

# CSI - Ohio

## The Common Sense Initiative

### Business Impact Analysis

Agency Name: Public Utilities Commission of Ohio (PUCO)  
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Regulation/Package Title: Transportation of Household Goods

Rule Number(s): Chapter 4901: 2-19

Date: January 20, 2016

**Rule Type:**

☐ New

☒ 5-Year Review

☒ No Change

☒ Amended

☒ Rescinded

The Common Sense Initiative was established by Executive Order 2011-01K and placed within the Office of the Lieutenant Governor. Under the CSI Initiative, agencies should balance the critical objectives of all regulations with the costs of compliance by the regulated parties. Agencies should promote transparency, consistency, predictability, and flexibility in regulatory activities. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

#### Regulatory Intent

1. Please briefly describe the draft regulation in plain language. Please include the key provisions of the regulation as well as any proposed amendments.

The proposed revisions to the rules in Ohio Adm.Code Chapter 4901:2-19 are in accordance with the state of Ohio's 5-year rule review procedures. R.C. 111.15 requires all state agencies to conduct a review, every five years, of their rules, and to determine whether to continue their rules without change, amend their rules, or

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rescind their rules. The rules in Chapter 4901:2-19 are applicable to motor carriers engaged in the transportation of household goods in Ohio.

**2. Please list the Ohio statute authorizing the Agency to adopt this regulation.**

| <b>Rule</b>  | <b>Statutory Authority -<br/>Ohio Revised Code</b> |
|--------------|--|
| 4901:2-19-01 | 4923.04, 4905.81, 4921.30                          |
| 4901:2-19-02 | 4923.04, 4905.81, 4921.30                          |
| 4901:2-19-03 | 4923.04, 4905.81, 4921.30                          |
| 4901:2-19-04 | 4923.04, 4905.81, 4921.30                          |
| 4901:2-19-05 | 4923.04, 4905.81, 4921.30                          |
| 4901:2-19-06 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-07 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-08 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-09 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-10 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-11 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-12 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-14 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-15 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-16 | 4923.04, 4921.30, 4921.36,<br>4921.38              |
| 4901:2-19-17 | 4923.04, 4921.30, 4921.36,<br>4921.38              |

- 3. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program? If yes, please briefly explain the source and substance of the federal requirement.**

No.

- 4. If the regulation includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.**

The rules do not exceed any federal requirement.

- 5. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?**

The public purpose of these rules is to establish requirements for the transportation of household goods which apply to all carriers of household goods regulated by the Commission.

- 6. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?**

The Commission is required by statute to adopt rules applicable to the transportation of property by motor carriers operating in Ohio. The Commission monitors the compliance with these rules by ensuring that all household goods carriers are registered with the Commission, have appropriate tariffs on file, provide appropriate information to consumers, and have the required liability insurance to cover all goods being transported.

### **Development of the Regulation**

- 7. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation. If applicable, please include the date and medium by which the stakeholders were initially contacted.**

The Commission conducted a workshop on November 18, 2015, at the offices of the Commission to receive feedback from interested stakeholders and the general public. The case number for the Commission's review for Ohio Adm.Code Chapter 4901:2-19 is 15-1718-TR-ORD. The entry providing notice of the workshop was

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served upon the Ohio Association of Movers, Ohio Brokers of household goods, and the transportation list serve.

**8. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?**

One stakeholder appeared at the workshop to discuss the requirements for liability coverage.

**9. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?**

No scientific data was provided or considered. In adopting any changes to these rules, the Commission takes into account all feedback from stakeholders and the general public.

**10. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives?**

No alternative regulations were recommended. The Commission is authorized by statute to establish and enforce standards applicable to regulated entities that transport household goods. These rules provide the requirements for any person who is involved in the transportation of household goods.

**11. Did the Agency specifically consider a performance-based regulation? Please explain. *Performance-based regulations define the required outcome, but don't dictate the process the regulated stakeholders must use to achieve compliance.***

The Commission did not consider a performance based regulation. The rules in Ohio Adm.Code Chapter 4901:2-19 are required by the Revised Code and establish requirements for the transportation of household goods and consumer protections.

**12. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?**

Although it is unlikely that Ohio Adm.Code Chapter 4901:2-19 duplicates the rules of other state entities, associations representing household goods carriers were advised of this rulemaking and no entities have advised the Commission that Ohio

Adm.Code Chapter 4901:2-19 duplicates any of its rules. The Commission has also reviewed other Ohio regulations and found no duplicates, nor have any duplicates been identified by any stakeholder.

**13. Please describe the Agency's plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.**

Stakeholders' first opportunity to comment on Ohio Adm.Code Chapter 4901:2-19 was in the aforementioned workshop on November 18, 2015; as already indicated, one stakeholder attended. Next, the Commission will issue an entry containing the rules, to which stakeholders will have another opportunity to comment. Finally, following the comment period specified in the entry, the Commission will issue a finding and order adopting the rules. As noted above, Ohio Association of Movers, Ohio Brokers of household goods, and the transportation list serve have been notified that that this Ohio Administrative Code chapter is under review by staff, and these entities can provide feedback to Staff concerning the efficiency and effectiveness of the rules in this chapter.

These rules are universally applicable to all regulated entities involved in the transportation of household goods.

**Adverse Impact to Business**

**14. Provide a summary of the estimated cost of compliance with the rule. *Specifically, please do the following:***

**a. Identify the scope of the impacted business community;**

The impacted business community consists of for-hire carriers that provide household goods moving services operating in intrastate and interstate commerce.

**b. Identify the nature of the adverse impact (e.g., license fees, fines, employer time for compliance); and**

The current rules impact the identified business community because they impose costs in terms of registration fees, having appropriate liability insurance

coverage, tariffs, and language on customer forms, and the time to complete these required forms.

- c. **Quantify the expected adverse impact from the regulation.** *The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a "representative business." Please include the source for your information/estimated impact.*

The cost of these rules involves the time to complete moving estimates, record retention, and having appropriate tariffs on file with the Commission, which are prepared in the normal course of business. For a typical business it should take no more than 30 minutes to complete the estimate, as it only requires information relating to moves between different cities and a determination of appropriate shipment weights.

**15. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?**

The Commission stresses that business impacts resulting from the proposed revisions are expected to be positive impacts. The Commission believes that the revisions to the rules are minor and do not substantially change the existing rules. The Commission is the only state agency charged with ensuring that the transportation of household goods is conducted in a safe and efficient manner with proper liability coverage for damaged goods and appropriates consumer protections. Additionally, the Ohio Revised Code directs the Commission to adopt rules to carry out the provisions of Chapters 4921 and 4923, Revised Code. It is notable that the regulated community had only one comment at the public workshop, nor has there been any indication from stakeholders that the rules in this chapter are particularly onerous.

**Regulatory Flexibility**

**16. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.**

No. Regulated entities operating in Ohio are under the exclusive jurisdiction of the Public Utilities Commission of Ohio and may not be exempted from the requirements provided in Ohio Adm.Code Chapter 4901:2-19.

**17. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?**

The rules in Ohio Adm.Code Chapter 4901:2-19 do not impose fines or penalties for failure to comply.

**18. What resources are available to assist small businesses with compliance of the regulation?**

Commission staff works with regulated entities to answer questions. Small businesses may contact the Commission at any time and may submit written comments on the proposed revisions during the public comment period once the proposed revisions are filed in the case docket.