

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment Against	DOCKET TE-160699
FIRST STUDENT, INC.	ORDER 01
in the amount of \$1,000	ORDER DENYING MITIGATION

BACKGROUND

- 1 On February 29, 2016, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee forms to all charter and excursion carriers. The forms included a reminder that companies must file their annual reports and pay their regulatory fees by Monday, May 2, 2016, or face penalties of \$100 for each violation of Commission rules. In the case of continuing violations, each day's continuance is a separate violation. RCW 80.04.405.
- 2 First Student, Inc. (First Student or Company) did not file its annual report on May 2, 2016, and had not made that filing by May 16. On June 21, the Commission assessed a penalty of \$1,000 against First Student, calculated as \$100 per business day from May 2 to May 16.
- 3 On June 27, 2016, First Student responded to the Commission's penalty assessment, admitting the violations and requesting mitigation based on the written information provided. The Company explained that its manager was new to their position and did not realize the Company was required to file an annual report.
- 4 On July 8, 2016, Commission staff (Staff) filed a response recommending the Commission deny the mitigation request because the Company received and paid penalties of \$100, \$200, and \$1,000 for violations of WAC 480-30-071 in 2010, 2013, and 2015, respectively. In addition, the Company has not yet filed its 2015 annual report or paid its regulatory fees.

DISCUSSION

- 5 WAC 480-30-071 requires charter and excursion carriers to file annual reports by May 1 of each year, or the first business day thereafter. Companies are responsible for

complying with their legal obligations, and the Company should have taken steps to ensure its report was timely filed, particularly in light of the significant penalties it incurred for previous violations.

- 6 We agree with Staff that mitigation of the penalty is not appropriate here. The Commission may consider a number of factors when entertaining a request for mitigation, including whether the violation was promptly corrected, a company's history of compliance, and the likelihood the violation will recur.¹ Here, the Company has a history of non-compliance; it received penalties of \$100 in 2010, \$200 in 2013, and \$1,000 in 2015 for violations of WAC 480-30-071. Moreover, the Company has yet to correct the violation by filing its 2015 annual report or paying its regulatory fees. Finally, the Company has not presented any new or compelling information that would warrant a penalty reduction. Accordingly, we find the \$1,000 penalty to be an appropriate incentive for the Company to ensure timely filings going forward.

ORDER

THE COMMISSION ORDERS:

- 7 (1) First Student, Inc.'s request for mitigation of the \$1,000 penalty is DENIED.
- 8 (2) The \$1,000 penalty is due and payable no later than July 27, 2016.
- 9 The Secretary has been delegated authority to enter this order on behalf of the Commissioners under WAC 480-07-904(1)(h).

DATED at Olympia, Washington, and effective July 13, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING
Executive Director and Secretary

¹ Docket A-120061, Enforcement Policy for the Washington Utilities and Transportation Commission (January 7, 2013).

NOTICE TO PARTIES: This is an order delegated to the Executive Secretary for decision. As authorized in WAC 480-07-904(3), you must file any request for Commission review of this order no later than 14 days after the date the decision is posted on the Commission's website.