applicant a fee sufficient to cover the reasonable cost of processing the requests described in this paragraph.

(e) The bureau may require, as a precondition to the issuance of a permit, the procurement of a performance bond sufficient to facilitate the collection of fines, penalties, and restitution related to enforcement actions that can be taken against the applicant.

(f) The bureau may refuse to issue a permit if it is shown that an applicant or an officer, director, partner, or associate of an applicant has committed any act constituting dishonesty or fraud; committed any act that, if committed by a permitholder, would be grounds for a suspension or revocation of the permit; misrepresented any material fact on the application; or, was convicted of an offense that is substantially related to the qualifications, functions, or duties of the business or profession, except that if the bureau determines that the applicant is otherwise suitable to be issued a permit, and granting the permit would not compromise public safety, the bureau shall conduct a thorough review of the nature of the crime, conviction, circumstances, and evidence of rehabilitation of the applicant, and shall evaluate the suitability of the applicant to be issued a permit based on the evidence found through the review.

(g) The bureau shall issue a permit only to those applicants who it finds have demonstrated that they possess sufficient knowledge, ability, integrity, and financial resources and responsibility to perform the service within the scope of their application.

(h) A permit may not be issued unless it has been shown that the applicant meets one of the following residence requirements:

(1) For an individual, the applicant shall have resided in the State of California for not less than 90 days next preceding the filing of the application.

(2) For a partnership, the partner having the largest percentage interest in the partnership shall have resided in the State of California continuously for not less than 90 days next preceding the filing of the application.

(3) For a corporation, the applicant shall be a domestic corporation or shall be qualified to transact business in the State of California as a foreign corporation at the time of filing the application.

(i) The bureau shall prescribe, amend, and repeal rules in accordance with law for the administration of this section.

(j) If the bureau denies an application, the bureau shall notify the applicant in writing. Within 30 days of service of the notice, the applicant may file a written request with the bureau for a hearing on the denial. Upon receipt of a timely filed request, the bureau shall request that the matter be set for hearing. The hearing shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the director shall have all the powers granted therein.

19239.1. (a) Except as provided for in subdivision (b), every household mover, as a condition precedent to the issuance, reinstatement, reactivation, renewal, or continued maintenance of a permit, shall have on file with the bureau a current and valid Certificate of Workers' Compensation Insurance

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

or Certification of Self-Insurance in the applicant's or permitholder's business name. A Certificate of Workers' Compensation Insurance shall be issued and filed, electronically or otherwise, by an insurer duly licensed to write workers' compensation insurance in this state. If reciprocity conditions exist, as provided in Section 3600.5 of the Labor Code, the bureau shall require the information deemed necessary to ensure compliance with this section.

(b) This section does not apply to an applicant or permitholder who has no employees, provided that the applicant or permitholder files a statement, under penalty of perjury, stating that, in its operations as a household mover, it does not employ any person in any manner so as to become subject to the workers' compensation laws of this state.

(c) The workers' compensation coverage certified to under subdivision (a) shall be effective until canceled. Cancellation shall require 30 days' advance notice. A workers' compensation insurer shall also report to the bureau a permitholder whose workers' compensation insurance policy is canceled by the insurer if all of the following conditions are met:

(1) The insurer has completed a premium audit or investigation.

(2) A material misrepresentation has been made by the insured that results in financial harm to the insurer.

(3) No reimbursement has been paid by the insured to the insurer.

(d) If, after filing the statement described in subdivision (b), the household mover becomes subject to the workers' compensation laws of this state, the household mover shall promptly notify the bureau that the household mover is withdrawing its statement under subdivision (b), and shall simultaneously file the certificate described in subdivision (a).

(e) The insurer, including the State Compensation Insurance Fund, shall report to the bureau the following information for any policy required under this section: name, license number, policy number, and dates that coverage is scheduled to commence and lapse, and cancellation date, if applicable.

19239.2. (a) The bureau shall accept a certificate required by Section 19239.1 as of the effective date shown on the certificate, if the certificate is received by the bureau within 90 days after that date, and shall reinstate the permit to which the certificate pertains, if otherwise eligible, retroactive to the effective date of the certificate.

(b) Notwithstanding subdivision (a), the bureau shall accept the certificate as of the effective date shown on the certificate, even if the certificate is not received by the bureau within 90 days after that date, upon a showing by the permitholder, on a form acceptable to the bureau, that the failure to have a certificate on file was due to circumstances beyond the control of the permitholder. The bureau shall reinstate the permit to which the certificate pertains, if otherwise eligible, retroactive to the effective date of the certificate.

19239.3. The bureau shall not issue or authorize the transfer of any permit under this chapter to any person or corporation against whom a final judgment has been entered and whose name has been transmitted to the bureau pursuant to Section 3716.4 of the Labor Code, unless that judgment has been satisfied or has been discharged in accordance with the bankruptcy laws of the United States.

19239.4. (a) The failure of a permitholder to obtain or maintain workers' compensation insurance coverage, if required under this chapter, shall result in the suspension of the permit by operation of law in accordance with the provisions of this section, but this suspension shall not affect, alter, or limit the status of the permitholder as an employer for purposes of Section 3716 of the Labor Code.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

(b) The permit suspension imposed by this section is effective upon the earlier of either of the following:

- (1) On the date that the relevant workers' compensation insurance coverage lapses.
- (2) On the date that workers' compensation coverage is required to be obtained.

(c) A permitholder who is subject to suspension under paragraph (1) of subdivision (b) shall be provided a notice by the bureau that includes all of the following:

(1) The reason for the permit suspension and the effective date.

(2) A statement informing the permitholder that a pending suspension will be posted to the permit record for not more than 45 days prior to the posting of any permit suspension periods required under this article.

(3) The procedures required to reinstate the permit.

(d) Reinstatement may be made at any time following the suspension by showing proof of compliance as specified in Sections 19239.1 and 19239.3.

(e) With respect to an unpermitted individual acting in the capacity of a household mover who is not exempt from the provisions of this chapter, a citation may be issued by the bureau for failure to comply with this article and to maintain workers' compensation insurance.

19240. (a) Each original application for issuance of a permit under this chapter shall be accompanied by a fee of five hundred dollars (\$500). The holder of a permit issued by the Public Utilities Commission pursuant to former Chapter 7 (commencing with Section 5101) of Division 2 of the Public Utilities Code that is valid and effective as of July 1, 2018, shall not be required to submit a new application fee until the time the permitholder submits a new application.

(b) An application for transfer of a permit shall be accompanied by a fee of one hundred fifty dollars (\$150).

(c) The fees described in this section shall be superseded by the fees adopted by the bureau on or before January 1, 2023, pursuant to Section 19288.

(d) All fees paid to the bureau under this chapter shall be deposited in the fund.

19241. (a) A household mover, under its permit, may also transport used office, store, and institution furniture and fixtures. The bureau shall not regulate the service, routes, or prices charged for the transportation of used office, store, and institution furniture and fixtures by a household mover. The bureau shall do nothing under this section that is in conflict with federal law as contained in Section 14501 of Title 49 of the United States Code.

(b) If a household mover elects to transport used office, store, and institution furniture and fixtures under its household mover permit, all of the following apply:

(1) A permit is not needed from the Department of Motor Vehicles under the Motor Carriers of Property Permit Act (Division 14.85 (commencing with Section 34600) of the Vehicle Code) to conduct that transportation.

(2) The transportation is subject to the bureau's safety and insurance requirements, except that the cargo insurance requirements of subdivision (c) of Section 19248 shall not apply.

(3) The household mover shall pay the applicable fees specified in this chapter.

(c) To exercise the election pursuant to this section, a household mover shall notify the bureau of the election or the revocation of that election by filing a notice with the bureau in the manner and on the form prescribed by the bureau. If a household mover does not elect to be subject to the provisions of

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

this section or revokes a prior election to do so, the household mover shall comply with the provisions of the Motor Carriers of Property Permit Act when transporting used office, store, and institution furniture and fixtures.

19242. The bureau shall establish rules and regulations governing the notification to shippers of any delay in the delivery of goods beyond the date agreed to by the household mover and the shipper, if any, at the time the service was undertaken. All household movers shall observe such rules and regulations and the failure to do so is unlawful.

19243. (a) The bureau may establish rules for the performance of any service of the character furnished or supplied by household movers. Every household mover shall observe these rules. Failure to do so is unlawful. A violation of the chapter or the bureau's rules may be grounds for discipline.

(b) The bureau shall establish rules to authorize an electronic form of documents required by this chapter, consistent with the purpose of the document and if the household mover and the customer agree to the use of an electronic form.

19244. It is unlawful for the owner of a household mover motor vehicle employing or otherwise directing the driver of the vehicle to permit the operation of the vehicle upon any public highway for compensation without first having obtained from the bureau a permit pursuant to this chapter or without first having complied with the vehicle identification requirements of Section 19236 or with the accident liability protection requirements of Section 19248.

19245. (a) Except as provided in Section 19237, a household mover in compliance with this chapter has a carrier's lien on used household goods and personal effects to secure payment of the amount specified in subdivision (b) for transportation and additional services ordered by the consignor. A carrier's lien does not attach to food, medicine, or medical devices, items used to treat or assist an individual with a disability, or items used for the care of a minor child.

(b) (1) The amount secured by the carrier's lien is the maximum total dollar amount for the transportation of the household goods and personal effects and any additional services, including any bona fide change order permitted under the rules and regulations administered by the bureau, that is set forth clearly and conspicuously in writing adjacent to the space reserved for the signature of the consignor and that is agreed to by the consignor before any goods or personal effects are moved from their location or any additional services are performed.

(2) The dollar amount for the transportation of household goods and personal effects and additional services may not be preprinted on any form, shall be just and reasonable, and shall be established in good faith by the household mover based on the specific circumstances of the services to be performed.

(c) Upon tender to the household mover of the amount specified in subdivision (b), the carrier's lien is extinguished, and the household mover shall release all household goods and personal effects to the consignee.

(d) A household mover may enforce the carrier's lien on household goods and personal effects provided in this section except as to any goods that the household mover voluntarily delivers or unjustifiably refuses to deliver. The carrier's lien shall be enforced in the manner provided in this section and Chapter 6 (commencing with Section 9601) of Division 9 of the Commercial Code for the enforcement of a security interest in consumer goods in a consumer transaction. To the extent of any conflict between this section and that Chapter 6, this section shall prevail. Every act required in connection with enforcing the carrier's lien shall be performed in good faith and in a commercially

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

reasonable manner.

(e) The household mover shall provide a notification of disposition at least 30 days prior to any disposition to each consignor and consignee by personal delivery, or in the alternative, by first-class and certified mail, postage prepaid and return receipt requested, at the address last known by the household mover and at the destination address, and by electronic mail if an electronic mail address is known to the household mover. If any of the required recipients of notice are married to each other, and according to the household mover's records, reside at the same address, one notice addressed to both shall be sufficient. Within 14 days after a disposition, the household mover shall provide to the consignors any surplus funds from the disposition and an accounting, without charge, of the proceeds of the disposition.

(f) Any person having possession or control of household goods or personal effects, who knows, or through the exercise of reasonable care should know, that the household mover has been tendered the amount specified in subdivision (b), shall release the household goods and personal effects to the consignor or consignee, upon the request of the consignor or consignee. If the person fails to release the household goods and personal effects to the consignor or consignee, any peace officer, as defined in subdivision (c) of Section 19237, may take custody of the household goods and personal effects and release them to the consignor or consignee.

(g) This section shall not affect any rights, if any, of a household mover to claim additional amounts, on an unsecured basis, or of a consignor or consignee to make or contest any claim, and tender of payment of the amount specified in subdivision (b) is not a waiver of claims by the consignor or consignee.

(h) Any person injured by a violation of this section may bring an action for the recovery of the greater of one thousand dollars (\$1,000) or actual damages, injunctive or other equitable relief, reasonable attorney's fees and costs, and exemplary damages of not less than three times the amount of actual damages for a willful violation.

(i) Any waiver of this section shall be void and unenforceable.

(j) Notwithstanding any other law, this section exclusively establishes and provides for a carrier's lien of a household mover on used household goods and personal effects to secure payment for transportation and additional services ordered by the consignor.

(k) For purposes of this section, the following terms have the following meanings:

(1) "Consignor" means the person named in the bill of lading as the person from whom the household goods and personal effects have been received for shipment and that person's agent.

(2) "Consignee" means the person named in the bill of lading to whom or to whose order the household mover is required to make delivery as provided in the bill of lading and that person's agent.

(l) Any document required by this section may be in an electronic form, if agreed upon by the household mover and the customer.

19246. (a) For purposes of this section, the following terms have the following meanings:

(1) "Consignor" means the person named in the bill of lading as the person from whom the household goods and personal effects have been received for shipment and that person's agent.

(2) "Consignee" means the person named in the bill of lading to whom or to whose order the household mover is required to make delivery as provided in the bill of lading and that person's agent.

(b) Any household mover engaged in the business of transportation of used household goods and personal effects by motor vehicle over any public highway in this state shall provide each consignor with a completed copy of the notice set forth in this section. The notice shall be printed in at least 12-

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

point type, except the title and first two paragraphs which shall be printed in boldface type, and provided to each consignor at least three days prior to the date scheduled for the transportation of household goods or personal effects. If the consignor requests services on a date that is less than three days before the scheduled date for transportation of the household goods or personal effects, the household mover shall provide the notice as soon as practicable, but in no event may the household mover commence any services until the consignor has signed and received a signed copy of the notice. The household mover shall obtain sufficient information from the consignor to fill out the form and shall include the correct maximum amount and a sufficient description of services that will be performed. The household mover shall retain a copy of the notice, signed by the consignor, for at least three years from the date the notice was signed by the consignor.

(c) Any waiver of the requirements of this section is void and unenforceable.

(d) For transportation services provided by a household mover, the “Not To Exceed” amount set forth in the notice and the agreement between the household mover and the consignor shall be the maximum total dollar amount for which the consignor may be liable for the transportation of household goods and personal effects and any additional services ordered by the consignor, including any bona fide change order permitted under the rules and regulations administered by the bureau, and agreed to by the consignor before any goods or personal effects are moved from their location or any other services are performed.

