

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant, v. ALL STAR TRANSFER, LARON WILLIAMS INC., D/B/A ALLSTAR MOVING & STORAGE, ALLSTAR MOVERS, AND CAREFUL MOVERS Respondent.	DOCKET TV-180236 ORDER 01 IMPOSING PENALTIES; DEFAULT ORDER
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BACKGROUND

- 1 On August 22, 2018, the Washington Utilities and Transportation Commission (Commission) issued a Complaint for Penalties and Notice of Brief Adjudicative Proceeding against All Star Transfer, Laron Williams Inc., d/b/a Allstar Moving & Storage, Allstar Movers, And Careful Movers (All Star Transfer or Company). In its Complaint, Commission staff (Staff) alleges All Star Transfer committed at least 21 separate violations of Commission rules and state laws, and requests that the Commission impose monetary penalties on All Star pursuant to RCW 81.04.380. The Commission set a brief adjudicative proceeding to determine whether the alleged violations occurred and, if so, the appropriate remedy for the violations.
- 2 On September 25, 2018, the Commission convened the brief adjudicative proceeding before Administrative Law Judge Laura Chartoff. Commission staff (Staff) was the only party that appeared at the hearing. Staff moved for default pursuant to RCW 34.05.440(2) and WAC 480-07-450. Staff also requested that it be allowed to present a prima facie case demonstrating that All Star committed the violations alleged in the petition and to make a recommendation regarding penalties.
- 3 RCW 34.05.440(2) allows the presiding officer discretion to enter a “default or other dispositive order” if a party fails to appear at the hearing. Based on the failure of All Star Transfer to appear, the Administrative Law Judge granted Staff’s request to enter a default order and allowed Staff to present its prima facie case.

4 Staff presented the testimony of Jason Hoxit, Commission Compliance Investigator. Mr. Hoxit provided Staff's Investigation Report and supporting documentation detailing the violations that resulted in Staff's Complaint and Request for Penalties.

5 Mr. Hoxit testified that Staff initiated a follow-up compliance investigation into All Star Transfer's business practices. Pursuant to the Commission's authority in RCW 81.04.070, the Commission's Executive Director and Secretary wrote to All Star Transfer on September 26, 2016, and directed the Company to provide all original documents related to the last 25 residential moves it performed in Washington State. Mr. Hoxit testified that the Company provided documents associated with 13 different moves conducted from July 1, 2016, through October 4, 2016.

6 Mr. Hoxit documented one violation of RCW 81.04.380, which requires every public service company to obey, observe and comply with every order, rule, direction or requirement made by the Commission under authority of Title 81 RCW. Mr. Hoxit explained that the documents the Company provided to the Commission included one estimate that was not the original estimate provided to a customer. The estimate provided to the customer charged a flat rate of \$1,140, which is the same amount the customer paid, as evidenced by the cancelled check.¹ The estimate provided to the Commission was a different nonbinding estimate charging tariff rates.²

7 Mr. Hoxit documented 2 violations of WAC 480-15-490(3), which requires household goods carriers to follow the terms, conditions, and rates authorized by Tariff 15-C. Tariff 15-C, Item 230 sets forth the minimum and maximum hourly rate that a carrier may charge, and provides that the minimum charge for a shipment moving under hourly rates shall be one hour. Mr. Hoxit documented that on at least two occasions, All Star Transfer charged the customer a three-hour minimum, which is not permitted under the tariff.³ Mr. Hoxit testified that Staff previously provided technical assistance to All Star Transfer on this issue.⁴

8 Mr. Hoxit documented six violations of WAC 480-15-630, which requires household goods carriers to issue an estimate prior to every move, and requires the estimate to

¹ TR 13-15; Investigation Report – All Star Transfer, Laron Williams, Inc., June 2018, Appendix I, p. 45-48.

² TR 13-15; Investigation Report, Appendix H, p. 44.

³ TR 17; Investigation Report, Appendix J, p. 49 and Appendix L, p. 52.

