

**Department of Legislative Services**  
Maryland General Assembly  
2006 Session

**FISCAL AND POLICY NOTE**

House Bill 1602  
Economic Matters

(Delegate Frush, *et al.*)

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**Consumer Protection - Household Goods Movers**

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This bill requires a household goods mover, under the Maryland Household Goods Movers Act, to provide a consumer or the consumer's agent with a written estimate, containing specified information, of the cost of providing intrastate household goods moving services before providing the services.

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**Fiscal Summary**

**State Effect:** Assuming that the Consumer Protection Division receives fewer than 50 complaints per year stemming from this bill, any additional workload could be handled with existing resources.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** Without the consumer's consent, the excess charges may not exceed: (1) for an estimate based on mileage or weight, 10% of the estimate; or (2) for an estimate based on an hourly rate, 15% of the estimate. A household goods mover may not require a consumer to pay, at the time the services are completed, an amount in excess of the estimate plus the lesser of: (1) 50% of the excess charges; or (2) 5% of the estimate provided. The household goods mover must allow the consumer at least 30 days after completing the services to pay the balance. The household goods mover may refuse

to relinquish control of the household goods if the consumer: (1) refused to pay the required amount; or (2) refuses to make payment in the form agreed under the estimate.

A household goods mover must include in the final documents relating to household goods moving services provided to a consumer a statement notifying the consumer about specified information concerning the services, including the rights of the consumer and household goods mover and the procedures for filing a claim or a complaint.

**Current Law:** Under the Maryland Household Goods Movers Act, a household goods mover must provide a consumer with a written receipt that states: (1) the household goods mover's legal name; and (2) the address and telephone number of either the household goods mover's resident agent in the State, or if there is no resident agent, the principal place of business. Violation of the Act is an unfair or deceptive trade practice under the Maryland Consumer Protection Act. Violators may also be subject to any other applicable civil or criminal action. Household goods are goods used primarily for personal, family, or household purposes.

**Background:** Under federal law and regulations, an interstate mover may give either a nonbinding or a binding written estimate of the cost of a move. An interstate mover may only charge for a binding estimate. Nonbinding estimates must be provided free of charge. An interstate mover may not charge more than the quoted price of a binding estimate, unless additional services are provided. If a nonbinding estimate is given, the interstate mover may not require the customer to pay more than 10% more than the original estimate at the time of delivery. The customer then has at least 30 days after delivery to pay any remaining charges. The federal regulations do not apply to intrastate moves.

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### **Additional Information**

**Prior Introductions:** A similar bill, HB 312 of 2005, was withdrawn after receiving a hearing in the House Economic Matters Committee.

**Cross File:** None.

**Information Source(s):** Office of the Attorney General (Consumer Protection Division), Department of Legislative Services

**Fiscal Note History:** First Reader - March 12, 2006  
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