

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment)	DOCKET TV-140966
Against)	
)	ORDER 01
LUO, XIANQIN)	
)	ORDER DENYING MITIGATION
in the amount of \$1,000)	
.....)	

BACKGROUND

- 1 Washington law requires household goods carriers to file annual reports and pay regulatory fees by May 1 of each year. WAC 480-15-480. On February 28, 2014, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee packets to all household goods carriers. The forms included a reminder that companies must file their annual reports and pay their regulatory fees by May 1, 2014, 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 Xianqin Luo did not file its annual report on May 1, 2014, and had not made that filing by May 15. On June 5, the Commission assessed a penalty of \$1,000 against Xianqin Luo, calculated as \$100 per business day from May 1 to May 15.
- 3 On June 20, 2014, Xianqin Luo responded to the Commission’s penalty assessment by letter, but failed to indicate whether it sought mitigation. In its letter, the Company explained that it gave all of its accounting information to a third-party tax service, and attached a copy of the owner’s individual income tax extension request. The Company directed the Commission to contact its tax service provider with any questions.
- 4 On July 7, 2014, Commission Staff (Staff) filed a response recommending the Commission reduce the penalty to \$200 because the Company has no prior violations of WAC 480-15-480.

5 As of July 10, 2014, the Company has neither filed its annual report nor paid its regulatory fee.

DISCUSSION

6 WAC 480-15-480 requires permitted household goods carriers to file annual reports and pay regulatory fees by May 1 of each year. Companies are responsible for complying with their legal obligations, and the Company should have been aware of the need to file an annual report, particularly given the Commission's reminders. Moreover, the Company was given the opportunity to request an extension, but did not.

7 The Commission disagrees with Staff's recommendation and denies the Company's request for mitigation. The Commission may consider a number of factors when entertaining a request for mitigation, including whether the violation was promptly corrected and the likelihood the violation will recur.¹ Ultimately, the Commission's goal is to gain compliance going forward. Here, the Company remains in violation of Commission rules, and presents an unpersuasive explanation for its failure to comply. The conduct of the Company's agent does not excuse the violations; it is the Company's responsibility to ensure its annual report is timely filed. Additionally, the Company's request that the Commission contact its tax service with questions – rather than contact the Company directly – demonstrates a disregard for the seriousness of both the reporting requirements and the violations. Accordingly, the Commission finds the penalty amount to be a reasonable means of compelling the Company's compliance with Commission filing deadlines and requirements.

ORDER

THE COMMISSION ORDERS:

8 (1) The request of Xianqin Luo for mitigation of the \$1,000 penalty is DENIED.

9 (2) The penalty is due and payable no later than July 29, 2014.

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

10 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 15, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING
Executive Director and Secretary

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. The Commission will grant a late-filed request for review only on a showing of good cause, including a satisfactory explanation of why the person did not timely file the request. A form for late-filed requests is available on the Commission's website.