⁴ TR 19: 9-12.

include all of the elements listed in Tariff 15-C. As relevant here, Tariff 15-C requires carriers to:

- Provide each customer a copy of the Consumer guide to Moving in Washington State at the time the carrier gives the customer a written estimate, and to provide a space on the estimate for a customer to initial or sign to indicate receipt of the Guide;⁵
- Include a customer's name, phone number and address in its estimate;⁶
- Include the number of carrier personnel and vehicles that will be used, the number of hours each will be involved in the move, and the associated rates and charges, if the move is local;⁷
- Provide a statement that the estimate is a guarantee of the cost of the move, when issuing a binding estimate, and will not charge above the estimate without preparing a supplemental estimate;⁸
- Include specific information in a nonbinding estimate, including the forms of payment that the carrier will accept when providing an estimate;⁹
- And, require all written estimates to be signed and dated by the carrier and customer when an estimate is provided prior to the move.¹⁰

Mr. Hoxit provided copies of six of the Company's estimates that he alleges did not meet one or more the above listed criteria.¹¹ He further explained that several of the errors were repeat violations.¹²

- 9 Mr. Hoxit documented at least six violations of WAC 480-15-630 and Tariff 15-C, Item 85, which requires a carrier to provide a household goods cube sheet inventory of the

⁵ Tariff 15-C, Items 85(1) & 85(2)(c)

⁶ Tariff 15-C, Item 85(2)(d)

⁷Tariff 15-C Item 85(2)(i)

⁸Tariff 15-C Item 85(2)(q)

⁹ Tariff 15-C Item 85(2)(r)

¹⁰ WAC 480-15-630(8); Tariff 15-C, Item 85(2)(t)

¹¹ Investigation Report, Appendix N, p 73- 86.

¹² TR 21: 6-7, TR 23: 23-24, TR 24:11-12

items upon which the estimate is based, and the estimated cubic footage of each item. Mr. Hoxit testified that cube sheets were missing for at least six moves, and only one of the remaining cube sheets was filled out.¹³

10 Mr. Hoxit documented at least 6 violations of WAC 480-15-710 and Tariff 15-C, Item 95, which requires a carrier to include particular information in a bill of lading. As relevant here, Tariff 15-C, Item 95 requires carriers to:

- Have both carrier and customer sign and date the bill of lading;¹⁴
- Include the name and telephone number of the customer in the bill of lading;¹⁵
- Include the exact address of the origin of the move in the bill of lading;¹⁶
- Include a specifically-worded section where a customer must select, by signing his or her initials, the type of loss and damage protection for the shipment in the bill of lading;¹⁷
- Include the start, stop, and interruption time for each employee involved in a move, as well as the time the carrier was released to go to another customer, on the bill of lading;¹⁸ and
- Include the amount and type of every charge assessed as a separate line item in the bill of lading.¹⁹

Mr. Hoxit provided copies of the Company's bills of lading that he alleges did not meet one or more of the above-listed criteria.²⁰ Mr. Hoxit testified that several of the violations

¹³ TR 25: 15-21

¹⁴ Tariff 15-C, Item 95(1).

¹⁵ Tariff 15-C, Item 95(1)(b).

¹⁶ Tariff 15-C, Item 95(1)(m).

¹⁷ Tariff 15-C, Item 95(1)(k).

¹⁸ Tariff 15-C, Item 95(1)(m).

¹⁹ Tariff 15-C, Item 95(1)(n).

²⁰ Investigation Report, Appendix T.

were repeat violations and that All Star transfer previously received both technical assistance and penalties for the same violations.²¹

