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**SURFACE TRANSPORTATION BOARD COMMENTS ON DOT DRAFT CARGO LIABILITY
STUDY**

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**SURFACE TRANSPORTATION BOARD COMMENTS ON
DOT DRAFT CARGO LIABILITY STUDY**

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has submitted comments on the draft cargo liability study published by the Department of Transportation (DOT) in May 1997. The study is being conducted pursuant to the statutory provisions at 49 U.S.C. 14706(g), enacted as part of the ICC Termination Act of 1995, which direct DOT to study and make recommendations on the liability of motor carriers for loss and damage to freight.

In its comments, the Board addressed, among other issues, shipper concerns that they do not always have notice of the extent to which their liability might be limited. The Board noted that it had addressed a similar notice issue with respect to household goods tariffs, which are published by carriers but not filed at the Board. To ensure that household goods shippers would be made aware of their liabilities and other responsibilities during a move performed under a tariff, the Board issued regulations at 49 CFR 1310.4, requiring that shippers be explicitly informed whenever a bill of lading incorporates a tariff that includes terms related to claims and liability. See Household Goods Tariffs, STB Ex Parte No. 555 (62 FR 5171, Feb. 4, 1997). The Board suggested that DOT might consider a similar approach to ensure adequate notice of motor carrier liability provisions in general.

Additionally, the Board asked DOT to clarify in its final report the allocation between the Board and DOT of responsibility over household goods. As the Board noted, it has authority to rule on household goods carriers' requests to limit their liability; it may assess the applicability and reasonableness of rates for traffic that does not move under the binding estimates provisions of the statute; it has issued regulations requiring household goods carriers to disclose fully the rates in their tariffs; and it may review certain activities of household goods agents that would otherwise be subject to the antitrust laws. DOT, the Board pointed out, has jurisdiction over the binding estimates that must be available to shippers; the registration of household goods agents; the detailed regulations governing household goods carrier operations, including, among other things, minimization of paperwork, performance standards, and shipment weighing flexibility; and the carrier/shipper dispute settlement program established under section 14708.

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