

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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

PENALTY ASSESSMENT: TV-240603

PENALTY AMOUNT: \$3,600

PMC Moving LLC
2100 196th Street SW #110
Lynnwood, WA 98036

The Washington Utilities and Transportation Commission (Commission) believes PMC Moving LLC (PMC Moving or Company) violated Washington Administrative Code (WAC) 480-15-555, Criminal Background Checks for Prospective Employees and WAC 480-15-560, Vehicle and Driver Safety Requirements, which adopts Title 49 Code of Federal Regulations (49 C.F.R.) Part 390 - Safety Regulations, General, and 49 C.F.R. Part 391 - Qualifications of Drivers.

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 August 12, 2024, Commission Motor Carrier Safety Investigator Sandra Yeomans completed a routine safety investigation of PMC Moving and documented the following violations:

- **Nine violations of WAC 480-15-555 - Carrier failed to complete a national criminal background check for an employee.** The Company failed to acquire criminal background checks prior to hiring employees Alex, Rocky, Garrett Coleman, Guy Higa, Joseph McBride, Charles Medley, Kevin Mills, Colby Phelps, and Memo Will.
- **One violation of 49 C.F.R. § 390.19(b)(2) - Failing to file the appropriate form under 390.19(a) (MCS-150, 150B, or 150C) each 24 months according to schedule.** The Company failed to update its MCS-150 with correct information at the time of the biennial update or as a routine update.
- **Twenty-six violations of 49 C.F.R. § 391.45(a) - Using a driver not medically examined and certified.** PMC Moving allowed driver John Mitchell to operate a motor vehicle without a valid medical certificate on 26 occasions between May 8, 2024, and June 20, 2024.

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. Household goods moving companies that: (1) fail to conduct criminal background checks prior to hiring their employees; (2) fail to provide timely data in their Motor Carrier Identification Report; and (3) use drivers who

are not medically certified put their customers, their customers' belongings, and the traveling public at risk. These violations present 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 violations.

On April 5, 2010, the Commission received the Company's application for household goods moving authority. In the application, John Lutz, part owner of PMC Moving, acknowledged the Company's responsibility to understand and comply with applicable motor carrier safety laws and regulations.

On January 19, 2011, John Lutz and John Donoghue, owners of PMC Moving, attended household goods training provided by Staff and acknowledged receiving training pertaining to motor carrier safety regulations.

On July 29, 2014, Staff completed a routine safety investigation of PMC Moving and discovered violations of 49 C.F.R. § 391.45(a).

On April 28, 2022, Staff completed a routine safety investigation of PMC Moving and discovered violations of WAC 480-15-555, 49 C.F.R. § 390.19(b)(2), and 49 C.F.R. § 391.45(a).

The Company knew or should have known about these requirements.

3. **Whether the Company self-reported the violations.** PMC Moving did not self-report these violations.
4. **Whether the Company was cooperative and responsive.** The Company was cooperative and responsive during the safety investigation.
5. **Whether the Company promptly corrected the violations and remedied the impacts.** PMC Moving corrected violations as they were presented.
6. **The number of violations.** Staff identified six violation types with a total of 39 individual occurrences during the routine safety investigation of PMC Moving. Of those violations, Staff identified three violation types with 36 individual occurrences that warrant a penalty in accordance with the Commission's Enforcement Policy.
7. **The number of customers affected.** PMC Moving last reported traveling 48,000 miles for 2023. These safety violations present a public safety risk.

8. **The likelihood of recurrence.** The Company incurred repeat violations despite prior technical assistance and suspended penalties. Absent a significant commitment to prioritize safe operations, the violations are likely to reoccur.
9. **The Company's past performance regarding compliance, violations, and penalties.** On December 15, 2014, PMC Moving was penalized \$4,500 in Docket TV-143221 for safety violations of WAC 480-15-560 and WAC 480-15-570. The Company paid the penalty in full.

On May 9, 2022, PMC Moving was penalized \$41,400 in docket TV-220303 for safety violations of WAC 480-15-555 and WAC 480-15-560. On June 9, 2022, the Commission entered Order 01, granting mitigation to \$20,850 and suspending a \$10,000 portion of the penalty for two years. On October 6, 2023, PMC Moving completed payment of the \$10,850 portion of the penalty that was not suspended.

On August 19, 2024, the Commission imposed the \$10,000 suspended penalty for repeat violations of critical regulations in Docket TV-220303.
10. **The Company's existing compliance program.** John Lutz is responsible for the Company's safety compliance program.
11. **The size of the Company.** The Company employs six drivers and operates five commercial motor vehicles. The Company reported \$1,500,000 gross revenue in 2023.

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 also 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 PMC Moving \$3,600 (Penalty Assessment), calculated as follows:

- Nine violations of WAC 480-15-555 - Carrier failed to complete a national criminal background check for an employee. The Commission assesses a penalty of \$100 for each occurrence of these repeat critical violations, for a total of \$900.

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

- One violation of 49 C.F.R. § 390.19(b)(2) - Failing to file the appropriate form under 390.19(a) (MCS-150, 150B, or 150C) each 24 months according to schedule. The Commission assesses a penalty of \$100 for this repeat violation.
- Twenty-six violations of 49 C.F.R. § 391.45(a) - Using a driver not medically examined and certified. The Commission assesses a penalty of \$100 for each occurrence of these repeat critical violations, for a total of \$2,600.

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 the violations did not occur, you may deny committing the violations and contest the penalty through evidence presented at a hearing or in writing. Alternatively, if there is a reason for 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 violations 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 violations 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 violations.
- 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.

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

² <https://efiling.utc.wa.gov/Form>.

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

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 August 30, 2024.

/s/ James E. Brown II
JAMES E. BROWN II
Interim Director, Administrative Law
Division

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
PENALTY ASSESSMENT TV-240603

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, ,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 \$3,600 in payment of the penalty.
 OR Attest that I have paid the penalty in full through the Commission's payment portal.
2. **Contest the violations.** I believe that the alleged violations 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 they make a materially false statement which they know 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 their 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.