

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

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

PENALTY ASSESSMENT: TE-250501

PENALTY AMOUNT: \$200

First Student, Inc.  
201 NE Park Plaza Drive, Suite 246  
Vancouver, WA 98684  
[Gregory.Newman@firstgroup.com](mailto:Gregory.Newman@firstgroup.com)

The Washington Utilities and Transportation Commission (Commission) believes that First Student, Inc. (First Student or Company) violated Washington Administrative Code (WAC) 480-30-221, Vehicle and Driver Safety Requirements, which adopts Title 49 Code of Federal Regulations (C.F.R.) Part 393 – Parts and Accessories Necessary for Safe Operation.

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 June 23, 2025, Commission Motor Carrier Investigator Francine Gagne completed a follow up safety investigation of First Student and documented the following violations:

- **One violation of 49 C.F.R. § 393.28 – Buses – Electrical cable insulation chafed/frayed/damaged/burnt exposing wire.** Commission staff (Staff) discovered a commercial motor vehicle (CMV) with the wiring to the front heated mirror exposed through the protective cover on the passenger side. The vehicle was placed out-of-service.<sup>1</sup>
- **One violation of 49 C.F.R. § 393.75(a)(3) – Tire flat and/or audible air leak.** Staff discovered a CMV with a flat tire. The vehicle was placed out-of-service.<sup>2</sup>

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 very serious and potentially harmful to the public. Passenger transportation companies that use CMVs with exposed wires and flat tires put their customers and the traveling public at risk. These violations present serious safety concerns.
2. **Whether the violations were intentional.** Considerations include:
  - Whether the company ignored Staff's previous technical assistance; and

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<sup>1</sup> VIN 4UZABRDTHIHCJD4945

<sup>2</sup> VIN 4UZABRFCXKCKT8522

- Whether there is clear evidence through documentation or other means that shows the company knew of and failed to correct the violations.

The Company began operations in Washington state in 2009 and has been subject to numerous safety investigations and technical assistance assignments provided by Staff.

The Company knew or should have known about these requirements.

3. **Whether the Company self-reported the violations.** The Company did not self-report these violations.
4. **Whether the Company was cooperative and responsive.** The Company was cooperative throughout the safety investigation and expressed a desire to come into compliance.
5. **Whether the Company promptly corrected the violations and remedied the impacts.** The Company notified Staff that it corrected the violations.
6. **The number of violations.** Staff identified 12 violation types with a total of 24 occurrences. Of those violations, Staff identified two violation types with two individual occurrences that warrant penalties in accordance with the Commission's Enforcement Policy.
7. **The number of customers affected.** The Company reported 1,026,000 miles traveled in 2024. A significant number of customers, as well as members of the traveling public, were potentially affected by these safety violations.
8. **The likelihood of recurrence.** The Company was cooperative throughout the safety investigation, made corrections, and was 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. In light of these factors, Staff believes the likelihood of recurrence is low.
9. **The Company's past performance regarding compliance, violations, and penalties.** On March 6, 2008, First Student was penalized \$100 in Docket TE-080342 for failing to file its 2007 annual report and pay 2008 regulatory fees by the due date.

On June 16, 2010, the Company was penalized \$100 in Docket TE-101063 for using a driver without valid medical certification.

On March 4, 2013, First Student was penalized \$200 in Docket TE-130199 for failing to file its 2012 annual report and pay 2013 regulatory fees by the due date.

On June 9, 2015, the Company was penalized \$1,000 in Docket TE-151023 for failing to file its 2014 annual report and pay 2015 regulatory fees by the due date.

On June 21, 2016, First Student was penalized \$1,000 in Docket TE-160699 for failing to file its 2015 annual report and pay 2016 regulatory fees by the due date.

On June 20, 2017, First Student was penalized \$1,000 in Docket TE-170618 for failing to file its 2016 annual report and pay 2017 regulatory fees by the due date.

On March 28, 2019, First Student was penalized \$23,700 in Docket TE-190152 for safety violations.

On November 4, 2021, First Student was penalized \$44,900 in penalties in Docket TE-210904.

On April 13, 2022, through Order 03/02, the Commission approved a settlement agreement in Dockets TE-190152 and TE-210904, assessing a penalty of \$198,000. A \$120,000 portion of the penalty was suspended for a period of three years, to be waived thereafter, provided that First Student complied with the terms of the settlement. On June 30, 2025, the Commission waived the suspended portion of the penalty following the Company's compliance with the conditions.

**10. The Company's existing compliance program.** Gregory Newman, Regional VP of Operations for First Student, is responsible for the Company's safety compliance program.

**11. The size of the Company.** First Student is a large company operating 762 commercial motor vehicles and employing 518 commercial drivers. The Company reported \$6,400,000 in gross revenue in 2024.

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.<sup>3</sup> The Commission will generally assess penalties per type of violation, 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 First Student \$200 (Penalty Assessment), calculated as follows:

- One violation of 49 CFR § 393.28 – Buses – Electrical cable insulation chafed/frayed/damaged/burnt exposing wire. The Commission assesses a penalty in the amount of \$100.
- One violation of 49 C.F.R. § 393.75(a)(3) – Tire flat and/or audible air leak. The Commission assesses a penalty in the amount of \$100.

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<sup>3</sup> Docket A-120061 – Enforcement Policy of the Washington Utilities & Transportation Commission – Section V.

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 of 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. Or, if there is a reason for any or all of 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 his or her 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.
- Request mitigation to contest the amount of the penalty.

Please indicate your selection on the enclosed form and submit it electronically through the Commission's web portal **within FIFTEEN (15) days** after you receive this notice. If you are unable to use the web portal, you may submit it via email to [records@utc.wa.gov](mailto: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 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 4, 2025.

/s/ Connor Thompson  
CONNOR THOMPSON  
Director, Administrative Law Division

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**  
**PENALTY ASSESSMENT TE-250501**

**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 and enclose \$200 in payment of the penalty.

☐ 2. **Contest the violations.** I believe that some or all of 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 he makes a materially false statement which he 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 statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class