



STATE OF WASHINGTON

UTILITIES AND TRANSPORTATION COMMISSION

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

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August 3, 2017

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

Re: *Washington Utilities and Transportation Commission v. AAA Party Bus LLC*
4752 Delridge Way SW, Seattle, WA 98106
Commission Staff's Response to Application for Mitigation of Penalties
Docket TE-170752

Dear Mr. King:

In May 2017, Motor Carrier Safety Investigator Wayne Gilbert conducted a non-rated, follow up compliance review investigation of AAA Party Bus LLC (AAA Party Bus). This review was intended to check back with the company on its compliance following a 2016 review¹ which resulted in a proposed unsatisfactory safety rating and monetary penalties. A compliance review is an in-depth examination of the motor carrier's compliance with regulations that the Federal Motor Carrier Safety Administration has identified as "acute" or "critical."² Acute regulations are identified where non-compliance is so serious as to require immediate corrective actions regardless of the overall safety posture of the carrier. Violations of critical regulations are generally indicative of breakdowns in a carrier's management controls. Non-compliance with acute regulations and patterns of non-compliance with critical regulations are quantitatively linked to inadequate management controls and unusually higher than average accident rates.³ Mr. Gilbert found ten violations, all of which were first-time violations.

The Commission's enforcement policy provides that some requirements are so critical to safe operations that the Commission may issue penalties for a first-time violation, even if staff has not previously provided technical assistance.⁴ Of the ten violations found, one was of a critical regulation, and three were vehicle equipment violations meeting federal out-of-service criteria.

¹ Docket TE-160824

² Title 49 CFR Part 385, Appendix B – Explanation of Safety Rating Process

³ *Id.*

⁴ Docket A-120061 – Enforcement Policy of the Washington Utilities and Transportation Commission, Section V.

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On July 17, 2017, the Commission issued a penalty assessment under docket TE-170752 against AAA Party Bus in the amount of \$300 for violations of Washington Administrative Code (WAC) 480-30-221 Vehicle and Safety Requirements, which requires charter and excursion carriers to comply with Title 49 Code of Federal Regulations (CFR) Parts 393, Parts and Accessories Necessary for Safe Operation, as follows:

- **One violation of Title 49 CFR Part 393.9 – Inoperable required lamp.** Both rear turn signals and emergency 4-way flashers were inoperative.
- **One violation of Title 49 CFR Part 393.62(a) – No or defective bus emergency exits.** Rear emergency exit window was covered by a blanket.
- **One violation of Title 49 CFR Part 393.83(c) – Improper exhaust – bus (gasoline).** The exhaust system was leaking rear of the muffler, in front of the rear axle, and more than six inches forward of the rear-most part of the vehicle body.

Request for mitigation: On July 26, 2017, AAA Party Bus filed with the Commission an application for mitigation. In the application, the company admitted the violations and requested that the \$300 penalty be waived. The company recently paid a \$250 penalty in docket TE-170592⁵ and suggested that the penalty in that case is sufficient penalty to cover this case as well. The company also stated that every effort is being made to ensure the violations are not repeated.

Staff recommendation: Staff appreciates AAA Party Bus's positive attitude toward safety compliance and willingness to take responsibility for and correct these safety violations. AAA Party Bus is a small company with one driver and one commercial vehicle. In 2016 the company reported 33,135 miles traveled and \$64,499 in gross revenue.

Staff recommends no mitigation of the \$300 penalty for these three safety violations. The equipment violations cited all put passengers and the traveling public at risk. The \$250 the company paid in docket TE-170592 is an administrative penalty and is completely unrelated to the penalties for safety violations in this docket. With due consideration given to the number of violations and the company's history of non-compliance with safety requirements, staff believes the penalty amount is appropriate.

If you have any questions, please contact Mike Turcott, Compliance Investigations Supervisor, Consumer Protection, at (360) 664-1174 or by e-mail at miturcot@utc.wa.gov.

Sincerely,



Kathy Hunter
Assistant Director, Transportation Safety

⁵ The Commission penalized AAA party bus \$1000 in docket TE-170592 for failure to submit its annual report. This penalty was later mitigated to \$250 and was paid in full on June 30, 2017.