(e) A household mover may provide the notice set forth in this section either as a separate document or by including it as the centerfold of the informational booklet that the household mover is required to provide the consignor under the rules and regulations administered by the bureau. If the household mover provides the notice as part of the informational booklet, the booklet shall contain a tab that extends beyond the edge of the booklet at the place where the notice is included. The statement “Important Notice” shall be printed on the tab in at least 12-point boldface type. In addition, the statement “Customer Must Read And Sign The Important Notice In The Middle Of This Booklet Before A Move Can Begin” shall be set forth in 14-point boldface type on the front cover of the booklet.

(f) The notice provided the consignor shall be in the following form:

“IMPORTANT NOTICE ABOUT YOUR MOVE

“IT IS VERY IMPORTANT THAT YOU ONLY AGREE TO A “NOT TO EXCEED” AMOUNT THAT YOU THINK IS A PROPER AND REASONABLE FEE FOR THE SERVICES YOU ARE REQUESTING. THE “NOT TO EXCEED” AMOUNT THIS MOVER IS REQUESTING IS \$_____ TO PERFORM THE FOLLOWING SERVICES:

“IF YOU DO NOT AGREE TO THE “NOT TO EXCEED” AMOUNT LISTED OR THE DESCRIPTION OF SERVICES, YOU HAVE THE RIGHT TO REFUSE THE MOVER’S SERVICE AT NO CHARGE TO YOU.

“If you request additional or different services at the time of the move, you may be asked to complete a Change Order which will set forth your agreement to pay for additional fees for those newly requested services. If you agree to the additional charges on that Change Order, those charges may be added to the “NOT TO EXCEED” amount set forth above. If you do not agree to the amounts listed in the Change Order, you should not sign it and may refuse the mover’s services.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

“A mover cannot refuse to release your goods once you have paid the “NOT TO EXCEED” amount for the transportation of your goods and personal effects and any additional services that you have agreed to in writing. The “NOT TO EXCEED” amount must be reasonable.

“A mover cannot, under any circumstances, withhold food, medicine, medical devices, items to treat or assist a disabled person, or items used for care of a minor child. A mover without a valid permit has no right to withhold your goods for any reason, including claims that you have not adequately paid for services rendered.

“For additional information or to confirm whether a mover has a valid permit issued by the Division of Household Movers of the Bureau of Household Goods and Services, please call the Bureau toll free at: _____ Insert toll-free number_____.

“I have completed this form and provided the consumer (shipper) with a copy of this notice.

“Signed _____ Dated _____

“I have been provided with a copy of this form.

“Signed _____ Dated _____”

(g) Any document required by this section may be in an electronic form, if agreed upon by the household mover and the customer.

19247. Every household mover shall add a prominent link to its Internet Web site that immediately directs all consumers to the bureau’s Internet Web site.

Article 3.
Accident Liability Protection

19248. (a) The bureau, in granting permits pursuant to this chapter, shall require a household mover to procure, and continue in effect during the life of the permit, adequate protection against liability imposed by law upon the household mover for the payment of damages for personal bodily injuries, including death resulting therefrom, and property damage in the following amounts:

(1) Not less than two hundred fifty thousand dollars (\$250,000) on account of bodily injuries to or death of one person.

(2) Not less than five hundred thousand dollars (\$500,000) on account of bodily injuries to or death of more than one person as a result of any one accident. The recovery of each person is subject to the limitation contained in paragraph (1).

(3) Not less than one hundred thousand dollars (\$100,000) for one accident resulting in damage to or destruction of property, other than property being transported by the household mover for any shipper or consignee, whether it is the property of one or more than one claimant.

(4) Not less than six hundred thousand dollars (\$600,000) on account of bodily injuries to or death of one or more persons and damage to or destruction of property, other than property being transported by the household mover for any shipper or consignee, whether it is the property of one or more than one claimant, in any one accident.

(b) The bureau may increase the minimum level of public liability and property damage protection required by this section if necessary to provide adequate protection.

(c) The bureau shall require all household movers to procure and continue in effect during the life of

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

the permit cargo insurance in the amount of twenty thousand dollars (\$20,000). However, upon a showing before the bureau by a household mover that a lesser amount of cargo insurance adequately protects the public, and a finding by the bureau to that effect, the bureau may authorize the household mover to procure and continue in effect during the life of the permit the lesser amount of insurance.

19249. The protection required under this article shall be evidenced by the deposit of any of the following with the bureau covering each vehicle used or to be used under the permit applied for:

- (a) A policy of insurance, issued by a company licensed to write such insurance in this state, or by nonadmitted insurers subject to Section 1763 of the Insurance Code, if the policies meet the rules and regulations administered by the bureau.
- (b) A bond of a surety company licensed to write surety bonds in the state.
- (c) Any evidence of the qualification of the household mover as a self-insurer as may be authorized by the bureau.

19250. With the consent of the bureau a copy of an insurance policy, certified by the company issuing it to be a true copy of the original policy, or a photostatic copy of the policy, or an abstract of the provisions of the policy, or a certificate of insurance issued by the company issuing the policy, may be filed with the bureau in lieu of the original or a duplicate or counterpart of the policy.

19251. The protection against liability shall be continued in effect during the active life of the permit. The policy of insurance or surety bond shall not be cancelable on less than 30 days' written notice to the bureau.

19252. The bureau may establish such rules and regulations as are necessary to enforce this article.

Article 4.
Rates

19253. (a) The bureau shall establish or approve maximum or minimum or maximum and minimum rates to be charged by household movers for the transportation of used household goods and personal effects and for accessorial service performed in connection with the transportation.

(b) In establishing or approving rates, the bureau shall account for the cost of all transportation service performed or to be performed, for any accessorial service performed or to be performed in connection with transportation, the value of the commodity transported, and the value of the equipment, facilities, and personnel reasonably necessary to perform the service. In determining rates, the bureau shall conduct a rate study and provide an opportunity for public comment. The bureau shall determine final rates based on the study and comments received during public review.

(c) The bureau shall establish or approve no minimum rate for household movers unless it finds that the rate is at a sufficient level to allow safe operation upon the highways of the state and accounts for the cost of trained drivers and other reasonable expenses of operation of household movers.

(d) Until the operative date of rules or regulations of the bureau establishing or approving rates, the bureau shall enforce and administer the rates and rules set forth in the Public Utilities Commission's Maximum Rate Tariff 4, as most recently amended as of July 1, 2018, by the Public Utilities Commission.

19253.1. A household mover shall not advertise, quote, or charge a rate or an amount for the transportation of used household goods and personal effects that is based on the amount of cubic feet or

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

other volumetric unit measurement of those household goods and effects. In addition to any other remedy, a household mover that violates this section shall not be entitled to any compensation for the transportation of the household goods and effects and shall make restitution to the shipper of any compensation collected.

19253.2. The bureau may establish procedures by which any household mover may charge or collect a greater rate than the maximum rate established under this chapter.

19253.3. The bureau shall make any rules that are necessary to the application and enforcement of the rates established or approved pursuant to this chapter.

19254. A household mover shall not directly or indirectly pay any commission to a shipper, consignee, or the employee thereof, or to the payer of the transportation charges, or refund, or remit to those persons, in any manner or by any device any portion of the rates or charges so specified, except upon authority of the bureau.

19255. No household mover, no officer or agent of a household mover, and no person acting for or employed by a household mover shall, by means of known false billing, classification, weight, weighing or report of weight, or by any other device, assist, suffer, or permit any corporation or person to obtain transportation for any property between points within this state at rates less than the minimum rates or more than the maximum rates then established, approved, or administered by the bureau.

19256. No person, no corporation, and no officer, agent, or employee of a corporation shall, by means of false billing, false or incorrect classification, false weight or weighing, false representation as to the content or substance of a package, or false report or statement of weight, or by any other device or means, whether with or without the consent or connivance of a household mover, or any of its officers, agents, or employees, seek to obtain or obtain transportation for property at less than the minimum rates or charges or more than the maximum rates or charges established, approved, or administered by the bureau.

19257. No person, no corporation, and no officer, agent, or employee of a corporation, shall knowingly, directly or indirectly by any false statement or representation as to cost or value or the nature or extent of damage, or by the use of any false billing, bill of lading, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition, or upon any false, fictitious, or fraudulent statement or entry, obtain or attempt to obtain any allowance, rebate, or payment for damage in connection with or growing out of the transportation of property subject to this chapter, or an agreement to transport property subject to this chapter, whether with or without the consent or connivance of a household mover, or any of its officers, agents, or employees. No household mover and no officer, agent, or employee of a household mover shall knowingly pay or offer to pay any such allowance, rebate, or claim for damage.

Article 5.
Reports, Records, and Inspections

19258. (a) Each household mover maintaining an office or place of business within this state and offering intrastate service shall keep in that office or place of business all books, accounts, papers, and records required by the bureau to be kept within this state. Those books, accounts, papers, or records shall not be, at any time, removed from the state except upon such conditions as the bureau prescribes. Household movers performing intrastate service as household movers that do not maintain an office or

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

place of business within this state shall make books, accounts, papers, and records pertaining to the intrastate service available to the bureau at its request at a place designated within this state for examination by the bureau, or in the alternative reimburse the bureau for the actual expense of examining those books, accounts, papers, or records at the place outside of the state where those records are kept.

(b) The bureau may require annual, periodic, or special reports to be filed by all household movers, may prescribe the manner and form in which reports shall be made, and may require specific answers to all questions upon which the bureau deems information to be necessary. The reports shall be under oath whenever the bureau so requires.

19259. The bureau may require any household mover to file with it a true copy of any contract, agreement, or arrangement between the household mover and any other household mover in relation to any traffic affected by this chapter.

19260. The bureau may prescribe the forms of any accounts, records, and memoranda, including those pertaining to the movement of traffic and the receipt or expenditure of money, to be kept by household movers, and the length of time the accounts, records, and memoranda shall be preserved.

19260.1. If the bureau has prescribed the forms of accounts, records, and memoranda to be kept by a household mover for any of its business, it is unlawful for any household mover to keep any accounts, records, or memoranda for that business other than those so prescribed or those prescribed by or under the authority of any other state or of the United States, excepting those accounts, records, or memoranda that are explanatory of and supplemental to the accounts, records, or memoranda prescribed by the bureau.

19260.2. The bureau and its authorized employees, representatives, and inspectors shall at all times have access to all lands, buildings, and equipment of household movers used in connection with the operation of their businesses as household movers in this state, and also all accounts, records, and memoranda, including all documents, books, papers, and correspondence kept or required to be kept by household movers, and may photocopy or electrostatically or photostatically reproduce at the bureau's expense any of these accounts, records, memoranda, documents, books, papers, and correspondence at either the premises of the household mover or the offices of the bureau. A household mover may determine whether the copying or reproduction is done at its premises or at the offices of the bureau, and if copying or reproduction expenses are incurred by the household mover, the bureau shall, upon request, reimburse the household mover for the expenses.

19260.3. The employees, representatives, and inspectors of the bureau may inspect and examine any lands, buildings, equipment, accounts, books, records, and memoranda, including all documents, papers, and correspondence kept or required to be kept by household movers.

19261. Sections 19258 to 19260.3, inclusive, shall, to the extent deemed necessary by the bureau, apply to persons having control, direct or indirect, over or persons affiliated with any household mover.

19262. (a) Every household mover shall furnish to the bureau annually, as specified by the bureau, a list, prepared under oath, of all vehicles used in transportation for compensation during the preceding year. The bureau shall furnish a copy of this list to the Department of the California Highway Patrol and to the household mover's insurer, if the household mover's accident liability protection is provided by a policy of insurance.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

(b) If the household mover's insurer informs the bureau that the household mover has failed to obtain insurance coverage for any vehicle reported on the list, the bureau may, in addition to any other applicable penalty provided in this chapter, for a first occurrence, suspend the household mover's permit, or impose a fine, or both, and for a second or subsequent occurrence may suspend or revoke the permit, or impose a fine, or both.

Article 5.3.
Delivery and Claims

19265. A claim against a household mover for loss or damage of goods shall not be denied solely because the lost or damaged goods were not noted at the time of delivery. Whenever a household mover requires a signed statement acknowledging delivery and receipt of goods, the statement shall not include any representation that the goods were delivered in satisfactory condition, but shall include a notice that the shipper may file a claim with the household mover for lost or damaged goods.

Article 5.4.
Subhauling Agreements

19266. A household mover shall not transport household goods under a subhauling agreement unless each of the following occurs:

- (a) The subhauler is permitted by the bureau to transport household goods and complies with the requirements of this chapter.
- (b) The household mover and subhauler are jointly and severally liable for any loss or damage caused by the subhauler.

19266.1. The bureau shall adopt any rules and regulations it determines to be necessary to enforce the requirements of this article.

19266.2. This article does not apply to a subhauling agreement when the subhauler is not otherwise subject to this chapter for activity related to the subhauling agreement.

Article 5.5.
Estimates

19267. The bureau shall establish rules and regulations controlling the estimates given by a household mover to a shipper of the charges the household mover would make to perform services covered by this chapter. All household movers shall observe those rules and regulations and the failure to do so is unlawful. The bureau shall make such rules and regulations as are necessary to the application and enforcement of rules and regulations established pursuant to this section.