- 11 Mr. Hoxit documented one violation of WAC 480-15-490 and Tariff 15-C, Item 205, which requires a carrier to not assess additional charges for other services performed in the course of hourly-charged transportation other than the hourly rate, unless the other services require special equipment or materials. Mr. Hoxit testified that All Star Transfer violated Item 205(3) by charging for paper pads, tape, and paper in violation of the requirements in Item 205(3), paragraphs 45-47, on one occasion.²²
- 12 Mr. Hoxit documented one violation of WAC 480-15-660(3), Tariff 15-C which prohibits carriers from requiring a customer to pay more than 125 percent of the estimate regardless of the total cost unless the carrier issues, and the customer accepts, a supplemental estimate. Mr. Hoxit testified that All Star Transfer failed to provide a consumer with a supplemental estimate for a residential move performed on July 26, 2016, where the amount charged exceeded 125 percent of the amount quoted on the estimate.²³ Mr. Hoxit testified that Staff previously provided technical assistance to All Star Transfer for this requirement.²⁴
- 13 Mr. Hoxit documented at least one violation of WAC 480-15-630, which requires a carrier to, among other things, include its Commission-issued permit number in any advertising for household goods moving services, and prohibits misleading, false, or deceptive advertising. Mr. Hoxit provided a copy of All Star Transfer's websites, which did not display the Company's permit number.²⁵ Mr. Hoxit further testified that one website contained misleading statements such as "Save up to 60% on Local and Nationwide Long Distance Moving" and contained a broken link to a coupon.²⁶ Mr. Hoxit testified that because carriers must charge Tariff rates, Staff is unable to determine whether the rates are within the allowed rate band.²⁷

²¹ TR 31:18-21, TR 32:2-6.

²² TR 32:15-23, Investigation Report, Appendix M.

²³ TR 26-27; See Investigation Report, Appendix O for a copy of the estimate, and Appendix M for a copy of the bill of lading.

²⁴ TR 27:21-23.

²⁵ TR 35:9-11.

²⁶ TR 36:19-25.

²⁷ TR 37:2-9.

- 14 Finally, Mr. Hoxit stated his recommendation that the Commission impose a penalty of \$1,000 per violation, for a total penalty of \$21,000.²⁸ Mr. Hoxit recommends that the Commission require All Star Transfer to include its permit number on each advertisement and to refrain from misleading, false, or deceptive advertising. Mr. Hoxit further recommended that All Star Transfer's management and employees be required to attend Household Goods Training provided by the Commission. Staff plans to conduct a follow-up investigation in one year.
- 15 Jennifer Cameron-Rulkowski, Assistant Attorney General, Olympia, Washington, represents Staff.
- 16 **Post Hearing Process.** On October 2, 2018, All Star Transfer sent emails to Staff's counsel stating that its owner, Laron Williams, had been out of state for a family memorial since September 15, 2018. The emails further stated that All Star Transfer will not accept electronic service of Commission documents. Finally, All Star Transfer stated that it is unable to print or receive most attachments, so it requires paper service of documents.
- 17 On October 5, 2018, the Commission issued a notice to the Company providing the opportunity for a hearing, and extending the date for entry of the initial order. The notice explained that the Complaint and Notice of Hearing was served electronically, as required by Commission rules, and that the Commission does not allow regulated companies to refuse email service or demand service by mail. Nonetheless, the Commission concluded there was good cause to vacate the order of default and provide All Star Transfer an opportunity to respond to the Complaint at a brief adjudicative proceeding. The notice provided All Star Transfer until October 25, 2018, to contact Staff to establish an agreed date for the continued proceeding.
- 18 On October 26, 2018, Staff filed a letter in this docket stating that Staff has not been contacted by All Star Transfer. Then on October 30, 2018, Staff from the Commission's Administrative Law Division called and left a voicemail with All Star Transfer, explaining the case history and stating that a default order would be entered shortly unless the Company contacts the Commission to schedule a hearing. As of the date of this decision, All Star Transfer has not responded to the voicemail or contacted Staff.

²⁸ Staff recommended penalties for 21 of the 24 violations. In its Complaint, Staff recommended the Company issue refunds to customers in lieu of penalties for two of the violations, but withdrew that request at the hearing. Staff did not recommend penalties for the first-time advertising violations.

DISCUSSION AND DECISION

A. Default

19 The Notice of brief adjudicative proceeding states that any party who fails to attend or participate in the hearing may be held in default in accordance with the terms of RCW 34.05.440 and WAC 480-07-450. RCW 34.05.440(2) provides: “If a party fails to attend or participate in a hearing or other stage of an adjudicative proceeding ... the presiding officer may serve upon all parties a default or other dispositive order, which shall include a statement of the grounds for the order.” WAC 480-07-450(1) provides that the Commission may find a party in default if the party fails to appear at the time and place set for a hearing.

