

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**NOTICE OF PENALTIES INCURRED AND DUE
FOR VIOLATIONS OF LAWS AND RULES**

PENALTY ASSESSMENT: TE-230263
PENALTY AMOUNT: \$400

Presidential Transportation LLC
918 Horton St., Ste. 1010
Seattle, WA 98134

The Washington Utilities and Transportation Commission (Commission) believes Presidential Transportation LLC (Presidential Transportation or Company) violated Washington Administrative Code (WAC) 480-30-221, Vehicle and Driver Safety Requirements, which adopts Title 49 Code of Federal Regulations (49 C.F.R.) Part 391 – Qualification of Drivers, 49 C.F.R. Part 395 – Hours of Service of Drivers, and 49 C.F.R. Part 396 – Inspection, Repair, and Maintenance.

Revised Code of Washington (RCW) 81.04.405 allows penalties of \$100 for each violation. In the case of an ongoing violation, every day's continuance is considered a separate and distinct violation.

On April 17, 2023, Commission Motor Carrier Investigator Sandra Yeomans completed a routine safety investigation of Presidential Transportation and documented the following violations:

- **Five violations of 49 C.F.R. § 391.21(a) – Using a driver who has not completed and furnished an employment application.** Presidential Transportation failed to complete employment applications for drivers Larry Hebert, Olympia Williams, Shelby Smith, Chris Bailey, and Tyrone Henry.
- **Two violations of 49 C.F.R. § 391.25(a) – Failing to make an inquiry into the driving record of each driver to the appropriate state agencies in which the driver held a commercial motor vehicle (CMV) operator's license at least once every 12 months.** The Company failed to acquire the driving records of Shelby Smith and Chris Bailey at least once every 12 months.
- **One hundred fifty violations of 49 C.F.R. § 395.8(a)(1) – Failing to require driver to make a record of duty status.** Presidential Transportation failed to maintain records of duty status for drivers Larry Hebert, Olympia Williams, Shelby Smith, Chris Bailey, and Tyrone Henry on 150 occasions between January 1 and January 30, 2023.
- **Five violations of 49 C.F.R. § 396.3(b) – Failing to keep minimum records of inspection and vehicle maintenance.** The Company failed to maintain minimum records of inspection and vehicle maintenance for five CMVs.

The Commission considered the following factors in determining the appropriate penalties for these violations:

1. **How serious or harmful the violations are to the public.** The violations noted are serious and potentially harmful to the public. Passenger transportation companies that: (1) use drivers without first completing employment applications, (2) fail to obtain annual driving records for its drivers, (3) fail to maintain records of duty status, and (4) fail to keep minimum records of inspection and vehicle maintenance put their customers and the traveling public at risk. These violations present significant safety concerns.
2. **Whether the violations were intentional.** Considerations include:
 - Whether the Company ignored Commission staff's (Staff) previous technical assistance; and
 - Whether there is clear evidence through documentation or other means that shows the Company knew of and failed to correct the violation.

On November 18, 2013, the Commission received the Company's application for charter and excursion authority. In the application, Keith Asphy, president of Presidential Transportation, acknowledged the Company's responsibility to understand and comply with applicable motor carrier safety rules.

On June 19, 2017, Staff completed a routine safety investigation of Presidential Transportation and identified violations of 49 C.F.R. § 391.21(a) and 49 C.F.R. § 391.25(a).

On January 17, 2020, the Commission received Presidential Transportation's application to reinstate its charter and excursion authority. In the application, Keith Asphy acknowledged the Company's responsibility to understand and comply with applicable motor carrier safety rules. The Company knew or should have known about these requirements.

3. **Whether the Company self-reported the violations.** Presidential Transportation did not self-report these violations.
4. **Whether the Company was cooperative and responsive.** The Company was cooperative throughout the safety investigation.
5. **Whether the Company promptly corrected the violations and remedied the impacts.** Presidential Transportation made corrections during the safety investigation.
6. **The number of violations.** Staff identified 16 violation types with a total of 190 individual occurrences during its routine safety investigation of Presidential Transportation. Of those violations, Staff identified four violation types with 162 individual occurrences that warrant penalties in accordance with the Commission's Enforcement Policy.
7. **The number of customers affected.** Presidential Transportation reported traveling 4,948 miles in 2022. These safety violations presented a public safety risk.

8. **The likelihood of recurrence.** Staff provided technical assistance with specific remedies to help the Company assess how well its safety management controls support safe operations and how to begin improving its safety performance. Staff believe the likelihood of recurrence is low if the Company prioritizes safe operations.
9. **The Company's past performance regarding compliance, violations, and penalties.** On August 10, 2016, the Commission assessed a \$250 penalty against Presidential Transportation for failure to file an annual report and pay regulatory fees in Docket TE-160724. The Company paid the penalty in full.

On July 13, 2017, the Commission assessed a \$100 penalty against Presidential Transportation for safety violations of WAC 480-30-221 in Docket TC-170753. The Company paid the penalty in full.

On November 5, 2019, the Commission canceled the Company's certificate in Docket TE-190915 for failure to file acceptable proof of insurance. The Company's certificate was reinstated on January 21, 2020, in Docket TE-200043.
10. **The Company's existing compliance program.** Keith Asphy is responsible for the Company's safety compliance program.
11. **The size of the Company.** Presidential Transportation employs seven drivers and operates seven CMVs. The Company reported \$528,309 in gross revenue for 2022.

