

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Investigation of

HEEZY HAULERS LLC

For Compliance with WAC 480-15-560
and WAC 480-15-555

DOCKET TV-250185

ORDER 01

APPROVING SAFETY
MANAGEMENT PLAN;
EXTENDING PROVISIONAL
PERIOD; UPGRADING SAFETY
RATING TO CONDITIONAL

BACKGROUND

- 1 On April 22, 2025, the Washington Utilities and Transportation Commission (Commission) issued a Notice of Intent to Cancel Permit as a Household Goods Carrier; Notice of Brief Adjudicative Proceeding; Setting Time for Oral Statements (NOIC) to Heezy Haulers LLC (Heezy Haulers or Company). The NOIC alleged that, as a result of Commission staff's (Staff) March 20, 2025, inspection of the Company for compliance with vehicle and driver safety requirements in chapter 480-15 Washington Administrative Code (WAC), the Company had 44 critical or critical type safety violations¹ and 17 other safety violations, resulting in a proposed unsatisfactory safety rating. On the day of the inspection, Staff informed the Company of its proposed unsatisfactory safety rating. The NOIC further stated that the Company's household goods authority would be canceled effective May 20, 2025, unless the Company obtained Commission approval of a safety management plan prior to that date.
- 2 On April 23, 2025, Staff filed a Notice of Penalty Assessment (Penalty Assessment) regarding the violations discovered during the March 20, 2025, inspection of the

¹ "Critical regulations are those identified as such where noncompliance relates to management and/or operational controls. These are indicative of breakdowns in a carrier's management controls." 49 C.F.R. 385 Appendix B(II)(c); WAC 480-15-999 (adopting Title 49 Code of Federal Regulations); WAC 480-15-560 (adopting and altering federal vehicle and driver safety requirements).

Company's operations. The Penalty Assessment imposed an \$8,200 penalty on the Company related to the following violations:

- (1) Eight violations of WAC 480-15-555(1) – Failure to complete a national criminal background check for every person the carrier intends to hire. The Commission assessed a penalty of \$100 for each occurrence of these first-time critical violations, for a total of \$800.
 - (2) Seventy violations of Title 49 Code of Federal Regulations (49 C.F.R.) § 391.45(a) – Using a driver not medically examined and certified. The Commission assessed a penalty of \$100 for each occurrence of these first-time critical violations, for a total of \$7,000.
 - (3) One violation of 49 C.F.R. § 391.51(a) – Failing to maintain driver qualification on file for each driver employed. The Commission assessed a penalty of \$100 for this first-time critical-type violation.
 - (4) Thirty violations of 49 C.F.R. § 395.8(a)(1) – Failing to require a driver to prepare a record of duty status using the appropriate method. The Commission assessed a \$100 “per category” penalty for these first-time critical violations.
 - (5) Two violations of 49 C.F.R. § 396.17(a) – Using a commercial motor vehicle not periodically inspected. The Commission assessed a \$100 “per category” penalty for these first-time critical violations.
 - (6) Two violations of 49 C.F.R. § 396.3(b) – Failing to keep minimum records of inspection and vehicle maintenance. The Commission assessed a \$100 “per category” penalty for these first-time critical violations.
- 3 On April 29, 2025, the Company filed a Waiver of Hearing with the Commission, admitting to all of the violations alleged in the NOIC, waiving its right to a hearing in this matter, and requesting that the Commission issue a decision based on the written information filed in this Docket.
- 4 On April 30, 2025, the Company filed a request for penalty mitigation, in which the Company admitted to the violations alleged in the penalty assessment, requested mitigation of the penalty assessed, and consented to a decision based solely on the written record on file in this Docket.

- 5 Also on April 30, 2025, Staff filed its evaluation of the Company's Safety Management Plan (SMP) submitted on April 16, 2025.²
- 6 On May 9, 2025, the Commission issued a notice cancelling the May 13, 2025, hearing previously scheduled in this proceeding.

DISCUSSION

- 7 Washington law requires household goods carriers to comply with federal safety requirements and undergo routine safety inspections. Staff's March 2025 compliance review of Heezy Haulers found 44 critical or critical-type violations and 17 other safety violations, which resulted in a proposed unsatisfactory safety rating.