20 All Star Transfer was properly and legally served with the Notice of Brief Adjudicative Proceeding and was provided due and proper notice of the September 25, 2018, hearing.²⁹ All Star Transfer did not appear at the hearing and was held in default. On October 2, 2018, the Commission was notified that All Star Transfer was out of town on the hearing date and was not aware of the hearing until after it occurred. Accordingly, on October 5, 2018, the Commission issued a notice vacating the default order and giving All Star Transfer the opportunity to work with Staff to establish a hearing date to continue the proceeding. As of the date of this Order, All Star has failed to contact the Commission to request a hearing date and failed to respond to Administrative Law Division Staff’s attempt to reach the Company by phone. Because the Company failed to appear at the hearing and failed to respond to the notice of opportunity to continue the hearing, we hereby find the Company in default.

21 WAC 480-07-450(2) states: “A party who is dismissed from a proceeding or found in default may contest the order of dismissal or default by written motion filed within ten days after service of the order. A dismissed party found in default may request that the order be vacated and, if the order is dispositive of the proceeding, that the proceeding be reopened for further process.” A notice appearing at the end of this order provides instructions for filing such a notice with the Commission.

B. Penalties

22 The evidence Staff presented through testimony and exhibits establishes that All Star Transfer committed at least 21 violations of Commission rules governing household goods carrier operations and Tariff 15-C, as described above.

²⁹ Docket TV-180236, All Star Transfer Compliant, Proof of Service dated August 22, 2018.

23 Violations discovered during investigations are subject to penalties of up to \$1,000 per violation. In this case, Staff recommends that the Commission assess All Star Transfer a penalty of \$21,000 for 21 repeat violations of WAC 480-15 and Tariff 15-C.

24 The Commission considers a number of factors when determining the amount of penalty to impose, including the number of violations, whether the violations were intentional, whether the Company promptly corrected the violations, the likelihood of recurrence, the Company's past performance regarding compliance, and the size of the Company.

25 Here, Staff reviewed 13 moves and documented violations on every bill of lading and estimate. The number of violations is significant. In addition, Staff has investigated the company three times prior to this investigation, and in each instance, provided technical assistance and imposed penalties.³⁰ Many of the violations cited here were repeat violations. Because the Company previously received technical assistance on these violations but failed to correct them, we conclude the violations were intentional. We also find that the Company has not demonstrated an ability or willingness to correct the violations and comply with Commission consumer protection rules.

26 The Company reported annual revenue of \$360,640 for the 2016 reporting period. The 2016 annual report further states that the Company owns and operated five vehicles and employs three drivers.

27 Considering the factors discussed above, the Commission determines that All Star Transfer should be penalized an amount that will both punish the Company for the violations and encourage the Company to fully comply with Commission laws and rules going forward. Given the Company's history of disregarding the Commission's authority, we find the maximum penalty, as proposed by Staff at the hearing, is appropriate. Accordingly we impose the maximum penalty of \$1,000 for each of the 21 violations alleged in the Complaint, for a total penalty of \$21,000.

FINDINGS AND CONCLUSIONS

28 (1) The Commission is an agency of the State of Washington vested by statute with authority to regulate persons engaged in the business of transporting household goods for compensation over public roads in Washington.

29 (2) All Star Transfer is a household goods carrier subject to Commission regulation.

³⁰ November 2012 Consumer Complaint; November 2014 Staff Investigation; July 2015 Consumer Complaint.