The Commission's Enforcement Policy provides that some Commission requirements are so fundamental to safe operations that the Commission will issue mandatory penalties for each occurrence of a first-time violation.¹ The Commission generally will assess penalties by violation category, rather than per occurrence, for first-time violations of those critical regulations that do not meet the requirements for mandatory penalties. The Commission will assess penalties for any equipment violation meeting the Federal Motor Carrier Safety Administration's "out-of-service" criteria and for repeat violations of critical regulations, including each occurrence of a repeat violation.

The Commission has considered these factors and determined that it should penalize Presidential Transportation \$400 (Penalty Assessment), calculated as follows:

- Five violations of 49 C.F.R. § 391.21(a) – Using a driver who has not completed and furnished an employment application. The Commission assesses a "per category" penalty of \$100 for these repeat violations.
- Two violations of 49 C.F.R. § 391.25(a) – Failing to make an inquiry into the driving record of each driver to the appropriate state agencies in which the driver held a CMV

¹ Docket A-120061 – Enforcement Policy of the Washington Utilities & Transportation Commission – Section V.

operator's license at least once every 12 months. The Commission assesses a "per category" penalty of \$100 for these repeat violations.

- One hundred fifty violations of 49 C.F.R. § 395.8(a)(1) – Failing to require driver to make a record of duty status. The Commission assesses a "per category" penalty of \$100 for these critical violations.
- Five violations of 49 C.F.R. § 396.3(b) – Failing to keep minimum records of inspection and vehicle maintenance. The Commission assesses a "per category" penalty of \$100 for these critical violations.

This information, if proven at a hearing and not rebutted or explained, is sufficient to support the Penalty Assessment.

Your penalty is due and payable now. If you believe any or all the violations did not occur, you may deny committing the violation(s) and contest the penalty through evidence presented at a hearing or in writing. Alternatively, if there is a reason for any or all the violations that you believe should excuse you from the penalty, you may ask for mitigation (reduction) of the penalty through evidence presented at a hearing or in writing. The Commission will grant a request for hearing only if material issues of law or fact require consideration of evidence and resolution in a hearing. Any request to contest the violation(s) or for mitigation of the penalty must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. *See* RCW 81.04.405.

If you properly present your request for a hearing and the Commission grants that request, the Commission will review the evidence supporting your dispute of the violation(s) or application for mitigation in a Brief Adjudicative Proceeding before an administrative law judge. The administrative law judge will consider the evidence and will notify you of their decision.

You must act within 15 days after receiving this notice to do one of the following:

- Pay the amount due.
- Contest the occurrence of the violation(s).
- Admit the violations but request mitigation of the penalty amount.

Please indicate your selection on the enclosed form and submit it electronically through the Commission's web portal at <https://efiling.utc.wa.gov/Form> **within FIFTEEN (15) days** after you receive this Penalty Assessment.² If you are unable to use the web portal, you may submit it via email to records@utc.wa.gov. If you are unable to submit the form electronically, you may send a paper copy to the Washington Utilities and Transportation Commission, PO Box 47250, Olympia, Washington 98504-7250.

² <https://efiling.utc.wa.gov/Form>.

If you wish to make a payment online, please use this link: Make a Payment Now (wa.gov).³

If you do not act within 15 days, the Commission may take additional enforcement action, including but not necessarily limited to suspending or revoking your certificate to provide regulated service, assessing additional penalties, or referring this matter to the Office of the Attorney General for collection.

DATED at Lacey, Washington, and effective April 28, 2023.

/s/ Rayne Pearson
RAYNE PEARSON
Director, Administrative Law Division

³ <https://www.utc.wa.gov/documents-and-proceedings/online-payments/make-payment-now>

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
PENALTY ASSESSMENT TE-230263

PLEASE NOTE: You must complete and sign this document and send it to the Commission within 15 days after you receive the Penalty Assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

- [] 1. **Payment of penalty.** I admit that the violations occurred.
 - [] Enclose \$400 in payment of the penalty.
 - OR [] Attest that I have paid the penalty in full through the Commission’s payment portal.

- [] 2. **Contest the violation(s).** I believe that the alleged violation(s) did not occur for the reasons I describe below (**if you do not include reasons supporting your contest here, your request will be denied**):
 - [] a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision.
 - OR [] b) I ask for a Commission decision based solely on the information I provide above.

- [] 3. **Application for mitigation.** I admit the violations, but I believe that the penalty should be reduced for the reasons set out below (**if you do not include reasons supporting your application here, your request will be denied**):
 - [] a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision.
 - OR [] b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: _____ [month/day/year], at _____ [city, state]

Name of Respondent (company) – please print

Signature of Applicant

RCW 9A.72.020 "Perjury in the first degree."

- (1) A person is guilty of perjury in the first degree if in any official proceeding he or she makes a materially false statement which he or she knows to be false under an oath required or authorized by law.
- (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor's mistaken belief that his or her statement was not material is not a defense to a prosecution under this section.
- (3) Perjury in the first degree is a class B felony.