Safety Rating

- 8 Staff submitted its SMP Evaluation (Evaluation) on April 30, 2025. As part of its Evaluation, Staff determined that the SMP demonstrates that the Company took corrective action to develop a compliant safety program and implemented systems that if followed, should prevent future repeat violations. Staff states that the Company's SMP properly identifies how the violations occurred, describes the steps the Company took to correct the violations, and put controls in place to ensure that the Company maintains compliance. Staff concludes that the Company's SMP meets the legal requirements of 49 C.F.R. § 385. Staff further recommends that the Commission: 1) Not cancel the Company's provisional permit; 2) Upgrade the Company's proposed unsatisfactory safety rating to conditional; and 3) Extend the Company's provisional period until such time that the Company achieves a satisfactory safety rating, or the Commission finds good cause to cancel the Company's operating authority.
- 9 Based on Staff's Evaluation, the Commission concurs with Staff's conclusion and finds that the Company has submitted a satisfactory SMP that, if followed, should prevent future repeat violations. Consequently, the Commission upgrades the Company's safety rating from unsatisfactory to conditional.

² On May 1, 2025, Staff filed an errata to its Evaluation of Safety Management Plan, correcting some of the dates associated with the proposed payment plan for the Company. The errata did not make any substantive changes to the previously filed evaluation.

- 10 The Commission further agrees with Staff's recommendation to extend the Company's provisional permit for household goods services and to not cancel the Company's authority at this time.
- 11 WAC 480-14-305(1)(b) states that, prior to a grant of permanent authority, an applicant must complete a provisional period of not less than six months and not more than 18 months unless the Commission determines for good cause that the provisional period should be extended. Good cause may include, among other circumstances, a carrier has not yet made an intrastate move or a carrier that has not yet achieved a satisfactory safety rating but is making substantial progress toward a satisfactory rating.³
- 12 The Commission finds good cause to extend the Company's provisional period, based on the substantial progress toward a satisfactory rating through its SMP, until such time that the Company achieves a satisfactory safety rating, or the Commission finds good cause to cancel the Company's operating authority.

Penalty Assessment

- 13 The Commission's objective when enforcing statutes, rules, orders, and tariffs is to ensure jurisdictional services are delivered safely, adequately, and efficiently.⁴
- 14 The Company has submitted a request for mitigation, admitting the violations alleged by Staff but arguing that a lesser penalty is warranted, as the Company is committed to correcting its mistakes and maintaining full compliance in the future.
- 15 As part of its Evaluation, Staff recommends that the Commission mitigate the \$8,200 penalty in this case to \$4,100, with \$2,000 suspended for a period of two-years to be waived, subject to the following conditions:

³ See also WAC 480-15-305(3) ("If the carrier has not completed the requirements for permanent authority within eighteen months of the date the provisional permit was issued, the commission will cancel the provisional permit and dismiss the application for permanent authority, unless the commission determines that for good cause the provisional period should be extended beyond eighteen months. Good cause may include, among other circumstances, a carrier that has not yet made an intrastate move or a carrier that has not yet achieved a satisfactory safety rating but is making substantial progress toward a satisfactory rating."); *In re Application of Heezy Haulers LLC*, Docket TV-230894, Temporary Permit (Dec. 4, 2023)(reflecting a signature date of December 4, 2023).

⁴ Docket A-120061, Enforcement Policy for the Washington Utilities and Transportation Commission (January 7, 2013).

- 1) The Company maintains a conditional safety rating;
- 2) Staff performs a follow-up safety investigation at least six months from the effective date of this Order;
- 3) The Company does not incur any repeat critical violations upon reinspection; and
- 4) The Company pays the \$2,100 portion of the penalty that is not suspended.