Article 6.
Proceedings

19268. (a) Except as otherwise provided in this chapter, all proceedings under this chapter to deny, suspend, amend, revoke, or place on probation a permit shall be conducted pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

(b) A citation or fine assessment issued pursuant to a citation shall inform the household mover that, if he or she desires a hearing to contest a finding of a violation, the hearing shall be requested by written notice to the bureau within 30 days of the date of issuance of the citation or assessment. If a hearing is not requested pursuant to this section, payment of any fine shall not constitute an admission of the violation charged. Hearings shall be held pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

19269. Whenever the bureau determines that any household mover or any officer, director, or agent of any household mover is failing or omitting, or about to fail or omit, to do anything required of it by law, or by any order, decision, rule, regulation, direction, or requirement administered by the bureau, or is doing anything or about to do anything, or permitting anything or about to permit anything to be done, in violation of law or of any order, decision, rule, regulation, direction, or requirement administered by the bureau, the bureau may request the Attorney General or any district attorney, county counsel, city attorney, or city prosecutor in this state to make an application to the superior court in and for the county, or city and county, in which the cause or some part of the cause arose, or in which the corporation complained of has its principal place of business, or in which the person complained of resides for the purpose of having the violations or threatened violations stopped and prevented, either by mandamus or injunction, including, but not limited to, an order allowing vehicles used for subsequent operations subject to the order to be impounded at the household mover's expense and subject to release only by subsequent court order following a petition to the court by the defendant or owner of the vehicle. Any action or proceeding brought pursuant to this section by the Attorney General, or a district attorney, county counsel, city attorney, or city prosecutor, as applicable, shall be brought in the name of the people of the State of California, by petition to the superior court, alleging the violation or threatened violation complained of and praying for appropriate relief by way of mandamus or injunction.

19269.1. (a) Whenever the bureau determines that any household mover or any officer, director, or agent of any household mover has abandoned, or is abandoning, stored household goods or property of any shippers under contract with the household mover or movers, it may request the Attorney General or any district attorney, county counsel, city attorney, or city prosecutor in this state to commence a proceeding in superior court for the purpose of having the court appoint either a receiver or bureau staff to identify the stored items of property, to take possession of the property, and to arrange the return of the property to its owners in accordance with the orders of the court and with regard for the protection of all property rights involved.

(b) The proceeding shall be brought in the superior court in and for the county, or city and county, in which the cause or some part of the cause arose, or in which the person or corporation complained of has its principal place of business, or in which the person complained of resides. The proceeding shall be commenced in the name of the people of the State of California, by petition to the superior court, alleging the facts and circumstances involved and praying for appropriate relief by way of mandamus or injunction, or the appointment of a receiver, and authorizing the bureau to arrange for the hiring of a receiver who shall be required to comply with the requirements of Sections 566, 567, and 568 of the Code of Civil Procedure.

(c) The court may also appoint a receiver to manage the business of a household mover or movers and return property to its owner or owners upon a showing satisfactory to the court that the abandonment or threatened abandonment by the household mover jeopardizes property or funds of others in the custody or under the control of the household mover. The court may make any other order that it finds appropriate to protect and preserve those funds or that property.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

(d) In the event a receiver is appointed by the court and the bureau is responsible for contracting for a receiver to carry out the duties authorized by this section, the bureau may contract on an emergency basis with a qualified person or corporation to serve as receiver under the conditions and guidelines set by the court. The contract for the receiver services may be executed by the bureau on an expedited basis. The receiver shall be paid from the fees collected pursuant to this chapter.

19270. Upon the filing of such a petition, the court shall specify a time, not exceeding 20 days after the service of the copy of the petition, within which the household mover complained of shall answer the petition, and in the meantime the household mover may be restrained. In case of default in answer, or after answer, the court shall immediately inquire into the facts and circumstances of the case. Those corporations or persons that the court deems necessary or proper to be joined as parties, in order to make its judgment, order, or writ effective, may be joined as parties. The final judgment in any such action or proceeding shall either dismiss the action or proceeding or direct that the writ of mandamus or injunction issue or be made permanent as prayed for in the petition, or in such modified or other form as will afford appropriate relief.

Article 7.
Suspension and Revocation of
Permits

19271. The bureau may, at the request of any household mover, suspend the operating permit of the household mover for a definite time during which it is unlawful for the household mover to conduct any operations as a household mover.

19272. Upon the suspension of a permit, the bureau shall require the removal from any vehicle operated under the permit of any identifying symbols that have been placed on the vehicle.

19273. Upon the termination of the period of suspension, the bureau shall restore the permit and the household mover shall again place on all vehicles the identifying symbols removed pursuant to the suspension.

19274. A permit shall remain in effect until suspended or terminated as provided in this chapter. Any permit not exercised for a period of one year, inclusive of all periods of suspension, shall lapse and terminate.

A permit shall not be sold, leased, assigned, or otherwise transferred or encumbered by the holder of the permit without the holder first having secured from the bureau an order authorizing the transfer or encumbrance. The bureau shall not authorize any transfer or encumbrance of a permit except pursuant to a finding made by the bureau that the permit authorized to be transferred or encumbered has not lapsed or been terminated by nonexercise as provided in this section. Any sale, lease, assignment, or other transfer or encumbrance is void unless made in accordance with the order of the bureau authorizing it.

19274.1. (a) The bureau shall only authorize a sale, lease, assignment, or other transfer of a permit to a transferee who has qualified in the manner provided by Section 19239.

(b) The bureau shall prescribe the procedure relative to:

(1) Assignment of permits.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

(2) Transfer of permits between persons, where the transfer is effected through rent, lease, or sale of the business.

(3) Change in name, ownership, and address.

19275. (a) The bureau may suspend the permit of any household mover after notice and an opportunity to be heard, if the household mover knowingly and willfully files a false report with the bureau.

(b) The bureau may amend or revoke, in whole or in part, the permit of any household mover, upon application of the permit holder, or may suspend, change, or revoke, in whole or in part, a permit, upon complaint or on the bureau's own initiative, after notice and an opportunity to be heard, for providing false or misleading information on an application for a permit or for failure to comply with this chapter or with any order, rule, regulation, or tariff administered by the bureau, or with any term, condition, or limitation of the permit.

(c) As an alternative to the cancellation, revocation, or suspension of an operating permit or permits, the bureau may impose upon the holder of the permit or permits a fine of not more than thirty thousand dollars (\$30,000). All fines collected shall be deposited into the fund.

(d) The bureau may cancel, suspend, or revoke the permit of any household mover upon the conviction of the household mover of any misdemeanor under this chapter while holding operating authority issued by the bureau, or the conviction of the household mover or any of its officers of a felony while holding operating authority issued by the bureau, limited to robbery, burglary, any form of theft, any form of fraud, extortion, embezzlement, money laundering, forgery, false statements, an attempt to commit any of the offenses described in this subdivision, aiding and abetting or conspiring to commit any of the offenses described in this subdivision, or intentional dishonesty for personal gain.

(e) (1) As used in this subdivision, "convicted of a prescribed felony" means a plea or verdict of guilty or a conviction following a plea of nolo contendere for any felony described in subdivision (d), or for an attempt to commit, aiding and abetting, or conspiring to commit any felony described in subdivision (d), that is committed in connection with, or arising from, a transaction for the transportation of used household goods or personal effects.

(2) If a household mover is convicted of a prescribed felony, the permit of the household mover may be revoked.

(3) If an officer, director, or managing agent of the household mover is convicted of a prescribed felony, the permit of the household mover may be suspended for a period of five years. If the bureau determines that the household mover did not have knowledge of, participate in, direct, aid and abet, authorize, or ratify the conduct of the person convicted and did not in any manner benefit from that conduct, the bureau may reinstate the permit on terms the bureau determines to be appropriate in the interest of justice and to ensure the protection of the public. The bureau may also extend the suspension or revoke the permit as provided in subdivision (d).

(4) If an officer, director, managing agent, or employee of the household mover is convicted of a prescribed felony, the person may not be an officer, director, managing agent, or employee of, or serve in any other capacity with, a household mover.

(5) It is a violation of this chapter for a household mover that knows or should know that a person has been convicted of a prescribed felony to hire, retain, or otherwise allow that person to serve as an officer, director, managing agent, or employee of, or in any other capacity with, the household mover.

19275.1. (a) Upon receipt of a stop order issued by the Director of Industrial Relations pursuant to Section 3710.1 of the Labor Code, the bureau shall investigate to determine whether the household mover has filed a false statement relative to workers' compensation insurance coverage, in violation of

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

statute, or of rules or orders administered by the bureau. If, after notice and an opportunity to be heard, the bureau determines that there has been a violation of statute, or of rules or orders administered by the bureau, the bureau shall impose appropriate penalties, which may include a fine and suspension of operating authority for a violation.

(b) Upon receipt of a complaint from the Director of Industrial Relations that a final judgment has been entered against any household mover as a result of an award having been made to an employee pursuant to Section 3716.2 of the Labor Code, the bureau shall, 30 days from the date the household mover is mailed the notice, initiate action to revoke the household mover's permit unless the judgment has been satisfied or has been discharged in accordance with the bankruptcy laws of the United States.

(c) Within seven days of receipt of a complaint from the Director of Industrial Relations that a final judgment has been entered against any household mover as a result of an award having been made to an employee pursuant to Section 3716.2 of the Labor Code, the bureau shall furnish the household mover named in the final judgment written notice of the right to a hearing regarding the complaint and the procedure to follow to request a hearing. The notice shall state that the bureau is required to initiate revocation proceedings pursuant to subdivision (b) unless the household mover provides proof that the judgment is satisfied or has been discharged in accordance with the bankruptcy laws of the United States. The notice shall also inform the household mover of a right to a hearing and the procedures to follow to request a hearing. Proceedings under this section shall be conducted pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. If the bureau finds that an unsatisfied judgment exists concerning a debt arising under Section 3717 of the Labor Code, the bureau shall immediately revoke the household mover's permit.

19275.2. (a) (1) Upon receipt of a written recommendation from the Department of the California Highway Patrol that the permit of a household mover be suspended for any of the following, the bureau, pending a hearing in the matter pursuant to subdivision (d), shall initiate proceedings to suspend the household mover's permit:

- (A) Failure to maintain any vehicle used in transportation for compensation in a safe operating condition or to comply with the Vehicle Code or with applicable regulations contained in Title 13 of the California Code of Regulations, if that failure is either a consistent failure or presents an imminent danger to public safety.
- (B) Failure to enroll all drivers in the pull-notice system as required by Section 1808.1 of the Vehicle Code.
- (C) Failure to submit any application or pay any fee required by subdivision (e) or (h) of Section 34501.12 of the Vehicle Code within the timeframes set forth in that section.

(2) The written recommendation shall specifically indicate compliance with subdivision (c).

(b) (1) A household mover whose permit is suspended pursuant to subdivision (a) may obtain a reinspection of its terminal and vehicles by the Department of the California Highway Patrol by submitting a written request for reinstatement to the bureau and paying a reinstatement fee of one hundred twenty-five dollars (\$125).

(2) A household mover whose permit is suspended for failure to submit any application or to pay any fee required by Section 34501.12 of the Vehicle Code shall present proof of having submitted that application or having paid that fee to the Department of the California Highway Patrol before applying for reinstatement of that permit.

(3) The bureau shall deposit all reinstatement fees collected pursuant to this subdivision in the fund. The bureau shall then forward a request for reinspection to the Department of the California

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

Highway Patrol which shall then perform a reinspection within a reasonable time or verify receipt of the application or fee, or both the application and fee. The bureau shall reinstate a household mover's permit that is suspended under subdivision (a) promptly upon receipt of a written recommendation from the Department of the California Highway Patrol that the household mover's safety compliance has improved to the satisfaction of that department, or that the required application or fees have been received, unless the permit is suspended for another reason or has been revoked.

(c) Before transmitting a recommendation pursuant to subdivision (a) to the bureau, the Department of the California Highway Patrol shall notify the household mover in writing of all of the following:

(1) That the Department of the California Highway Patrol has determined that the household mover's safety record, or compliance with Section 1808.1 of, or subdivision (e) or (h) of Section 34501.12 of, the Vehicle Code, is unsatisfactory, furnishing a copy of any documentation or summary of any other evidence supporting the determination.

(2) That the determination may result in a suspension or revocation of the household mover's permit by the bureau.

(3) That the household mover may request a review of the determination by the Department of the California Highway Patrol within five days of its receipt of the notice required under this subdivision. If a review pursuant to this paragraph is requested by the household mover, the Department of the California Highway Patrol shall conduct and evaluate that review prior to transmitting any notification to the bureau pursuant to subdivision (a).

(d) If the bureau, after a hearing, finds that a household mover has continued to operate as a household mover after its permit or permits have been suspended pursuant to subdivision (a), the bureau shall do one of the following:

(1) Revoke the operating permit or permits of the household mover.

(2) Impose upon the holder of the permit or permits a fine of not less than one thousand dollars (\$1,000) nor more than five thousand dollars (\$5,000) for each day of unlawful operations.

19276. After the cancellation or revocation of a permit or during the period of its suspension, it is unlawful for a household mover to conduct any operations as a household mover. The bureau may either grant or deny an application for a new permit whenever it appears that a prior permit of the applicant has been canceled or revoked pursuant to Section 19275, or whenever it appears, after a hearing, that as a prior permit holder, the applicant engaged in any of the unlawful activities set forth in Section 19275 for which its permit might have been canceled or revoked.

Article 8.
Fines and Penalties

19277. (a) Every household mover and every officer, director, agent, or employee of any household mover who violates or who fails to comply with, or who procures, aids, or abets any violation by any household mover of any provision of this chapter or any rule or regulation administered by the bureau pursuant to this chapter, or of any operating permit issued to any household mover, or who procures, aids, or abets any household mover in its failure to obey, observe, or comply with any such rule, regulation, or operating permit, is guilty of a misdemeanor, and is punishable by a fine of not more than two thousand five hundred dollars (\$2,500) or by imprisonment in the county jail for not more than three months, or both. If a violation is willful, each willful violation is punishable by a fine of not more than ten thousand dollars (\$10,000) or by imprisonment in the county jail for not more than one year, or both. If the violation involves operating or holding oneself out as a household mover without a permit,

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

the fine shall be not less than one thousand dollars (\$1,000).

(b) Any person who violates subdivision (a) of Section 19237, is guilty of a misdemeanor, and is punishable by a fine of not more than ten thousand dollars (\$10,000), by imprisonment in the county jail for not more than one year, or both, for each violation.