- 30 (3) All Star Transfer was properly and legally served with the Notice of Brief
Adjudicative Proceeding and provided due and proper notice of the September 25,
2018, hearing.
- 31 (4) The Commission held a brief adjudicative proceeding on September 25, 2018. All
Star Transfer failed to appear at the hearing.
- 32 (5) All Star Transfer was properly and legally served with the Notice of Opportunity
for Hearing and Notice Concerning Date for Entry of Initial Order on October 5,
2018.
- 33 (6) All Star Transfer failed to request a rehearing prior to deadline established by the
October 5, 2018, Notice.
- 34 (6) Pursuant to RCW 45.05.440(2), All Star Transfer is held in default for failing to
appear at the September 25, 2018, hearing
- 35 (7) All Star Transfer should be penalized \$1,000 for one violation of RCW 81.04.380
for failing to comply with the Commission’s directive to provide “all original
supporting documents related to each customer’s move.”
- 36 (8) All Star Transfer should be penalized \$2,000 for two violations of WAC 480-15-
490(3) for improperly charging customers a three hour minimum, in violation of
Tariff 15-C, on two separate occasions.
- 37 (9) All Star Transfer should be penalized \$6,000 for six violations of WAC 480-15-
630 for failing to properly complete estimate forms consistent with the rule and
Tariff 15-C, Item 85, on six separate occasions.
- 38 (10) All Star Transfer should be penalized \$6,000 for six violations of WAC 480-15-
630 for failing to provide properly completed cube sheets consistent with the rule
and Tariff 15-C, Item 85, on six separate occasions.
- 39 (11) All Star Transfer should be penalized \$6,000 for six violations of WAC 480-15-
710 and Tariff 15-C, Item 95, for failing to include the necessary information on
bills of lading on six separate occasions.
- 40 (12) All Star Transfer should be penalized a total of \$21,000 for 21 violations of
Chapter 480-15 WAC and Tariff 15-C.

- 41 (13) All Star Transfer should be ordered to display its Commission issued permit number on all advertisement for household goods moving services, and should remove deceptive or misleading statements from advertisements.
- 42 (14) All Star Transfer's management and employees should be ordered to attend the Commission's free Household Goods Carrier training within six months of this Order.
- 43 (15) Staff should conduct a follow-up investigation in one year to determine if All Star Transfer is in compliance with state laws enforced by the Commission.

ORDER

THE COMMISSION ORDERS:

- 44 (1) All Star Transfer, Laron Williams Inc., d/b/a Allstar Moving & Storage, Allstar Movers, and Careful Movers is held in default. Should All Star Transfer, Laron Williams Inc., D/B/A Allstar Moving & Storage, Allstar Movers, and Careful Movers fail to respond to this Order by filing a written motion within ten (10) days requesting that the order be vacated pursuant to WAC 480-07-450(2), the default in this proceeding shall remain in place.
- 45 (2) The Commission assesses a \$21,000 penalty against All Star Transfer, Laron Williams Inc., d/b/a Allstar Moving & Storage, Allstar Movers, and Careful Movers. All Star Transfer, Laron Williams Inc., d/b/a Allstar Moving & Storage, Allstar Movers, and Careful Movers must either pay the \$21,000 penalty, or file jointly with Staff a proposed payment arrangement, within 20 days of the effective date of this order.
- 46 (3) All current management and employees of All Star Transfer, Laron Williams Inc., d/b/a Allstar Moving & Storage, Allstar Movers, and Careful Movers must attend the Commission's free Household Goods Carrier training within six months.
- 47 (4) All Star Transfer, Laron Williams Inc., d/b/a Allstar Moving & Storage, Allstar Movers, and Careful Movers must display its Commission-issued permit number on all advertisements, and must remove deceptive or misleading statements from advertisements.
- 48 (5) Staff will conduct a follow-up investigation in one year to determine if All Star Transfer, Laron Williams Inc., d/b/a Allstar Moving & Storage, Allstar Movers,

and Careful Movers is in compliance with applicable statutes, Commission rules, and Tariff 15-C.

DATED at Olympia, Washington, on November 8, 2018.

LAURA CHARTOFF
Administrative Law Judge

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 480-07-450(2) states that a party held in default has 10 days after service of a default order to file a written motion requesting the order be vacated and the proceeding reopened for further process. The party held in default must state the grounds relied upon, including its reasons for failing to appear.

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*. **A party held in default must file a written motion requesting the order be vacated pursuant to WAC 480-07-450(2) within 10 days after service in order to have the Commission consider a Petition for Administrative Review from that party.** 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.

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).