16 Staff's Evaluation further states that the Company and Staff have agreed to a proposed payment plan for the unsuspended portion of the penalty in ten equal monthly installments as provided below:

| Installment | Due Date | Amount |
|-------------|-------------------|--------|
| 1 | June 2, 2025 | \$210 |
| 2 | July 1, 2025 | \$210 |
| 3 | August 1, 2025 | \$210 |
| 4 | September 2, 2025 | \$210 |
| 5 | October 1, 2025 | \$210 |
| 6 | November 3, 2025 | \$210 |
| 7 | December 1, 2025 | \$210 |
| 8 | January 2, 2026 | \$210 |
| 9 | February 2, 2026 | \$210 |
| 10 | March 2, 2026 | \$210 |

17 When considering the amount of penalties to impose for violations, the Commission considers the factors enumerated in the Commission's Enforcement Policy. These factors include: 1) How serious or harmful the violation is to the public; 2) Whether the violation was intentional; 3) Whether the company self-reported the violations; 4) Whether the company was cooperative and responsive; 5) Whether the company promptly corrected the violations and remedied the impacts; 6) The number of violations; 7) The number of customers affected; 8) The likelihood of reoccurrence; 9) The company's past performance regarding compliance, violations, and penalties; 10) The company's existing compliance program; and 11) the size of the company.⁵

18 Several factors weigh in favor of mitigation of the penalties in this case. The Company was cooperative through the safety inspection (factor 4), has since corrected the

⁵ *Id.* at 7-9 ¶ 15.

violations (factor 5), has developed a SMP that reduces the risk of reoccurrence (factor 8), has no history of prior penalties for safety violations (factor 9), and is a relatively small company (factor 11).

- 19 However, some factors also weigh against mitigating penalties. The violations admitted by the Company, which include violations related to criminal background checks, medical certification, driver qualifications, vehicle inspection, and records related to inspection and vehicle maintenance, present a safety risk to the public (factor 1). Additionally, the Company has attended training regarding motor carrier safety regulations, suggesting the Company knew or should have known about the requirements that were violated (factor 2). However, the Commission notes that the Company has not previously violated the same regulations and there is no indication that the Company attempted to hide or obscure facts related to Staff's investigation. Furthermore, the Company has admitted to 10 violation types with a total of 131 occurrences, including six violation types with 113 individual occurrences subject to penalties as identified by Staff (factor 6).
- 20 Other factors are mixed or neutral. The Company did not self-report any of the violations (factor 3). Staff states that the Company reported operating over 5,354 miles in its investigation questionnaire for 2024, suggesting that the violations present a public safety risk and could have impacted several customers, though the Commission notes that there is no indication of any customer complaints regarding these violations in the record (factor 7). Finally, while the Company has designated two individuals as responsible for its existing compliance program, it appears that the Company's existing compliance program was insufficient to prevent the violations at issue in this proceeding, though the Company has since developed a plan to improve its compliance (factor 10).
- 21 On balance, the penalty factors support some reduction of the penalty. The Commission finds that Staff's recommended reduction of the penalty to \$4,100, with \$2,000 suspended for a period of two-years from the date this Order becomes final and then waived, subject to the conditions described in paragraph 15 of this Order, is reasonable and adopts the recommendation. Suspending a portion of the penalty will give the Company a reasonable incentive to maintain compliance with Commission requirements and regulations. The Commission also adopts the payment plan described in paragraph 16 of this Order but removes the first payment day, June 2, 2025, and adds an additional

payment date of April 2, 2026, so as to afford the Company an opportunity to seek review of this Order.⁶

FINDINGS AND CONCLUSIONS

- 22 (1) The Commission is an agency of the state of Washington, vested by statute with the authority to regulate the rates, rules, regulations, practices, and accounts of public service companies, including common carriers such as household goods carriers, and has jurisdiction over the parties and subject matter of this proceeding.
- 23 (2) Heezy Haulers is a household goods carrier subject to Commission regulation.
- 24 (3) Heezy Haulers committed eight violations of WAC 480-15-555(1) (Failure to complete a national criminal background check for every person the carrier intends to hire); seventy violations of 49 C.F.R. § 391.45(a) (Using a driver not medically examined and certified); one violation of 49 C.F.R. § 391.51(a) (Failing to maintain driver qualification on file for each driver employed); thirty violations of 49 C.F.R. § 395.8(a)(1) (Failing to require a driver to prepare a record of duty status using the appropriate method); two violations of 49 C.F.R. § 396.17(a) (Using a commercial motor vehicle not periodically inspected); and two violations of 49 C.F.R. § 396.3(b) (Failing to keep minimum records of inspection and vehicle maintenance).
- 25 (4) Heezy Haulers has cured the deficiencies that led to its proposed unsatisfactory safety rating and its safety rating should be upgraded to conditional.
- 26 (5) Heezy Haulers' SMP submitted on April 16, 2025, should be approved and its provisional period should be extended until such time that the Company achieves a satisfactory safety rating, or the Commission finds good cause to cancel the Company's operating authority, as discussed in paragraphs 8 through 12 of this Order.
- 27 (6) The Commission should assess a penalty of \$4,100 for the admitted violations against the Company, with a \$2,000 portion of the penalty suspended for a period

