

# A Consumer Advisory from the Federal Motor Carrier Safety Administration

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## Understanding the Liability Protection for Your Household Goods When They Are Transported Interstate

The Federal Motor Carrier Safety Administration (FMCSA) has received hundreds of complaints from consumers that their shipment of household goods (HHG) has suffered damage or there are items that are missing. When the damage is done or items are lost many consumers find out too late that they did not have an adequate amount of liability protection also referred to as "Valuation" on their shipments.

The Federal Regulations requires that Interstate Movers offer two types of liability protection. In "Full Value Protection Obligation", the mover is liable for loss, damage, destruction, or otherwise not delivered items in the shipment. If there is damage or loss suffered by the shipper the mover is liable for the replacement value for those damaged or lost items in the shipment. The mover can charge extra for this level of protection if it stated in the mover's tariff. In most cases it is a few hundred dollars more. In "Limited Liability Protection", the mover is liable for loss, damage, destruction or other not delivered items in the shipment to 60 cents a pound. Movers do not charge extra for Limited Liability Protection.

Given the replacement value of most household items, 60 cents a pound is not adequate coverage. A 55" LED Flat Screen Television could cost up to \$1500 to replace, if it weighs 51 pounds the mover is only liable for \$30.60 if it is damaged or lost under the Limited Liability Protection option.

It is recommended that when you work out the details with your mover to choose the Full Value Protection Obligation for your shipment of HHG. Consumers should avoid movers that do not offer full value protection, and be very suspicious of movers that charge an exorbitant amount for it or try to force you to accept the limited liability option. Consumers should avoid including small high value items such as jewelry or coin collections in the HHG shipment. If Consumers can't transport those high value items themselves they should consider separate shipping where those items can be fully insured. Consumers should keep a record of identifiers (serial numbers or theft prevention identification tags) on bulkier moderate to high value items such as electronics and antiques so if they somehow get separated from the shipment they can be reported stolen.

It is also recommended that Consumers check with their company providing homeowner's insurance and see if additional protection of the HHG shipment is available.

The smarter the Consumer the less likely that consumer will be a victim.