



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

621 Woodland Square Loop S.E. • Lacey, Washington 98503

P.O. Box 47250 • Olympia, Washington 98504-7250

(360) 664-1160 • TTY 1-800-833-6384 or 711

January 3, 2024

Kathy Hunter, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

RE: *Washington Utilities and Transportation Commission v. Americam Movers LLC*
Commission Staff's Response to Application for Mitigation of Penalties
Docket TV-230696

Dear Ms. Hunter:

On October 3, 2023, the Washington Utilities and Transportation Commission (Commission) issued a penalty assessment against Americam Movers LLC (Americam Movers or Company) in the amount of \$5,400 for violations of Washington Administrative Code (WAC) 480-15-530, Public Liability and Property Damage Insurance, WAC 480-15-550, Cargo Insurance, and WAC 480-15-560, Vehicle and Driver Safety Requirements, which adopts Title 49 Code of Federal Regulations (49 C.F.R.) 49 C.F.R. Part 391 – Qualification of Drivers, and 49 C.F.R. Part 396 – Inspection, Repair, and Maintenance as follows:

- **Five violations of WAC 480-15-530 – Operating a motor vehicle without having in effect the required minimum levels of financial responsibility coverage.** Americam Movers failed to maintain the required public liability and property damage insurance. The Company allowed its drivers to operate a commercial motor vehicle (CMV) without the required insurance on five occasions between April 21 and June 29, 2023.
- **Five violations of WAC 480-15-550 – Operating a commercial motor vehicle without having adequate cargo insurance coverage.** The Company failed to maintain the required cargo insurance coverage. The Company allowed its drivers to operate a CMV without the required cargo insurance on five occasions between April 21 and June 29, 2023.
- **Forty-two violations of 49 C.F.R. § 391.45(a) – Using a driver not medically examined and certified.** The Company allowed driver Camano Gahagan to operate a

CMV without a valid medical certificate on 42 occasions between February 16 and August 1, 2023.

- **One violation of 49 C.F.R. § 396.21(b)(1) – Failing to retain periodic inspection report for 14 months from date of inspection.** The Company failed to maintain a periodic inspection report for 14 months from date of inspection for one CMV.
- **One violation of 49 C.F.R. § 396.3(a)(1) – Parts and accessories shall be in safe and proper operating condition at all times.** Commission staff (Staff) discovered a CMV that failed the air loss rate test. This CMV was placed out-of-service.

On December 22, 2023, Americam Movers filed with the Commission its application for mitigation of penalties. In the request for mitigation, Camano Gahagan, owner of Americam Movers, admits the violations and asks that the penalties be reduced based on the Company's corrective actions.

Previously, on October 17, 2023, Americam Movers submitted evidence of corrective actions to the docket, detailing how the Company has remedied the violations and how it will prevent recurrence.

In response to the Company's application for mitigation of penalties, Americam Movers submitted a corrective action plan demonstrating that the Company: (1) will only rent replacement trucks with complete financial responsibility, or refer business to other regulated movers; (2) implemented a tracking system to maintain medical certification of drivers; (3) will request previous maintenance records when purchasing CMVs; and (4) repaired the brake system that led to the out-of-service violation. Staff addresses the penalties, as follows:

- The Commission assessed a \$500 penalty for five violations of WAC 480-15-530. The Company states it will not rent trucks from third parties without the required financial responsibility and if unable to obtain that coverage, refer customers to other moving companies. Staff recommends the \$500 penalty be reduced to \$250 for these first time violations.
- The Commission assessed a penalty of \$500 for five violations of WAC 480-15-550. The Company states that it will not rent third party trucks without appropriate cargo insurance coverage. If unable to secure appropriate coverage, Americam Movers will refer customers to other moving companies. Staff recommends the \$500 penalty be reduced to \$250 for these first time violations.
- The Commission assessed a penalty of \$4,200 for 42 violations of 49 C.F.R. § 391.45(a). The Company states that this violation occurred because Gahagan got distracted and forgot to get his medical certificate renewed, despite having an advanced notice calendar reminder in place. The corrective action plan states that the Company has implemented

additional measures to ensure future compliance with this regulation. Americam Movers was previously penalized for violations of 49 C.F.R. § 391.45(a) in Docket TV-210275. The Company was aware of its requirement to ensure its drivers are medically certified at all times while operating CMVs. Despite previous technical assistance and penalty, Americam Movers still incurred repeat violations of this critical-type regulation. Staff recommends no mitigation of the \$4,200 penalty.

- The Commission assessed a penalty of \$100 for one violation of 49 C.F.R. § 396.21(b)(1). The Company states that it purchased a vehicle from a dealership and did not understand that it needed to obtain previous annual inspection records. This is a repeat violation from Staff's initial safety investigation of Americam Movers from April 2021. Staff recommends no mitigation of this repeat violation.
- The Commission assessed a penalty of \$100 for one violation of 49 C.F.R. § 396.3(a)(1). The Company provided evidence that its CMV brake system was repaired. Staff recommends the penalty be reduced to \$50.

Staff recommends the assessed \$5,400 penalty be mitigated to \$4,850.

If you have any questions, please contact Jason Sharp, Motor Carrier Safety Supervisor, Transportation Safety, at (360) 701-1603, or by email at jason.sharp@utc.wa.gov.

Sincerely,

Jason Sharp
Motor Carrier Safety Supervisor, Transportation Safety