⁶ If the Company has already made an initial payment regarding the payment plan regarding the proposed June 2, 2025 payment date, then that payment shall count toward the final payment date of April 2, 2026.

of two-years from the date this Order becomes final to be waived, subject to the conditions described in paragraph 15 of this Order.

- 28 (7) The Commission finds that it is reasonable for the Company to pay the \$2,100 portion of the penalty that is not suspended under a payment plan, as described in paragraph 16 of this Order, subject to the modification that the first payment date, June 2, 2025, is removed, and a final payment date of April 2, 2026, is added as a replacement.

ORDER

THE COMMISSION ORDERS:

- 29 (1) The Commission approves Heezy Haulers LLC's safety management plan for the reasons described in paragraphs 8 through 12 of this Order.
- 30 (2) Heezy Haulers LLC's proposed unsatisfactory safety rating is upgraded to conditional.
- 31 (3) Heezy Haulers LLC's provision permit should be extended until such time that Heezy Haulers LLC achieves a satisfactory safety rating or the Commission finds good cause to cancel Heezy Haulers LLC's operating authority.
- 32 (4) The Commission assesses a penalty of \$4,100 against Heezy Haulers LLC for the violations described in paragraph 24. The Commission suspends a \$2,000 portion of the penalty for a period of two-years from the date this Order becomes final to be waived, subject to the conditions in paragraph 15 of this Order. Specifically, the \$2,000 portion of the penalty is suspended for a period of two-years from the date this Order becomes final to be waived provided that 1) the Company maintains a condition safety rating; 2) Staff performs a follow-up safety investigation at least six months from the date this Order becomes final; 3) the Company does not incur any repeat critical violations upon reinspection; and 4) the Company pays the \$2,100 portion of the penalty that is not suspended.
- 33 (5) Heezy Haulers LLC shall pay the \$2,100 portion of the penalty that is not suspended pursuant to the payment plan described in paragraph 16 of this Order,

subject to the modification that the first payment date, June 2, 2025, is removed and replaced with a final payment date of April 2, 2026.⁷

DATED at Lacey, Washington, May 19, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

/s/ Harry Fukano

HARRY FUKANO

Administrative Law Judge

⁷ If the Company has already made an initial payment regarding the payment plan regarding the proposed June 2, 2025 payment date, then that payment shall count toward the final payment date of April 2, 2026.

NOTICE TO PARTIES

This is an Initial Order. The action proposed in this Initial Order is not yet effective. If you disagree with this Initial Order and want the Commission to consider your comments, you must take specific action within the time limits outlined below. If you agree with this Initial Order, and you would like the Order to become final before the time limits expire, you may send a letter to the Commission, waiving your right to petition for administrative review.

WAC 480-07-610(7) provides that any party to this proceeding has twenty-one (21) days after the entry of this Initial Order to file a *Petition for Review*. What must be included in any Petition and other requirements for a Petition are stated in WAC 480-07-610(7)(b). WAC 480-07-610(7)(c) states that any party may file a *Response* to a Petition for review within seven (7) days after service of the Petition.

WAC 480-07-830 provides that before entry of a Final Order any party may file a Petition to Reopen a contested proceeding to permit receipt of evidence essential to a decision, but unavailable and not reasonably discoverable at the time of hearing, or for other good and sufficient cause. No Answer to a Petition to Reopen will be accepted for filing absent express notice by the Commission calling for such answer.

RCW 80.01.060(3) provides that an Initial Order will become final without further Commission action if no party seeks administrative review of the Initial Order and if the Commission fails to exercise administrative review on its own motion.

Any Petition or Response must be electronically filed through the Commission's web portal as required by WAC 480-07-140(5). Any Petition or Response filed must also be electronically served on each party of record as required by WAC 480-07-140(1)(b).