

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Penalty Assessment)	DOCKET TN-141042
Against)	
)	ORDER 01
YELM ADULT COMMUNITY)	
CENTER)	ORDER GRANTING
)	MITIGATION
in the amount of \$1,000)	
.....)	

BACKGROUND

- 1 Washington law requires private, nonprofit transportation providers to file annual reports and pay regulatory fees by May 1 of each year. WAC 480-31-080. On February 28, 2014, the Washington Utilities and Transportation Commission (Commission) mailed annual report and regulatory fee packets to all regulated private, nonprofit transportation providers. 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 Yelm Adult Community Center did not file its annual report on May 1, 2014, and had not made that filing by May 15. On May 22, the Commission assessed a penalty of \$1,000 against Yelm Adult Community Center, calculated as \$100 per business day from May 1 to May 15.
- 3 On June 12, 2014, Yelm Adult Community Center responded to the Commission’s penalty assessment admitting the violations and requesting mitigation of the penalty based on the written information provided. The Company explained that in September of 2013, its center manager was terminated based on allegations of financial mismanagement and theft. Following the manager’s dismissal, the center fell under the control of its board of directors, comprised of senior citizens who did not understand the governance and fiduciary responsibilities of the organization. In addition, the Company states the penalty would have a devastating financial impact on the center and, in turn, the senior citizens of Yelm that it serves.
- 4 On June 16, 2014, Yelm Adult Community Center filed its annual report and paid its regulatory and late payment fees.

5 On June 26, 2014, Commission Staff (Staff) filed a response recommending the Commission waive the penalty in full due to the compelling circumstances presented by the Company. Staff also noted that the Company has been active since 2006, and has no prior violations of WAC 480-31-080.

DISCUSSION

6 The Commission agrees with Staff's recommendation and will not impose a penalty. The Commission's primary objective in any enforcement action is to ensure compliance with a company's legal obligations; penalties both punish past violations and provide an incentive to comply in the future. Given the circumstances here, we believe neither punishment nor incentive is warranted. The Company suffered a serious financial loss in 2013, and is still recovering from its impact. Moreover, the Company's primary purpose is to provide a valuable service to a vulnerable population; the imposition of a penalty would only harm the people it serves. Under these circumstances, we will grant full mitigation of the penalty.

ORDER

THE COMMISSION ORDERS:

7 (1) The request of Yelm Adult Community Center for mitigation of the \$1,000 penalty is GRANTED.

8 (2) No penalty is due.

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 16, 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.