

AMSA further argues that paragraphs (b) and (c) are duplicative to some extent. Current § 375.11(a) is limited to insurance for loss and damage just as appears in proposed paragraph (c). It therefore recommends that paragraph (b) be deleted, paragraph (c) be redesignated as (b), and the remaining paragraphs be redesignated accordingly.

With respect to the 25AG recommendation that more explicit language should be employed to preclude carrier avoidance of payment of loss or damage claims, AMSA believes that proposed § 375.303 is not intended to deal with this issue. Carriers, it asserts, are required to process claims for loss or damage in accordance with the regulations contained in 49 CFR part 370. If, as the 25AG argue, they encounter situations in which they believe carriers have violated part 370, a complaint can be made to FMCSA.

AMSA believes that the AGCT recommendation that carriers be required to procure insurance on behalf of shippers and, if appropriate, comply with any applicable State licensing requirements, confuses the carrier's role in procuring insurance. Carriers do not sell insurance, but may procure insurance on behalf of a shipper from an insurance entity that is authorized to issue a policy under applicable State law.

Response to Comments

In response to the 25AG, we believe that the carrier, its employees, and agents are essentially one and the same, in that the carrier is responsible for the acts of both the employees and agents. Therefore, the authorized carrier named in the bill of lading would be primarily responsible for any activity involving the move, including the selling of insurance and providing the shipper with a policy from the insurance carrier. If the authorized carrier used an owner-operator under lease agreement, the carrier would be fully liable for the move.

The Surface Transportation Board's revised RRO states that unless the shipper expressly releases the shipment to a value not exceeding 60 cents per pound per article, the carrier's maximum liability for loss and damage shall be either the lump sum value declared by the shipper or an amount equal to \$4.00 times the actual weight of the shipment, whichever is greater. Additionally, the shipper may purchase additional liability insurance coverage from the carrier. The revised RRO provides that the \$4.00 rate may be increased annually by the carrier based

on the Department of Commerce's Cost of Living Adjustment.

As we noted in our response to § 375.201, we have added regulatory text to § 375.201 concerning the full liability to which the carrier may be subject if it fails to issue a copy of the insurance policy or other appropriate evidence of insurance. Also, we have adopted AMSA's recommendation to delete proposed paragraphs (a)(2) and (b) in § 375.303.

Section 375.401 *Must I Estimate Charges?*

NACAA supports estimates being given in writing. The AGCT suggests changing "binding estimate" everywhere in the proposed regulations to "guaranteed delivery price." It believes that the term "estimate" implies approximation rather than a fixed price. It further suggests changing paragraph (b) to reflect the fact that the final charges will be based on the actual weight "or volume" because this is consistent with estimates to be given based on weight or volume.

Starving Students has a deep concern about requiring written estimates. It states that a written estimate requires a personal visit to the shipper's residence, which is costly. It estimates that requiring a prior written estimate would add \$250 or more to the cost of the move and believes adding such costs would discourage many shippers from hiring a mover for small moves.

Starving Students also believes that there is not enough advance time to perform a visual inspection for a written estimate. Shippers often schedule moves with very short notice, which does not permit a prior visual inspection to be performed. The majority of Starving Students' bookings are booked within seven days of the scheduled move.

Starving Students also notes that numerous moves occur from locations where movers do not have a local office in the vicinity. A prior visual inspection will be impossible in these cases. The consumer would have to select a mover not based on price or service, but on the proximity of a field estimator. Small movers offer low cost, no frills alternatives to the large van lines. It argues that excluding small movers, like Starving Students, from interstate moves based on a lack of a national network of estimators is an unfair restraint of trade. In summary, Starving Students believes that shippers and carriers want the same thing, *i.e.*, for the consumer to pay, and the carrier to receive, a reasonable price for the transportation of household goods across state lines.

AMSA believes this section provides that individual shippers must be given a written estimate before an order for service is executed and commends FMCSA for including these provisions in the proposed regulations. Providing as many written estimates as possible will certainly serve to reduce shipper complaints and misunderstandings over final charges. However, AMSA believes there are certain aspects of this requirement that should be considered further.

AMSA believes that most moves are booked at least two weeks in advance with the majority booked a month or more in advance. However, situations arise when moves are booked on much less than two weeks' notice or sudden last-minute changes make the preparation of a written estimate in advance of the move impossible. Situations brought about by unusual circumstances such as unexpected employment changes, domestic disputes, evictions, foreclosures, or emergency evacuations do not always permit much in the way of advance notice. AMSA believes that requiring a written estimate, which is, in turn, subject to the 110 percent rule, will cause some movers to refuse short notice shipments to avoid being held to the 110 percent payment provision because there is no opportunity to perform a visual inspection. Shippers will then be left with fewer options to accommodate their requirements, *e.g.*, move on their own or use unlicensed movers who ignore FMCSA regulations.

AMSA recommends that an alternative procedure be adopted for short notice shipments. Shippers would be given the opportunity to waive the requirement for a written estimate (or to waive the 110 percent rule) in short notice situations. The shipper will nonetheless receive service from a licensed professional mover subject to all of the other protections provided by the proposed regulations, it believes. It suggests that paragraph (a)(2) should be amended by revising paragraph (a) and adding a new paragraph (e), as follows:

(a) Before you execute an order for service for a shipment of household goods for an individual shipper, you must estimate the total charges in writing, except as provided in paragraph (e) below. The written estimate must be in one of the following two types:

* * * * *

(e) Waiver—Signatures Required. Subject to the shipper's agreement to waive the requirement for a written binding or non-binding estimate, pursuant to the provisions of § 375.407, you may provide a price quotation which shall be your reasonably accurate estimate of the approximate costs the individual shipper can expect to pay. The