19277.1. Every household mover, and every officer, director, agent, or employee of a household mover, who displays on any vehicle any identifying symbol other than the symbol prescribed by the bureau pursuant to Section 19236 or who fails to remove an identifying symbol when required by the bureau, is guilty of a misdemeanor and is punishable by a fine of not more than one thousand dollars (\$1,000), by imprisonment in the county jail for not more than one year, or both.

19278. Every corporation or person other than a household mover, who knowingly and willfully, either individually, or acting as an officer, agent, or employee of a corporation, copartnership, or any other person other than a household mover, violates any provision of this chapter or fails to observe, obey, or comply with any rule, regulation, or requirement administered by the bureau pursuant to this chapter, or who procures, aids, or abets any household mover in its violation of this chapter, or in its failure to obey, observe, or comply with any such rule, regulation, or requirement, is guilty of a misdemeanor, and is punishable by a fine of not more than one thousand dollars (\$1,000) or by imprisonment in the county jail for not more than three months, or both.

19279. Except as otherwise provided in this chapter, every household mover and every officer, director, agent, or employee of any household mover who violates or who fails to comply with, or who procures, aids, or abets, any violation by any household mover of any provision of this chapter, or who fails to obey, observe, or comply with any rule, regulation, or requirement administered by the bureau pursuant to this chapter, or with any operating permit issued to any household mover, or who procures, aids, or abets any household mover in its failure to obey, observe, or comply with any such rule, regulation, requirement, or operating permit, is subject to a citation and fine of not more than five hundred dollars (\$500) for each offense. This section does not prohibit the bureau from seeking to deny, suspend, revoke, or place on probation an operating permit, in lieu of issuing a citation and fine.

19279.1. Whenever the bureau finds that any person or corporation is operating as a household mover without a valid permit, or is holding itself out as such a household mover without a valid permit in contravention of Section 19279.3, the bureau may issue a citation and fine of not more than five thousand dollars (\$5,000) for each violation. The bureau may assess the person or corporation an amount sufficient to cover the reasonable expense of investigation incurred by the bureau.

19279.2. Every corporation or person other than a household mover who knowingly and willfully, either individually, or acting as an officer, agent, or employee of a corporation, copartnership, or any other person other than a household mover, violates any provision of this chapter or fails to observe, obey, or comply with any order, decision, rule, regulation, direction, demand, or requirement administered by the bureau pursuant to this chapter, or who procures, aids, or abets any household mover in its violation of this chapter, or in its failure to obey, observe, or comply with any such order, decision, rule, regulation, direction, demand, or requirement, is subject to a citation and fine of not more than five hundred dollars (\$500) for each offense.

19279.3. Every corporation or person who knowingly and willfully issues, publishes, or affixes, or causes or permits the issuance, publishing, or affixing, of any oral or written advertisement, broadcast, or other holding out to the public, or any portion thereof, that the corporation or person is in operation

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

as a household mover without having a valid permit issued under this chapter is guilty of a misdemeanor punishable by a fine of not more than two thousand five hundred dollars (\$2,500).

19280. Every household mover that falsifies permit status, membership in an association, or location is subject to a citation and fine of not more than two thousand five hundred dollars (\$2,500) per day that the household mover is in violation of this section.

19281. Every violation of the provisions of this chapter or of any order, decision, decree, rule, regulation, direction, demand, or requirement administered by the bureau pursuant to this chapter by any household mover, any corporation, or any person is a separate and distinct offense, and in case of a continuing violation, each day's continuance thereof is a separate and distinct offense.

19282. All remedies and penalties accruing under this chapter are cumulative to each other and to the remedies and penalties available under any other law, and a suit for the recovery of one remedy or penalty does not bar or affect the recovery of any other remedy, penalty, or forfeiture or bar any criminal prosecution against any person or corporation, or any officer, director, agent, or employee thereof, or any other corporation or person.

19283. Fines not paid to the bureau within the specified time period for a violation of this chapter or any order, decision, rule, regulation, direction, demand, tariff, or requirement administered by the bureau pursuant to this chapter shall be cause to deny the renewal of a permit or to suspend, revoke, or place it on probation.

19283.1. (a) The bureau shall ensure that this chapter is enforced and obeyed, and that violations thereof are promptly prosecuted and that moneys due to the state are recovered and collected.

(b) For purposes of this section, "peace officer" means a person designated as a peace officer pursuant to Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code.

(c) A peace officer may enforce and assist in the enforcement of Sections 19277 and 19278, resulting from a violation of Section 19236, 19237, 19244, or 19276, or more than one of those sections. A peace officer may additionally enforce and assist in the enforcement of Sections 19277.1 and 19279.3. In any case in which an arrest authorized by this subdivision is made for an offense declared to be a misdemeanor, and the person arrested does not demand to be taken before a magistrate, the arresting peace officer may, instead of taking the person before a magistrate, follow the procedure prescribed by Chapter 5C (commencing with Section 853.5) of Title 3 of Part 2 of the Penal Code. The provisions of that chapter shall thereafter apply with reference to any proceeding based upon the issuance of a citation pursuant to this authority.

(d) The bureau shall coordinate enforcement of this section with those peace officers likely to be involved in enforcing this section, including undertaking both of the following:

(1) Educational outreach to promote awareness among those peace officers about the requirements of Sections 19236, 19237, 19244, 19276, 19277, 19277.1, 19278, and 19279.3.

(2) Establishing lines of communication so that the bureau is notified if an action is commenced to enforce the requirements of those sections specified in subdivision (c), so that the bureau may take appropriate action to enforce the citation and fine provisions of this article.

(e) The Attorney General, a district attorney of the proper county or city and county, or a city attorney may institute and prosecute actions or proceedings for the violation of any law committed in connection with, or arising from, a transaction involving the transportation of household goods and personal effects.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

19283.2. All fines recovered by the bureau pursuant to this chapter, together with the costs thereof, shall be paid into the fund.

19284. (a) Whenever a written notice to appear has been mailed to the owner of a household mover motor vehicle, an exact and legible duplicate copy of the notice, when filed with the magistrate in lieu of a verified complaint, is a complaint to which the defendant may plead guilty.

(b) If, however, the defendant fails to appear, does not deposit bail, or pleads other than guilty to the offense charged, a complaint shall be filed that conforms to Chapter 2 (commencing with Section 948) of Title 5 of Part 2 of the Penal Code and which shall be deemed to be an original complaint, and thereafter the proceeding shall be held as provided by law, except that the defendant may, by an agreement in writing, subscribed by the defendant and filed with the court, waive the filing of a verified complaint and elect that the prosecution may proceed upon a written notice to appear.

Article 9.
Household Mover Uniform Business Permit Fee Act

19285. This article may be cited as the Household Movers Uniform Business Permit Fee Act.

19286. An adequate transportation system is essential to the welfare of the state, and an important part of that system is service rendered by household movers.

19287. On and after the effective date of this article, a city, county, or a city and county shall not assess, levy, or collect an excise or license fee or tax of any kind, character, or description whatever upon the intercity transportation business conducted on or after the effective date of this article, by any household movers, or person or corporation, owning or operating motor vehicles in the transportation of property for hire upon the public highways, under the jurisdiction of the bureau. For purposes of this article, intercity transportation business includes every service performed in the connection with transportation of property by transportation companies where both the origin point and the destination point of the transported property are not within the exterior boundaries of a single city or city and county.

19288. (a) On and after the effective date of this article, there is imposed upon every household mover, and every person or corporation, owning or operating motor vehicles in the transportation of property for hire upon the public highways, under the jurisdiction of the bureau, a permit fee that shall be paid to the bureau.

(b) (1) On or before January 1, 2023, the bureau shall engage in public workshops and a formal rulemaking pursuant to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, for the purpose of adopting and implementing a fee schedule that may increase or decrease the fees set forth in this chapter, or may impose alternate fees from the fees set forth in this chapter, provided that any alternate fees shall not exceed the reasonable costs of regulation for purposes of this chapter. The fees adopted by the bureau may include application fees, permit fees, reinstatement fees, delinquency fees, transfer fees, and other fees, as determined by the bureau. The fees adopted by the bureau pursuant to this paragraph shall supersede the fees otherwise set forth in this chapter, and upon the adoption of fees by the bureau pursuant to this paragraph, the fees prescribed in this chapter shall have no effect.

(2) Until the adoption of fees by the bureau pursuant to paragraph (1), every household mover, and every person or corporation, owning or operating motor vehicles in the transportation of property for hire upon the public highways, under the jurisdiction of the bureau, shall pay to the bureau a permit fee

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

equal to one-tenth of 1 percent of gross operating revenue, which shall be payable to the bureau in the manner and at the times provided for the payment of the fee provided in Section 5003.1 of the Public Utilities Code. For purposes of this paragraph, “gross operating revenue” shall be the gross operating revenue defined in Section 5002 of the Public Utilities Code. It is the intent of the Legislature that the fee imposed by this paragraph will be equivalent to the fee imposed pursuant to Section 5328 of the Public Utilities Code as of June 30, 2018.

(c) The fees imposed by this section are in lieu of all city, county, or city and county excise or license fees or taxes of any kind, character, or description whatever, upon the intercity transportation business of any household mover, and every person or corporation owning or operating motor vehicles in the transportation of property for hire upon the public highways, under the jurisdiction of the bureau.

(d) This section does not prohibit the imposition by a city, county, or city and county, of any excise or license tax authorized under Division 2 (commencing with Section 6001) of the Revenue and Taxation Code.

(e) The Public Utilities Commission shall enter into a no-cost memorandum of understanding with the department for the purpose of providing the department with access to the Public Utilities Commission’s database relating to household goods carriers. The Public Utilities Commission shall supply the department with the information and data that the department requests relating to household goods carriers.

19288.1. Until the adoption of fees by the bureau pursuant to Section 19288, every household mover shall pay to the bureau the fees required pursuant to, and in the manner specified in, Sections 5003.1 and 5003.2 of the Public Utilities Code. It is the intent of the Legislature that the fees imposed by this section shall be equivalent to the fees collected by the Public Utilities Commission, and imposed pursuant to Sections 5003.1 and 5003.2 of the Public Utilities Code, as of September 1, 2017. The fees to be paid by household movers as specified in this section are in addition to the fee specified in paragraph (2) of subdivision (b) of Section 19288.

19288.2. (a) If a household mover is in default on the payment of the fees prescribed by this chapter for a period of 30 days or more, the bureau may suspend or revoke the household mover’s permit. The bureau shall estimate from all available information the gross operating revenue of that household mover, compute the fee for which the household mover is in default, and impose a penalty of 25 percent of that amount for failure, neglect, or refusal to report. In no event shall the amount of the penalty be less than one dollar (\$1). Upon payment of the estimated fee and the penalty, the permit shall be reinstated.

(b) The bureau may grant a reasonable extension of the 30-day period to any household mover, upon written application of the household mover and showing of the necessity for the extension.

(c) Upon the revocation of any permit issued to a household mover subject to this chapter, all fees provided for by this chapter shall become due and payable immediately.

19289. (a) Any person who submits to the bureau a check for fees that is returned unpaid shall pay all subsequent required fees by cashier’s check or money order.

(b) Any person who submits to the bureau a check for fees that is returned unpaid shall be assessed an additional processing fee as determined by the bureau.

19290. (a) Permits issued under this chapter expire two years from the date of issuance. To renew a permit, a permittee shall, on or before the date on which it would otherwise expire, apply for renewal on a form prescribed by the chief, and continue to pay the fees prescribed in Sections 19288 and

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

19288.1. Notwithstanding Section 163.5, if a permittee fails to renew the permit before its expiration, a delinquency fee of 20 percent of the most recent fee paid to the bureau pursuant to Sections 19288 and 19288.1 shall be added to the amount due to the bureau at the next fee interval. If the renewal fee and delinquency fee are not paid within 90 days after expiration of a permit, the permittee shall be assessed an additional fee of 30 percent of the most recent fee paid to the bureau pursuant to Sections 19288 and 19288.1.

(b) Except as otherwise provided in this chapter, a permittee may renew an expired permit within two years after expiration of the permit by filing an application for renewal on a form prescribed by the bureau, and paying all accrued fees.

(c) A permit that is not renewed within two years of its expiration shall not be renewed, restored, reinstated, or reissued, but the holder of the expired permit may apply for and obtain a new permit as provided in this chapter, upon payment of all fees that accrued since the date the permit was last renewed.

(d) The bureau may impose conditions on any permit issued pursuant to subdivision (c).

19292. The employees, representatives, auditors, and inspectors of the bureau may, under its order or direction, inspect and examine any books, accounts, records, memoranda, documents, papers, and correspondence kept by any person, corporation, or person having direct or indirect control over a person or corporation subject to this chapter. A permittee's failure to allow an inspection pursuant to this section is grounds for suspension or revocation of the permit.

19293. (a) The bureau may establish rules and regulations as it deems necessary to carry out this article.

(b) This section does not prohibit the imposition by any city, county, or city and county of any excise or license tax authorized under Division 2 (commencing with Section 6001).

Article 10.
Operative Date

19294. This chapter shall become operative on July 1, 2018.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

PUBLIC UTILITIES COMMISSION'S RELATED CODE
SECTIONS AND GENERAL ORDERS

Public Utilities Code

Division 2. Regulation of Related Businesses by the Public Utilities Commission

Chapter 6. Transportation Rate Fund and Fees

5002. "Gross operating revenue" as used in this chapter includes all revenue derived from the transportation of property having origin and destination within this state, where the revenue is derived from transportation performed under a permit issued by the commission.

