



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY (360) 586-8203

August 4, 2017

Steven V. King, Executive Director and Secretary
Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P.O. Box 47250
Olympia, WA 98504-7250

RE: *Washington Utilities and Transportation Commission v. Council on Aging & Human Services*

Commission Staff's Response to Application for Mitigation of Penalties TN-170580

Dear Mr. King:

On July 7, 2017, the Utilities and Transportation Commission issued a \$1,000 Penalty Assessment in Docket TN-170580 against Council on Aging & Human Services for 10 violations of Washington Administrative Code (WAC 480-31-080), which requires non-profit special needs transportation companies to furnish annual reports and the regulatory fee to the commission no later than May 1 each year.

On July 17, 2017, Council on Aging & Human Services wrote the commission requesting mitigation of penalties. In its mitigation request, Council on Aging & Human Services does not dispute the violation occurred. The company states, "...two reasons exist why the report never received the attention required for its timely completion and submission. 1 – The announcement was received in our junk mail folder and not found until now. 2 – On a Certificate application submitted to the WUTC on 12/29/16, (form 07-2015) by our agency, it says on page six that "You must file an annual safety report and pay regulatory fees by December 31 of each year." This form was just updated this month by WUTC with the correct information showing the May 1st deadline. Please consider the confusion that the prior posted deadline caused, with us thinking that the deadline was not until the end of the year." The Council on Aging & Human Services goes on to say that they created a process internally to ensure this mistake does not occur again and that a \$1,000 penalty would significantly impact their small non-profit, public-benefit agency as any extra costs they incur directly impacts the clients they serve.

It is the company's responsibility to ensure that the regulatory fee is paid and the annual report is filed by the May 1 deadline. On February 28, 2017, Annual Report packets were sent to all regulated non-profit special needs transportation companies. The instructions page informs the

regulated company that it must complete the annual report form and pay the regulatory fees, and return the materials by May 1, 2017, to avoid enforcement action.

The company filed their complete annual report on July 17, 2017 and the regulatory fee was paid on June 20.

The Council on Aging & Human Services has been regulated by the Commission since 1997 and is responsible to provide the annual report and regulatory fee by May 1. Commission records show that this company has been active continuously since 2005. If a company has questions about the Annual Report or the Annual Report process, Commission Staff is available to offer assistance. The Commission will only grant mitigation if the violations occurred due to circumstances beyond the company's control. Council on Aging & Human Services did not illustrate that they were unable to file their annual report and pay their regulatory fee due to circumstances beyond their control. Staff does not recommend mitigation nor a reduction of the penalty. Council on Aging & Human Services indicates that a \$1,000 penalty would impose a substantial hardship. In consideration of the important work that Council on Aging & Human Services does for the community, staff agrees that this penalty may create an unwanted impact on the services they offer. As such, Staff recommends that \$900 of the penalty be suspended on the condition the Company timely files its 2017 annual report and pays the associated regulatory fee by May 1, 2018 and pays the \$100 unsuspended portion of the penalty within 15 days of the Commission's order.

If you have any questions regarding this recommendation, please contact Sean Bennett, Regulatory Analyst, at (360) 664-1157, or sbennett@utc.wa.gov.

Sincerely,

/s/ Sean Bennett

Sean Bennett, Regulatory Analyst
Administrative Services