5003.1. Every household goods carrier owning or operating motor vehicles in the transportation of property for hire upon the public highways under the jurisdiction of the commission shall, between the first and 15th days of January, April, July, and October of each year, file with the commission a statement showing the gross operating revenue derived by that person or corporation from the transportation of property for the preceding three calendar months, and shall, at the time of filing the report, pay to the commission a fee of fifteen dollars (\$15) for each quarter. Five dollars (\$5) from each fifteen dollars (\$15) quarterly base fee shall be allocated on a quarterly basis to the Motor Carriers Safety Improvement Fund. Every household goods carrier owning or operating motor vehicles in the transportation of property for hire upon the public highways under the jurisdiction of the commission shall, at the time of filing the report, pay to the commission a fee equal to one-third of 1 percent of the amount of the gross operating revenue, except as follows:

- (a) For any particular fiscal year, the commission, with the approval of the Department of Finance, may fix the fee at less than one-third of 1 percent of that amount.
- (b) The commission may increase the fee pursuant to subdivision (b) of Section 5003.2.

5003.2. (a) Notwithstanding Section 5003.1, the commission shall require every highway carrier otherwise subject to Section 5003.1 for whom the commission does not establish minimum or maximum rates, or require rates to be on file with the commission, to pay a fee equal to one-tenth of 1 percent of the amount of gross operating revenue.

(b) When a household goods carrier pursuant to Section 5137 elects to transport under its household goods carrier permit used office, store, and institution furniture and fixtures, notwithstanding Section 5003.1, the fee on the gross operating revenue derived from transporting those items shall be one-tenth of 1 percent.

(c) The commission may raise the fee imposed by Section 5003.1 upon those persons and corporations subject to that section for whom the commission establishes minimum or maximum rates or requires rates to be on file, up to a maximum of seven-tenths of 1 percent of gross operating revenue, if the commission decides this increase is necessary to maintain adequate financing for the Transportation Rate Fund.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

PUBLIC UTILITIES COMMISSION'S

GENERAL ORDERS

In accordance with Business and Professions Code section 19228 (b), the general orders, as most recently amended, adopted, administered, or enforced by the Public Utilities Commission, shall remain in effect and shall be administered and enforced by the director, until the operative date of regulations adopted by the director to implement this chapter.

GENERAL ORDER 84-H

RULES GOVERNING COLLECT-ON-DELIVERY SHIPMENTS AND THE MONEYS COLLECTED BY EXPRESS CORPORATIONS, FREIGHT FORWARDERS, HIGHWAY CARRIERS, PASSENGER STAGE CORPORATIONS, AND HOUSEHOLD GOODS CARRIERS.

1. A collect-on-delivery shipment (C.O.D. shipment) means a shipment upon which the consignor has attached, as a condition of delivery, the collection of a specific sum or sums of moneys by the carrier making delivery and the return of those moneys to the consignor or other payee named by the consignor.
2. No express corporation, freight forwarder, highway carrier, passenger stage corporation, or household goods carrier, as defined in the Public Utilities Code, shall handle C.O.D. shipments unless it has on file with the Commission a bond of not less than \$2,000. The principal amount of the bond of any particular carrier may be increased from time to time where the Commission finds it is in the public interest.
3. The bond required by Paragraph 2:
 - a. Shall be filed by the carrier as principal and by a qualified surety insurer, authorized to do business in the State of California, as surety;
 - b. Shall be payable to any person or persons to whom any amount may be due on any C.O.D. shipment transported by the carrier, and not remitted to the person or persons to whom it is due within 10 days after delivery of any C.O.D. shipment;
 - c. Shall specify the extent to which the carrier's operations are covered;
 - d. May cover more than one operative authority held by the same carrier;
 - e. Shall be revised or reissued, when a carrier obtains additional operative authority, to show whether or not the additional operative authority is covered; and
 - f. Shall state that the name of the carrier's surety company will be made public by the Commission upon reasonable request.
4. The bond shall include these provisions:
 - a. That any person or persons to whom an amount may be due on any C.O.D. shipment transported by a carrier and not remitted within 10 days after delivery of that shipment may file a claim with the surety;
 - b. That upon the filing of the claim, the surety shall notify the Commission and the carrier in writing of the filing;
 - c. That the notice to the Commission shall be addressed to the Public Utilities Commission of the State of California at its office in San Francisco;
 - d. That suit against the surety shall be started within one year after the date the shipment was tendered to the carrier; and
 - e. That the surety waives any rights it may have under Section 2845 of the Civil Code.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

5. The bond may be canceled by the surety by written notice to the Commission. The cancellation shall become effective 30 days after the Commission receives the notice.
6. Claims arising from failure to remit C.O.D. moneys may be filed by any person or persons to whom an account may be due directly against the surety company and any suits against the surety must be started within one year from the date the shipment was tendered.
7. The name and address of the surety company may be obtained from the Public Utilities Commission, State Building, San Francisco, California 94102.
8. The bond shall not be required:
 - a. Of carriers while engaged as independent-contractor subhaulers;
 - b. Of carriers while transporting property under rates in Minimum Rate Tariffs 7, 17, or 20; or
 - c. Of highway carriers operating within lawfully established pickup and delivery limits as agents of a common carrier in the performance for the common carrier of transfer, pickup, or delivery services provided for in the lawfully published tariffs of the common carrier.
9. Every express corporation, freight forwarder, highway carrier, passenger stage corporation, and household goods carrier, handling C.O.D. shipments shall:
 - a. Establish and maintain a separate bank account or accounts wherein all moneys (other than checks or drafts payable to consignor or payee designated by consignor) collected on C.O.D. shipments will be held in trust until remitted to payee, except C.O.D. moneys which are remitted within 5 days after delivery.
 - b. Establish and maintain records of all C.O.D. shipments that will show the following information about each shipment:
 - 1) Number and date of freight bill.
 - 2) Name and address of consignor or other person designated as payee.
 - 3) Name and address of consignee.
 - 4) Date shipment delivered.
 - 5) Amount of C.O.D. moneys collected.
 - 6) Date C.O.D. moneys remitted.
 - 7) Check number or other identification of remittance to payee.
 - c. Collect the full amount of the C.O.D. moneys at the time C.O.D. shipments are delivered to the consignee and remit all such collections to consignor, or to other persons designated by the consignor on such shipments, promptly and in no event later than 10 days after delivery to the consignee, unless consignor instructs otherwise in writing. All remittances for C.O.D. shipments shall refer to or otherwise identify the C.O.D. shipment or shipments covered by the remittance.
 - d. Not accept checks or drafts (other than certified checks, cashier's checks, or money orders) in payment of C.O.D. charges unless authority has been received from the consignor.
 - e. Except in situations covered by subparagraph f, notify the consignor immediately if a C.O.D. shipment is refused or cannot be delivered on the carrier's initial attempt. Upon instructions from the consignor the carrier may attempt subsequent deliveries. The charge for each such delivery shall be determined by the applicable freight charges from carrier's terminal to the point of destination but shall not be less than the rate for mileages of less than three miles. The carrier may also return the shipment to the consignor upon his request, subject to a charge equal to the applicable freight charges on the original outbound movement.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

f. While transporting property under rates in Minimum Rate Tariffs 7, 17, or 20, notify the consignor immediately if a C.O.D. shipment is refused or cannot be delivered because of circumstances beyond the carrier's control. Under the consignor's instructions, the shipment shall either be returned to the consignor subject to double the outbound freight charges for the round-trip movement or delivered to another consignee subject to the applicable distance rate, in addition to the original rate, from the point of non-delivery to the new destination; provided, however, that if hourly rates apply to C.O.D. shipments, such hourly rates shall supersede the rates in this subparagraph.

g. Not make a C.O.D. shipment part of a split delivery shipment.

10. No express corporation, freight forwarder, highway common carrier, passenger stage corporation, or cement carrier shall handle shipments unless and until such carrier has published and filed tariffs containing the rates and rules governing that service, which rules shall conform to this general order and shall include provisions that:

- a. Claims arising from failure to remit C.O.D. moneys may be filed directly against the surety company and any suits against the surety must be started within one year from the date the shipment was tendered.
- b. The name and address of the surety company may be obtained from the Public Utilities Commission, State Building, San Francisco, California 94102.

11. Every express corporation, freight forwarder, highway common carrier, passenger stage corporation, and cement carrier, while acting as a delivery carrier on C.O.D. shipments moving in interline service, shall, at the time of remittance of the C.O.D. collections to the consignor or payee, notify the originating carrier of such remittance.

12. If a carrier believes exemption or deviation from any of these requirements is necessary, it shall apply to the Commission for an exemption or deviation. The application shall contain a full statement of the facts justifying the exemption or deviation.

13. Each express corporation, freight forwarder, highway common carrier, passenger stage corporation, or cement carrier not electing to transport C.O.D. shipments may withdraw and cancel its rules and rates and establish instead a provision that C.O.D. shipments will not be accepted. Each highway permit carrier or household goods carrier not electing to transport C.O.D. shipments shall be deemed to have given notice of that election by not filing the C.O.D. bond.

GENERAL ORDER 100-M

RULES AND REGULATIONS REQUIRING ALL HIGHWAY CARRIERS, FREIGHT FORWARDERS WHICH OPERATE MOTOR VEHICLES¹, HOUSEHOLD GOODS CARRIERS, HIGHWAY CARRIERS ENGAGED IN INTERSTATE OR FOREIGN TRANSPORTATION OF PROPERTY FOR COMPENSATION WHICH ARE EXEMPT FROM REGULATION BY THE INTERSTATE COMMERCE COMMISSION, AND INTEGRATED INTERMODAL SMALL PACKAGE CARRIERS, TO PROVIDE AND THEREAFTER CONTINUE IN EFFECT ADEQUATE PROTECTION AGAINST LIABILITY IMPOSED BY LAW UPON SUCH CARRIERS FOR THE PAYMENT OF DAMAGES FOR PERSONAL BODILY INJURIES (INCLUDING DEATH RESULTING THEREFROM) AND DAMAGE TO OR DESTRUCTION OF PROPERTY.

1. Every highway carrier (except those subject to paragraphs (2) and/or (3) below), freight forwarder which operates motor vehicles, household goods carrier as defined in the Public Utilities Code, every highway carrier engaged in interstate or foreign transportation of property (except those subject to

¹ Air freight forwarders who provide ground pick-up and delivery service for shipments by federally authorized air carriers are not included in this definition. Federal Aviation Act, 49 U.S.C.A., Sections 1301 and 1305 (a).

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

paragraphs (2) and/or (3) below) for compensation in or through California which is exempt from regulation by the Interstate Commerce Commission, and every Integrated Intermodal Small Package Carrier shall provide and thereafter continue in effect so long as they may be engaged in conducting such operations, adequate protection against liability imposed by law upon such carriers for the payment of damages for personal bodily injuries (including death resulting therefrom) in the amount of not less than two hundred fifty thousand dollars (\$250,000) on account of bodily injuries to, or death of, one person; and protection against total liability of such carriers on account of bodily injuries to, or death of more than one person as a result of any one accident, but subject to the same limitation for each person, in the amount of not less than five hundred thousand dollars (\$500,000) and protection in the amount of not less than one hundred thousand dollars (\$100,000) for one accident resulting in damage to, or destruction of property other than property being transported by such carrier for any shipper or consignee, whether the property of one or more than one claimant; or a combined single limit in the amount of not less than \$600,000 on account of bodily injuries to, or death of, one or more persons and/or damage to or destruction of property other than property being transported by such carrier for any shipper or consignee whether the property of one or more than one claimant in any one accident.

2. Every highway common carrier of petroleum products in bulk in tank vehicles, tank truck carrier and vacuum truck carrier, when transporting petroleum and/or petroleum products, including waste petroleum and waste petroleum products, and every highway carrier engaged in interstate or foreign transportation of petroleum and/or petroleum products, including waste petroleum and waste petroleum products, in bulk in tank vehicles for compensation in or through California which is exempt from regulation by the Interstate Commerce Commission, shall provide and thereafter continue in effect, so long as they may be engaged in conducting such operations, adequate protection against liability imposed by law upon such carriers for the payment of damages for personal bodily injuries (including death resulting therefrom) in the amount of not less than five hundred thousand dollars (\$500,000) on account of bodily injuries to, or death of, one person; and protection against a total liability of such carriers on account of bodily to, or death of more than one person as a result of any one accident, but subject to the same limitation for each person, in the amount of not less than one million dollars (\$1,000,000); and protection in an amount of not less than two hundred thousand dollars (\$200,000) for one accident resulting in damage to or destruction of property other than property being transported by such carrier for any shipper or consignee, whether the property of one or more than one claimant; or a combined single limit in the amount of not less than \$1,200,000 on account of injuries to, or death of, one or more person and/or damage to or destruction of property other than property being transported by such carrier for any shipper or consignee whether the property of one or more than one claimant in any one accident.

3. Except as provided in paragraph (2) above, every highway carrier, freight forwarder which operates motor vehicles, household goods carrier, highway carrier engaged in interstate or foreign transportation of property for compensation which is exempt from regulation by the Interstate Commerce Commission, and every Integrated Intermodal Small Package Carrier which transports any hazardous material, as defined by Section 353 of the California Vehicle Code, shall provide and thereafter continue in effect, so long as they may be engaged in conducting such operations, adequate protection against liability imposed by law on such carriers for the payment of damages for personal injury or death, and damage to or destruction of property, in amounts of not less than the minimum levels of financial responsibility specified for carriers of hazardous materials by the United States Department of Transportation (U.S.D.O.T.) in Part 387 of Title 49 of the Code of Federal Regulations. The applicable minimum levels of financial responsibility required are as follows:

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

Commodity transported ²	Combined Single Limit Coverage
(a) Oil listed in 49 CFR 172.101; hazardous waste, hazardous materials and hazardous substances defined in 49 CFR 171.8 and listed in 49 CFR 172.101, but not mentioned in (c) or (d).....	\$1,000,000
(b) Hazardous waste as defined in Section 25117 of the California Health and Safety Code and Title 22 of the California Administrative Code, but not mentioned in (c) or (d).....	\$1,000,000
(c) Hazardous substances, as defined in 49 CFR 171.8, or liquefied compressed gas or compressed gas, transported in cargo tanks, portable tanks, or hopper-type vehicles with capacities in excess of 3,500 water gallons.....	\$5,000,000
(d) Any quantity of Class A or B explosives; any quantity of poison gas (Poison A); or highway route controlled quantity radioactive materials as defined in 49 CFR 173.403.....	\$5,000,000

4. a. The protection required under Section (1) and (2) hereof shall be evidenced by the deposit with the Public Utilities Commission, covering each vehicle used or to be used in conducting the service performed by each such highway carrier, freight forwarder which operates motor vehicles, household goods carrier, and Integrated Intermodal Small Package Carrier, of a Commission-authorized certificate of public liability and property damage insurance, issued by a company licensed to write such insurance in the State of California, or by non-admitted insurers subject to Section 1763 of the Insurance Code, or of an original bond of a surety company licensed to write surety bonds in the State of California.
- b. The protection required under Section (3) hereof shall be evidenced by the deposit with the Public Utilities Commission, covering each vehicle used or to be used in conducting the service performed by each such highway carrier, freight forwarder which operates motor vehicles, household goods carrier, and Integrated Intermodal Small Package Carrier, of Public Utilities Commission Form TL 844 Series, Certificate of Insurance, issued by a company licensed to write such insurance in the State of California, or by non-admitted insurers subject to Section 1763 of the Insurance Code³ or of an original bond of a surety company licensed to write surety bonds in the State of California.
5. The protection required under Sections (1), (2), and (3) hereof by every highway carrier engaged in

² Note: Items (a), (b) and (c) apply to vehicles with a gross vehicle weight rating of 10,000 pounds or more. Item (d) applies to all vehicles.

Exceptions: (1) California intrastate carriers of bulk petroleum and petroleum products, including waste petroleum and petroleum products, are subject to Item (2) of this General Order and therefore are required to maintain minimum coverage of \$1,200,000 rather than \$1,000,000, as specified above.

(2) Carriers that transport commodities listed in (a), (b) or (c) but who are exempt because of vehicle size are required to maintain coverage of \$600,000 rather than \$1,000,000 or \$5,000,000, as specified above.

³ Integrated Intermodal Small Package Carriers may not file a certificate of insurance by a non-admitted insurer; their evidence of insurance protection must be issued by a company licensed to write such insurance in the State of California.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

interstate or foreign transportation of property in or through California who is exempt from regulation by the Interstate Commerce Commission, shall be evidenced by the filing and acceptance of a Commission authorized certificate of insurance or surety bond, or qualification as a self-insurer as may be authorized.

6. A certificate of insurance, or surety bond, evidencing such protection, shall not be cancelable on less than thirty (30) days written notice to the Public Utilities Commission, such notice to commence to run from the date notice is actually received at the office of the Commission.

7. Any highway carrier, freight forwarder, household goods carrier, or Integrated Intermodal Small Package Carrier, desiring to furnish equivalent protection to the public by means other than those prescribed in the foregoing sections, whether as a self-insurer or otherwise, shall file an application for authority to do so in accordance with the Commission's Rules of Practice and Procedure.

8. Every insurance certificate, surety bond or equivalent protection to the public shall contain a provision that such certificate, surety bond or equivalent protection shall remain in full force and effect until canceled in the manner provided by Section (6) of this General Order.

9. Upon cancellation of an insurance certificate or surety bond, or the cancellation of equivalent protection authorized by this Commission, the operative authority of any highway carrier, freight forwarder subject to this order or household goods carrier shall stand suspended immediately upon the effective date of such cancellation. The registration issued by this Commission to any highway carrier engaged in interstate or foreign transportation of property in or through California who is exempt from regulation by the Interstate Commerce Commission or to any Integrated Intermodal Small Package Carrier, shall stand suspended immediately upon the effective date of cancellation of any insurance certificate, surety bond or equivalent protection.

10. The suspension of the operative authority of any highway common carrier, cement carrier or freight forwarder pursuant to Section hereof shall suspend also the tariff filings of such carrier. Suspension supplements to tariffs so suspended are not required and shall not be filed.

11. No carrier shall engage in any operation on any public highway in this State during the suspension of its operative authority or suspension of its registration.

12. The operative right or rights held by any highway common carrier, cement carrier or freight forwarder shall be subject to revocation in the manner provided by Section 1070 of the Public Utilities Code whenever the operative right of such carrier has been suspended under the provisions of this General Order.

13. No highway common carrier, cement carrier or freight forwarder whose operative rights have been suspended under the provisions of Section (9) of this General Order shall resume operations unless and until such carrier shall have filed an insurance certificate, surety bond or equivalent protection in effect at the time and which meets the standards set forth in this General Order. The operative rights of such complying carriers shall be reinstated from suspension upon the filing of an insurance certificate, surety bond or equivalent protection.

14. In order to expedite the processing of insurance filings by the staff of the Public Utilities Commission, each insurance or bond filing made should contain the insured's California P.U.C. file "T" number, if known, in the upper right-hand corner of the certificate.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

GENERAL ORDER NO. 102-H

**RULES TO GOVERN ENGAGEMENT OF AND PAYMENT TO INDEPENDENT CONTRACTOR SUBHAULERS AND
BONDING REQUIREMENTS ON SUBHAULING OR LEASING OF EQUIPMENT FROM LESSOR-EMPLOYEE**

1. Carriers subject to order:

This General Order applies to all highway carriers as defined in Section 3511 of the Public Utilities Code, including a household goods carrier as defined in Section 5109 of said Code.

2. Definitions:

- a. Authorized carrier means a highway carrier licensed by the Commission under the provisions of the Public Utilities Code. Unauthorized carrier means a highway carrier not licensed by the Commission.
- b. Prime carrier (principal or overlying carrier) means an authorized carrier that contracts with a shipper to provide transportation service for the latter, but in turn, engages the services of another authorized carrier known as the independent contractor subhauler (subhauler or underlying carrier) to perform that service. The term prime carrier also includes any independent contractor subhauler who engages other authorized carriers to perform all or part of the services which such independent contractor subhauler has agreed to render for a prime carrier. Such an engaged authorized carrier is designated as a sub-subhauler and as to it, the original independent contractor subhauler is a prime carrier.
- c. Independent contractor subhauler (subhauler or underlying carrier) means any authorized carrier who renders service for a prime carrier (principal or overlying carrier), for a specified recompense, for a specific result, under the control of the prime carrier as to the result of the work only and not as to the means by which such result is accomplished. This term includes sub-subhaulers in appropriate cases.
- d. Lessor-Employee means an employee of a carrier subject to this order, which employee leases equipment to its employer.
- e. Lease means a contract by which any person, who or which owns, controls, or is entitled to the possession of any vehicle or vehicles of the types described in Section 3510 of the Public Utilities Code, called the lessor-employee, lets or hires (the same to its employer carrier), which is subject to the provisions of this general order, and called the lessee, for the purpose of having such vehicle or vehicles used in the for-hire transportation business of such lessee.
- f. Completion of shipment by a subhauler or sub-subhauler means that the transportation agreed to be performed by such subhauler or sub-subhauler has been performed in full and evidenced by proof of delivery of such transportation to the prime carrier.
- g. Termination of lease occurs when the period covered by the contract of lease has expired as evidenced by the terms thereof.
- h. Claim means a demand by a subhauler or sub-subhauler for an amount due for the transportation of property, from the carrier for whom subhauling or sub-subhauling has been performed; or by a lessor-employee for an amount due as equipment rental from the carrier to whom such equipment has been leased.
- i. Setoff means deductions that a carrier may make against the claim of the subhauler or sub-subhauler.
- j. Settlement means payment from carrier to subhauler or sub-subhauler after setoff.

3. Engagement of an Unauthorized Carrier Either as a Subhauler or Sub-subhauler:

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

Unauthorized carriers shall not be engaged as subhaulers or sub-subhaulers. It shall be the responsibility of the carrier (prime carrier, subhauler, or sub-subhauler, as appropriate) actually engaging services of the subhauler or sub-subhauler to comply with this requirement.

4. Agreement Between Parties:

- a. Every agreement for subhauling, sub-subhauling or leasing of motor vehicles from a lessor-employee entered into by a carrier shall be reduced to writing and executed by the prime carrier or the lessee-carrier and presented to the subhauler, sub-subhauler, or lessor-employee prior to, or within five days after, commencement of any subhaul service or such lease of equipment. Such writing shall also be signed by the subhauler, sub-subhauler or lessor-employee, shall contain all of the terms of such agreement and shall specify all charges payable thereunder for subhaul or lease of equipment, and shall include the name and address of the surety providing the bond required therein as well as the expiration date of such bond. The agreement for subhauling or sub-subhauling shall also contain the prime carrier's "T" file number assigned by the Commission and the subhauler's or sub-subhauler's "T" file number. Failure of the prime carrier or lessee-carrier to provide an agreement as specified herein shall constitute a violation of this general order, but shall not be cause for rejection or denial of any claim by the surety.
- b. The amount to be paid by the prime carrier or lessee to the subhauler (sub-subhauler) or lessor shall be clearly stated on the agreement or lease and shall provide for all setoffs, if any, for such amounts as may be due from the underlying carrier to the overlying carrier, including but not limited to fuel, trailer rental, tire services, or repair services furnished by the prime carrier or lessee.
- c. A copy of each agreement shall be retained and preserved by all parties thereto, subject to the Commission's inspection, for a period of not less than three years from the date of termination of the agreement.
- d. Every prime carrier engaging subhaulers, except an agricultural carrier as defined in Section 3325 of the Public Utilities Code, or a seasonal agricultural carrier as defined in Section 3584.2 of the Public Utilities Code, shall maintain a separate subhaul register or single book of account in such manner and form as will plainly and readily show the following information:
 - (1) Name and T-number of the subhauler.
 - (2) Freight bill number and the date.
 - (3) Date shipment completed.
 - (4) Gross due the subhauler, deductions therefrom, and net amount due the subhauler.
 - (5) Date payment tendered to the subhauler.

5. Payments to Subhauler and Sub-subhauler:

- a. The prime carrier shall pay to the subhauler or sub-subhauler the charges specified in the agreement provided in paragraph 4 hereof within 15 days after the completion of the shipment, excluding Saturdays, Sundays, and holidays, by the subhauler or sub-subhauler. In case of conflict between this paragraph and the provisions of a minimum rate tariff of this Commission, the minimum rate tariff shall apply.
- b. In instances where the subhauler is paid on a percentage of the freight bill revenue, the prime carrier (other than agricultural or seasonal agricultural carriers) shall make available to the subhauler, upon request, at or before the time of settlement a rated copy of the freight bill or bills. In the instance where the subhauler is paid on a different basis, the prime carrier (other than agricultural or seasonal agricultural carriers) shall permit inspection of the original rated

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

freight bill or freight bills upon request by the subhauler. The foregoing provisions do not apply in those instances in which five or more shipments have been consolidated by the prime carrier for transportation by the subhauler in a single movement, or where payments to subhaulers are made under the provisions of Minimum Rate Tariffs 7-A, 17-A, and 20. A prime carrier may take reasonable steps to delete confidential information from the freight bill furnished the subhauler but shall not delete the charges actually assessed or the information necessary to determine such charges.

6. Payments to Lessor-Employees of Equipment:

The lessor-employer shall pay to the lessor-employee of the equipment the charges specified and in the manner provided in the written agreement. In the event the lease is canceled the lessee-employer shall pay the charges on or before the 20th day of the calendar month following the termination of the lease.

7. Bonding Requirements:

- a. No carrier shall engage any subhauler or sub-subhauler or lease any equipment as a lessee from a lessor-employee unless and until it has on file with the Commission a good and sufficient bond in such form as the Commission may deem proper, in a sum of not less than \$15,000 which bond shall secure the payment of claims of subhauler, sub-subhauler, and lessor-employees of highway carriers in accordance with the terms of paragraphs c, d, e, and f, hereof.
- b. Each bond filed pursuant to the foregoing shall cover the full extent of the carrier's operations; that such bond may cover more than one operative authority held by the same carrier; that when a carrier with such a bond on file with the Commission obtains additional operative authority, said bond shall be revised or reissued to cover the additional operative authority; and that the name of the carrier's surety company in any bond filed pursuant hereto will be made public by the Commission upon reasonable request therefor.
- c. The terms of the bond shall include: that any person or persons to whom an amount may be due and payable may file a claim therefor with the-surety; that upon the filing of the claim, the surety shall notify the Commission and the carrier in writing of such filing; that such notification to the Commission shall be addressed to the Public Utilities Commission of the State of California at its office in San Francisco; that suit against the surety shall be commenced within one year after the filing of said claim; and that the surety waives any rights it may have under Section 2845 of the Civil Code of the State of California.
- d. The bond required by paragraph (a) hereof shall be filed by the carrier as principal and by a qualified surety insurer, authorized to do business in the State of California, as surety, for the benefit of any person, firm, or corporation serving as a subhauler or sub-subhauler for or as a lessor-employee of equipment to said carrier.
- e. A subhauler, sub-subhauler, or lessor-employee of equipment to whom an amount may be due, either as transportation charges for any shipments subhauded or as the rental of any equipment leased, and not paid within the time period provided in Sections 5 and 6 hereof, shall file a claim therefor with the surety and notify the Commission of such filing against the bond herein required. All such claims must be filed within 60 days after the date of completion of shipment or termination of lease or after the date on which any payment falls due under the terms of Sections 5 and 6 thereof.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

- f. The surety may cancel such bond by written notice to the Public Utilities Commission of the State of California at its office in San Francisco, such cancellation to become effective 30 days after receipt of said notice by the Commission.

GENERAL ORDER NO. 124-C

FILING OF ANNUAL REPORTS BY HOUSEHOLD GOODS CARRIERS.

Section 1. Pursuant to the provisions of Section 5221 of the Public Utilities Code:

IT IS HEREBY ORDERED that each household goods carrier which has annual gross operating revenues (including interstate and intrastate) of \$500,000 or more from carrier operations under a permit granted pursuant to appropriate authority of the Public Utilities Code, shall file with the Commission on or before the 30th day of April of each year, or such other date as the Commission may prescribe, an annual report of its operations in such form and content, and in such number of copies as said Commission, from time to time, shall prescribe. Said annual report shall cover the immediately preceding calendar year and shall be made under oath by the owner of the carrier, if an individual, by a partner, if a partnership, or, if a corporation, by the president or secretary of such corporation. Each carrier which has annual gross operating revenues of \$500,000 or more during any calendar year, but which has not been required to file an annual report for that year, shall file an annual report for the calendar year following the year during which it reached or exceeded the \$500,000 gross annual revenue level. The foregoing provision applies to carriers filing for the first time, and to those carriers again required to file because of regaining the revenue magnitude making filing of reports mandatory. If at the end of any calendar year a carrier's annual gross operating revenue is less than \$500,000, and has been for three consecutive years, such carrier shall not be required to file an annual report for that year.

Section 2. The failure of a carrier to file an annual report in accordance with the requirements of this General Order will subject such carrier to the cancellation, revocation, or suspension of its operating permit or in the alternative to a fine as provided by Section 5285 of the Public Utilities Code, or to such other penalty as provided by law.

Section 3. After the cancellation or revocation of a permit or during the period of its suspension, it is unlawful for a household goods carrier to conduct any operations as such a carrier.

GENERAL ORDER 136-C

RULES AND REGULATIONS FOR HOUSEHOLD GOODS CARRIERS ON CARGO INSURANCE AND RULES CONCERNING LIABILITY FOR LOSS AND DAMAGE OF USED HOUSEHOLD GOODS AND RELATED PROPERTY DURING COURSE OF TRANSPORTATION OR STORAGE IN TRANSIT.

1. Every household goods carrier, shall provide and continue in effect, so long as it may be engaged in the transportation of used property under the provisions of Maximum Rate Tariff 4, adequate protection in the amount of not less than \$20,000 per shipment, unless a lesser amount has been authorized by formal Commission action, to compensate a shipper or consignee for any loss or damage to property for which the carrier may be held legally liable in connection with the transportation service performed under Maximum Rate Tariff 4.

2. In the event a carrier elects to assume responsibility for a shipment in an amount which exceeds the cargo insurance which it has obtained, the carrier must, prior to the commencement of its service, have in its possession written acknowledgement from its insurance carrier that sufficient additional cargo insurance has been obtained to cover the responsibility to be assumed.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

3. The protection required under Section 1 shall be evidenced by the deposit with the Public Utilities Commission, covering each vehicle used or to be used in conducting the service performed by each carrier, of a certificate of cargo insurance, issued by a company licensed to write such insurance in the State of California, or by nonadmitted insurers subject to Section 1763 of the Insurance Code, in lieu of the original policy if such a policy meets the rules promulgated therefor by the Commission, or of a bond of a surety company licensed to write surety bonds in the State of California.

4. The policy of cargo insurance under Section 1 shall include the following provisions:

- a. That the policy of insurance, or surety bond, shall not be cancelable on less than thirty (30) days' written notice on Commission authorized forms to the Public Utilities Commission, such notice to commence to run from the date notice is actually received at the office of the Commission.
- b. That the cargo insurance coverage for any shipment which is picked up prior to cancellation or termination of the policy shall continue to be applicable until the service provided under Maximum Rate Tariff 4 for any such shipment has been completed.
- c. Automatic reinstatement of coverage following each loss so that there is no diminution of the coverage during the effective period of the policy.
- d. That insurance company shall pay, within the limits of the policy hereinafter provided, any shipper or consignee for all loss of or damage to property belonging to such shipper or consignee, and coming into possession of the carrier in connection with its transportation service, for which loss or damage the carrier may become legally liable, regardless of whether the carrier's facilities used in connection with the transportation of property hereby insured are specifically described in the policy or not. The liability of the insurance company extends to such losses or damages, whether occurring on the route or in the territory authorized to be served by the carrier or elsewhere.

Within the limits of liability hereinafter provided, it is further understood that no condition, provision, stipulation or limitation contained in the policy, or any other endorsement thereon or violation thereof, shall affect in any way the right of any shipper or consignee, or relieve the insurance company from liability for any claim for which the carrier may be held legally liable to compensate shippers or consignees, irrespective of the financial responsibility or lack thereof or insolvency or bankruptcy of the carrier. The carrier agrees to reimburse the insurance company for any payment made by the insurance company on account of any loss or damage involving a breach of the terms of the policy and for any payment that the insurance company would not have been obligated to make under the provisions of the policy.

- e. That the carrier shall notify the insurance company within a reasonable time, which shall not exceed thirty (30) days, of receipt of notice of each claim which may result in a liability in excess of any deductible provided in the policy, provided, however, that failure to timely file such notice shall not relieve the insurance company of its liability under subparagraph 4.d.
- f. That the insurance company shall have the right to adjust and settle any claim for loss or damage to a shipment which shall, or will likely, result in a liability in excess of the agreed deductible.
- g. That the cargo liability shall insure the carrier's liability for all physical losses or damage from external cause while being transported or held in storage-in-transit under Maximum Rate Tariff 4, except that policy may contain the exclusions set forth in paragraph 7.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

- h. That the policy of insurance or surety bond shall remain in full force and effect until canceled in the manner provided by Section 4.a.
5. The policy of cargo insurance required under Sections 1 and 2 shall not contain a rule of coresponsibility or coinsurance which would reduce the liability of the carrier for loss or damage to an amount represented by the relationship that the declared value bears to the actual value of the shipment.
6. No carrier or any employee, agent, or representative thereof shall sell or offer to sell or procure for any shipper any kind of insurance under any type of policy covering loss or damage to a shipment or shipments of household goods during the course of transportation or storage-in-transit by such carrier, but this section shall not preclude such a carrier from procuring in its own name insurance covering its liability for such loss or damage as required under Sections 1 and 2.
7. The liability of a carrier shall be limited by the following exclusions:
- a. No liability shall be provided for the condition or flavor of perishable articles.
 - b. No liability shall be provided on the following items, unless the item is specifically listed on the shipping document by description and value: bills of exchange, bonds, bullion, precious metals, currency, deeds, documents, evidence of debt, credit cards, firearms (see Note 1), money, gems, jewelry, watches, precious stones, pearls, gold, silver, or platinum articles (see Note 2), stock certificates, securities, stamp collections, stamps (postage, revenue, or trading), or letters or packets of letters.

Note 1. Liability shall be provided for firearms legally acceptable under the Federal Gun Control Act of 1968, provided that shipper furnishes to the carrier the caliber, make, and serial number of such firearms and that such firearms are packed by carrier at shipper's expense at charges not more than those shown in Maximum Rate Tariff 4.

Note 2. Includes gold, silver, and platinum household articles such as silverware, coffee-service sets, trays, candlesticks, and dishes.

- c. No liability shall be provided for loss or damage to articles of extraordinary value except under circumstances where each such article is specifically listed on the carrier's shipping document or inventory of the shipment and specifically designated as an article of extraordinary value and by listing the value thereof, and carrier is afforded the opportunity prior to pickup of the shipment to pack and otherwise provide adequate protection for such article (at carrier's published charges) if the packing by shipper is determined by carrier to be inadequate protection for such article. As used herein, the term "articles of extraordinary value" refers to those articles tendered to a carrier for transportation which because of uniqueness or rarity have a value substantially in excess of the cost of newly manufactured items of substantially the same type and quality apart from such uniqueness or rarity, such as, but not limited to, musical instruments of rare quality or historical significance; original manuscripts, first editions, or autographed copies of books; antique furniture; heirlooms; paintings; sculptures, and other works of art; and hobby collections and exhibits.
- d. No liability shall be provided for loss or damage caused by or resulting from:
 - (1) An act, omission, or order of shipper, including damage or breakage resulting from improper packing by shipper.
 - (2) Insects, moths, vermin, ordinary wear-and-tear, or gradual deterioration.
 - (3) Defect or inherent vice of the article, including susceptibility to damage because of atmospheric conditions such as temperature and humidity or change therein.
 - (4) (I) Hostile or warlike action in time of peace or war including action in hindering,

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

combating, or defending against an actual impending or expected attack: (A) by any government or sovereign power, or by any authority maintaining or using military, naval, or air forces; or (B) by military, naval, or air forces; or (C) an agent of such government power, authority, or forces; (II) any weapon of war employing atomic fission or radioactive force whether in time of peace or war; (III) insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering, combating, or defending against such an occurrence, seizure, or destruction under quarantine or customs regulations, confiscation by order of any government or public authority, or risks of contraband or illegal transportation or trade.

- e. No liability shall be provided for the mechanical or electrical derangement of pianos, radios, phonographs, clocks, refrigerators, television sets, automatic washers, or other instruments or appliances unless evidenced by external damage to such equipment, or unless said articles or appliances are serviced as provided in subparagraph (1) below. The carrier reserves the right to inspect these articles or appliances to determine whether they are in good working order before accepting them for shipment. Carrier assumes no liability whatsoever for returning, refocusing, or other adjustments of television set unless such services were made necessary due to carrier's negligence.
- (1) Upon request of shipper, owner, or consignee of the goods, carrier will, subject to subparagraph (2) below, service and unservice such articles as stoves, automatic washers, and dryers at origin and destination. Such servicing and unservicing does not include removal or installation of articles secured to the premises or plumbing, electrical, or carpentry services necessary to disconnect, remove, connect, and install such articles and appliances.
- (2) If carrier does not possess the qualified personnel to properly service and unservice such articles or appliances carrier, upon request of shipper or consignee or an agent for them, shall engage third persons to perform the servicing and unservicing. When third persons are engaged by the carrier to perform any service, the carrier will not assume responsibility for their activities or conduct; amount of their charges; nor for the quality or quantity of service furnished.
- (3) Except in instances where prior credit has been arranged all charges of the third persons must be paid directly by the shipper to said third persons.
- f. No liability shall be provided by virtue of any loss or damage caused as a result of any strike, lockout, labor disturbance, riot, civil commotion, or any act of any person or persons taking part in any such occurrence or disorder.
- g. No liability shall be provided for any loss or damage arising out of the breakage of china, glassware, bric-a-brac, or similar articles of a brittle or fragile nature unless packed by the carrier's employees or unless such breakage results from either the negligence of the carrier or from fire, lightning, theft, malicious damage, or by collision or overturning of the conveyance.
8. Liability of carrier and insurance company for loss or damage shall be subject to compliance by the shipper with applicable provisions of Item 92 of Maximum Rate Tariff 4 (Claims for Loss or Damage).

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

9. a. Any carrier desiring to furnish equivalent protection to the public as a self-insurer shall file an application for authority to do so in accordance with the Commission's Rules of Practice and Procedure.
- b. Any carrier desiring authorization to provide and continue in effect cargo insurance in a lesser amount than \$20,000 per shipment shall file an application for authority to do so in accordance with the Commission's Rules of Practice and Procedure in which it shall show that such lesser amount adequately protects the public.
10. Upon cancellation, expiration, or suspension of a cargo insurance policy, surety bond, or equivalent protection under Section 9 hereof, the operative authority of any carrier to transport used property under the provisions of Maximum Rate Tariff 4 shall stand suspended immediately upon the effective date of such cancellation, expiration, or suspension, until such time as a new surety bond, certificate of insurance, or equivalent protection is filed with the Commission.
11. No carrier shall transport any shipment of used household goods under the provisions of Maximum Rate Tariff 4 on any public highway in the State during the suspension of its operating authority under Section 10 of this General Order.
12. The liability of a carrier for any loss and damage to property coming into its possession and for which it is held legally liable shall be based upon the value of the property declared by the shipper and shall be subject to the following provisions:
 - a. Coverage of \$0.60 per pound per article shall be included in the rate without additional or separate charge.
 - b. Unless the shipper elects \$0.60 per pound per article, or some other value in his or her own handwriting, all shipments shall be released to actual cash value up to \$20,000.
 - c. Shipments released to a declared value in excess of \$0.60 per pound may be subject to a valuation charge at the rate specified by the carrier. If the carrier fails to specify a rate, the rate is \$0.00 (zero) per \$100 of valuation. All valuation charges may not exceed those provided in Item 136 of Maximum Rate Tariff 4 for each \$100 or fraction thereof of the declared shipment value.
 - d. Shipments may be released to full replacement value as provided by terms and rates in Item 136 of Maximum Rate Tariff 4.
13. Where the shipper is the employer of the actual owner of the household goods being transported and is responsible for all charges in connection with such a move, the shipper may instruct the motor carrier to release the shipment to either a value of greater than or less than \$20,000 either by (a) specification made on a purchase order, or (b) by issuing, in advance of the shipping date, an appropriate letter of instructions to the carrier. In such instances, the motor carrier may incorporate the instructions by reference to the document in (a) or (b) above in the shipping document in lieu of the personal signature and handwritten statement.

GENERAL ORDER 139-B

REGULATIONS GOVERNING THE HANDLING OF CLAIMS FOR LOSS OR DAMAGE OF PROPERTY FILED WITH EXPRESS CORPORATIONS, FREIGHT FORWARDERS, HIGHWAY CARRIERS, AND PASSENGER STAGE CORPORATIONS.

RULE 1-PURPOSE OF THE REGULATIONS

- 1.1 To obtain uniformity on the part of all carriers and uniform treatment of all claimants in the disposition of claims of like nature.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

- 1.2 To secure and preserve harmonious relationships in claim matters between carriers and their patrons.
- 1.3 To effect and maintain a prompt and efficient service to the public in connection with the investigation and disposition of freight claims.

RULE 2-FILING OF CLAIMS

2.1 Claims in writing required.

A claim for loss, damage, injury, or delay to property will not be voluntarily paid by a carrier unless filed in writing, as provided in Rule 2.2 and 2.3, below, with the receiving or delivering carrier, or carrier issuing the bill of lading, receipt, ticket, or carrier whose line the alleged loss, damage, injury, or delay occurred, within the specified time limits provided in Rule 2.3.

2.2 Minimum filing requirements.

A communication in writing from a claimant, filed with a proper carrier within the time limits specified in Rule 2.3, and (1) containing facts sufficient to identify the shipment (or shipments) of property involved, (2) asserting liability for alleged loss, damage, injury, or delay, and (3) making claim for the payment of a specified or determinable amount of money, will be considered as sufficient compliance with the provisions for filing claims embraced in the bill of lading or other contract of carriage.

2.3 Time limitations for filing claims or suits.

A claim for loss, damage, injury, or delay of property shall be filed within nine (9) months after delivery of the property, or in case of failure to make delivery, then within nine (9) months after a reasonable time for delivery has elapsed. Suits shall be instituted against any carrier within two (2) years and one (1) day from the day when notice in writing is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts thereof specified in the notice.

2.4 Documents which do not comply.

Bad order reports, appraisal report of damage, notations of exceptions on freight bills or other documents, inspection reports issued by carrier inspectors or inspection agencies, tracers or inspection requests do not comply with the claim filing requirements.

2.5 Documents required in support of claims.

- a. A written demand for payment, asserting carrier liability for alleged loss, damage, injury, or delay, and containing facts sufficient to identify the shipment or shipments involved will constitute a claim, regardless of form, and will be required.
- b. When claimant does not appear from the supporting documents to be an interested party, carrier will require any necessary written assignment or other proof to determine the claimant as the proper party to receive any claim payment.
- c. The original freight bill and bill of lading or other contract of carriage will be required. When claimant cannot furnish both of these documents, carrier will require suitable indemnity from the claimant.
- d. Claim must be supported by either the original invoice; a photographic copy of the original invoice; an exact copy thereof, or an extract therefrom, certified by the claimant or his authorized representative to be true and correct with respect to the property involved in the claim and reflecting all trade or other discounts, allowances, or deductions of any nature. When the original invoice is not submitted, such document must be made available for inspection by carrier representative upon request.
- e. When property involved in the claim has not been invoiced to the consignee or where invoice does not show price or value, or where the property has not been sold but transferred at

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

bookkeeping values only, or where property has been shipped on consignment or approval, claimant will be required to establish destination value in the quantity shipped and certify the correctness thereof.

- f. In order to establish the full recoverable loss caused by the carriers, there will be required the original account of sale, showing the date of sale and the amounts realized on the damaged and undamaged portions, respectively, showing grade, brands, quality, variety, size, and condition, together with any deductions, allowances, and commissions, or a copy thereof certified correct over the signature of the claimant or an authorized representative thereof.
- g. When shipment has received prior transportation and is reshipped from a distribution or warehousing point but has been opened and examined and contents verified as being in undamaged condition, certification thereof must be made by person having actual knowledge of such inspection and statement to that effect incorporated in such certification.
- h. When an asserted claim for loss of an entire package or an entire shipment cannot be otherwise authenticated upon investigation, the carrier will obtain from the consignee of the shipment involved a certified statement in writing that the property for which the claim is filed has not been received from any other source.

2.6 Claims filed for uncertain amounts.

Whenever a claim is presented against a proper carrier for an uncertain amount, such as "\$100 more or less", the carrier against whom such claim is filed will determine the condition of the shipment involved at the time of delivery by it, if it was delivered, and will ascertain as nearly as possible the extent, if any, of the loss or damage for which it may be responsible. It will not, however, voluntarily pay a claim under such circumstances unless and until a formal claim in writing for a specified or determinable amount of money has been filed in accordance with the provisions of Rules 2.1, 2.2, and 2.3.

2.7 Acknowledgment and disposition of claims.

- a. Carrier will acknowledge claim in writing within thirty (30) days after receipt thereof, informing the claimant of identifying number assigned thereto, and will pay, refuse payment, or make a firm compromise offer within one hundred twenty (120) days after receipt of claim, except, that if claim cannot be disposed of within this period, carrier will at that time and at the end of each succeeding sixty (60) day period thereafter while claim remains pending, inform the claimant in writing of the reason for failure to conclude claim.
- b. A separately numbered file will be established for each claim filed in accord with the provisions of this General Order. All documents, records, correspondence pertaining to such claim will be identified with this file number.

2.8 Two or more claims filed.

When investigation of a claim develops that one or more other carriers has been presented with a similar claim on the same shipment, the carrier investigating such claim will communicate with each such other carrier and, prior to any agreement entered into between or among them as to the proper disposition of such claim or claims, will notify all claimants of the receipt of conflicting or overlapping claims and will require further substantiation, on the part of each claimant of his title to the property or his right with respect to such claim.

RULE 3-INSPECTION OF FREIGHT BEFORE OR AFTER DELIVERY TO CONSIGNEE AND ADJUSTMENT OF CLAIMS FOR LOSS OR DAMAGE

3.1 Application.

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

Loss of or damage to contents of package, not definitely known to exist at time of delivery by carrier to consignee may be due to negligence in packing, handling, or unpacking, or abstraction from containers, and is the subject of frequent claims and controversies. In order to avoid any discrimination, and so that practices will be certain and uniform in the treatment of claims of this character, the following rules apply.

3.2 Pilferage.

When a shipment is offered for delivery, if any portion of shipment bears any indication of having been pilfered, a joint inventory of contents must be made by carrier and consignee and the results of inventory so noted on carrier's delivery receipt.

3.3 Reporting concealed damage.

When damage to contents of a shipping container is discovered by the consignee which could not have been determined at time of delivery it must be reported by the consignee to the delivering carrier upon discovery and a request for inspection by the carrier's representative made. Notice of loss or damage and request for inspection may be given by telephone, in person, but in any event must be confirmed in writing by mail. If more than fifteen days pass between date of delivery and request for inspection by consignee, it is incumbent upon the consignee to offer reasonable evidence to the carrier's representative when inspection is made that loss or damage was not incurred by the consignee after delivery of shipment by carrier. While awaiting inspection by carrier, the consignee must hold the shipping container and its contents in the same condition they were in when damage was discovered insofar as it is possible to do so.

3.4 Inspection by carrier.

Inspection by carrier will be made as promptly as possible and practicable after receipt of request by consignee. Inspection will be made within five normal work days after receipt of request from consignee, excluding Saturdays, Sundays, and holidays. A day will be considered as the passing of twenty-four (24) hours from 9 a.m., local time from the date of receipt of request for inspection. Inspection of carrier will include examination of the damaged merchandise, the shipping container, and any other action necessary to establish all facts. If a shortage is involved, inspector will check contents of package with invoice, weigh the shipping container and contents, or conduct any other type of investigation necessary to establish that a loss has occurred. In either case inspection will be limited to a factual report. Consignee must cooperate with carrier in every way possible to assist the inspection. A written record of carrier's findings will be made at least in duplicate. The original of the report will be given the consignee for claim support. Any inspection report issued must be incorporated in claim file.

3.5 Failure to inspect.

In the event carrier does not make an inspection the consignee must make the inspection and record all information to the best of his ability pertinent to the cause. Consignee's inspection, in such case, will be considered as the carrier's inspection and will not jeopardize any recovery the consignee is due based on the facts contained in the report.

3.6 Prior transportation.

If a concealed damage inspection report covers merchandise which has had prior transportation movement, consignee is required to assist carrier in determining if shipment was opened and inspected by shipper prior to reshipment, and, if not, shall then assist carrier in every way possible to establish record of prior transportation.

RULE 4-SALVAGE RETENTION-DISPOSITION OF DAMAGED MERCHANDISE

4.1 When visible or open damage to a shipment has been established by notation having been given at time of delivery or concealed damage established by inspection report, it is the duty of the consignee to

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

retain damaged merchandise and shipping container until the carrier desires to take possession of merchandise as salvage. If record conclusively reflects carrier liability, carrier will take possession of the damaged merchandise as soon as possible and, in any event, within thirty (30) days from date shipment was noted damaged on carrier delivery receipt or from date of inspection report, if damage was concealed. If carrier does not take possession of the damaged merchandise within the time prescribed above, consignee must contact delivering carrier and request removal within fifteen (15) days from the date of such communication.

4.2 Rule 4.1 above applies only when the carrier and consignee agree that the carrier will handle disposition of the salvage, and does not in any manner affect the legal duty that the consignee, when there is substantial value in the salvage, must accept and handle it in such a manner as to mitigate the carrier's loss as much as possible. If there is doubt of carrier liability, the carrier will so advise the consignee; in which event the consignee may hold the merchandise until liability of carrier is determined, or may dispose of it so as to mitigate the damage, and may file claim for such damage.

4.3 Carrier will remove the damaged goods within the fifteen (15) day period or advise consignee that carrier liability is in doubt and that the damaged merchandise is to be retained by the consignee until the carrier has completed investigation of claim.

RULE 5-PENALTY PROVISIONS

5.1 Each passenger stage corporation transporting express and each highway common carrier, express corporation, freight forwarder, petroleum irregular route carrier, and cement carrier shall publish and file, effective concurrently with the effective date of this order, in each of its tariffs, rules and regulations which shall conform to this General Order providing for the filing of loss and damage claims. Such rules and regulations shall be filed concurrently with an initial tariff filing of any passenger stage corporation transporting express or any highway common carrier, express corporation, freight forwarder, petroleum irregular route carrier, or cement carrier.

5.2 Common carriers participating in the National Motor Freight Classification, revisions thereto or reissues thereof or Claims Rules Tariff; and governed by rules set forth therein covering the Principles and Practices for the Investigation and Disposition of Freight Claims, as ordered by the Interstate Commerce Commission, shall be deemed in compliance with the provisions of this General Order, provided, however, that any provision therein which does not conform to this General Order shall be clearly delineated in the tariff provision(s) making reference to such Classification or Claims Rules Tariff.

5.3 Authority for tariff filing described in Rule 5.2 shall be sought pursuant to General Order No. 109 (Special Tariff Docket) or under the Commission's Rules of Practice and Procedure (Chapter 1, Title 20, California Administrative Code.)

RULE 6-PENALTY PROVISIONS

6.1 Violations.

Carriers are hereby notified that violations of any portion of the requirements of this General Order shall constitute grounds for suspension or revocation of operating authority and may subject the carrier to fines and penalties as provided in the Public Utilities Code.

RULE 7-CONFLICTING PROVISIONS

7.1 If the provisions of this General Order conflict with the provisions of any minimum tariff rate tariff issued by this Commission, the provision of the minimum rate tariff shall apply.

7.2 Except as provided by Rules 5.2 and 5.3, existing common carrier tariff provisions which conflict

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

with this General Order and are not published pursuant to a minimum rate order shall be amended to conform to this General Order.

7.3 A common carrier must obtain Commission authorization as provided in Rule 5.3, before including in its tariff and provisions in conflict with this General Order. Publication of such provisions shall include reference to the authorization decision number or other Commission authorization.

RULE 8-THE USE OF NON-PAPER ALTERNATIVES BY HIGHWAY COMMON AND HIGHWAY CONTRACT CARRIERS

8.1 The following provisions are applicable only to highway common and highway contract carriers as defined in PU Code Sections 213 and 3517 respectively. By offering or using a non-paper alternative pursuant to this rule, each carrier so doing acknowledges that the Commission's grant of authority to use a non-paper alternative does not constitute a waiver of, or limitation on, the Commission's and/or its staffs rights and powers with respect to access to information, documents, papers, records, etc.

8.2 Highway Common Carriers must use paper for documents specified in General Order 139-A, unless they publish in their tariffs whether and under what circumstances they will offer shippers the option to use a non-paper alternative. Similarly, Highway Contract Carriers who are required to file their contracts with the Commission must specify in their contracts if the agreed upon service entails the use of a non-paper alternative.

8.3 No common carrier shall require the use of a non-paper alternative as a condition of service.

8.4 Highway Common Carriers which offer service involving non-paper alternatives must do so to all shippers on a non-discriminatory basis.

8.5 A paper hard copy shall be available to all relevant parties upon request.

8.6 Non-paper alternatives must meet the following criteria:

- (1) Information is retrievable.
- (2) Information is readily available to all relevant parties. Information can be "read" and is as available as a written paper hard copy.
- (3) Information content completely complies with the current regulations.
- (4) Authenticity of stored data can be assured by appropriate means.
- (5) Information can be traced to the degree necessary to meet current regulations. This includes a methodology to confirm shipment, pickup, and delivery.

GENERAL ORDER NO. 142

RELATING TO TRANSPORTATION AND ACCESSORIAL SERVICES (INCLUDING STORAGE-IN-TRANSIT) OF USED HOUSEHOLD GOODS AS DESCRIBED IN ITEM 20(A), PARAGRAPH (1) OF MRT 4-B AND PERFORMED BY HOUSEHOLD GOODS CARRIERS AS DEFINED BY SECTION 5109 OF THE PUBLIC UTILITIES CODE.

1. EQUIPMENT AND FACILITIES

- a. Equipment and facilities utilized by a household goods carrier for the transportation of used household goods shall be maintained in a manner which will afford adequate protection for the household goods tendered to the carrier. The interior of vehicles used to transport household goods shipments shall be reasonably clean and visibly free from vermin and debris.
- b. For shipments transported at hourly rates, the carrier shall make a reasonable effort to

DEPARTMENT OF CONSUMER AFFAIRS
BUREAU OF HOUSEHOLD GOODS AND SERVICES

determine the size of motor vehicle equipment which is appropriate to provide an adequate transportation service under the particular circumstances of the movement the carrier is requested to perform. If the carrier does not make such a reasonable effort or, upon determining appropriate equipment size, does not provide such equipment, the shipper shall not be charged any driving time for excess motor vehicle equipment which is supplied.

2. **CAPABLE HELP**

- a. No carrier shall permit any driver, helper, and/or packer to be used in the transportation of any used household goods shipment or in the performance of accessorial services unless such person is trained and experienced in the movement of used household goods. Those engaged in on-the-job training programs shall be bona fide employees and adequately supervised.
- b. Carriers shall not knowingly permit drivers, helpers, and/ or packers to go on duty who are under the influence of alcoholic beverages or liquors of any kind, or narcotics, or habit-forming drugs not prescribed by a physician. Drivers, helpers, and/or packers shall not drink alcoholic beverages or liquors while on duty.

The effective date of this order shall be twenty days after the date hereof.