

Docket No. TV- 200309 - Vol. I

In the Matter of: Starving Students, Inc.

January 20, 2021



206.287.9066 | 800.846.6989

1325 Fourth Avenue, Suite 1840, Seattle, Washington 98101

www.buellrealtime.com

email: info@buellrealtime.com



BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Determining DOCKET NO. TV-200309
the Proper Carrier
Classification of, and
Complaint for Penalties
against:

STARVING STUDENTS, INC.

VIDEOCONFERENCE BRIEF ADJUDICATIVE PROCEEDING
ADMINISTRATIVE LAW JUDGES
MICHAEL HOWARD AND RAYNE PEARSON

Volume I
Pages 1 - 18
January 20, 2021
9:01 a.m.

REPORTED BY: CRYSTAL R. MCAULIFFE, RPR, CCR, #2121

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

APPEARANCES

(All parties appeared via videoconference)

ADMINISTRATIVE LAW JUDGES:

MICHAEL HOWARD
RAYNE PEARSON
Utilities and Transportation Commission
1300 South Evergreen Park Drive Southwest
Olympia, Washington 98504
(360) 664-1160
michael.howard@utc.wa.gov
rayne.pearson@utc.wa.gov

FOR COMMISSION STAFF:

NASH CALLAGHAN
OFFICE OF THE ATTORNEY GENERAL
Utilities and Transportation Commission
PO Box 40128
Olympia, Washington 98504

Also Present: Jacque Hawkins-Jones
Robert Hartford
Ryan Smith

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INDEX

January 20, 2021

Witness	Page
JACQUE HAWKINS-JONES	
By Mr. Callghan	7
By Mr. Callaghan	13

EXHIBIT INDEX

No.	Admitted
Exhibit No. JHJ-3	9
Exhibit Nos. JHJ-1 and JHJ-2	11

1 TEAMS VIDEOCONFERENCE; JANUARY 20, 2021.

2 9:31 a.m.

3 -oOo-

4 PROCEEDINGS

5 JUDGE HOWARD: Good morning, everyone.

6 Let's be on the record. The time is 9:31 a.m. My name
7 is Michael Howard. I'm an Administrative Law Judge with
8 the Washington Utilities and Transportation Commission.

9 We're here today for a Brief Adjudicative
10 Proceeding in Docket TV-200309, which is captioned "In
11 the Matter of Determining the Proper Carrier
12 Classification, and Complaint for Penalties against:
13 STARVING STUDENTS, INC."

14 It appears that we do not have a
15 representative from the company on the line at this
16 point.

17 Has anyone joined us so far representing
18 Starving Students?

19 Okay. Hearing no one from the company, we
20 are going to briefly go off the record for 15 minutes.
21 And I will stay on the call and hopefully someone from
22 the company will join us in that time. So we are off
23 the record for the moment.

24 (A break was taken from 9:32 a.m. 9:45 a.m.)

25 JUDGE HOWARD: So we are back on the record

1 in Docket TV-200309. It appears we do not have anyone
2 from Starving Students appearing today. But to return
3 to my introduction to this hearing today, the Commission
4 issued "Order 01" in this docket beginning a special
5 proceeding at Starving Students Inc.

6 The order alleges that Starving Students
7 operated as a household goods carrier without a required
8 permit. And today we're here for a Brief Adjudicative
9 Proceeding.

10 Let's take appearances from the party that
11 is present. So could we have appearance from Commission
12 Staff?

13 MR. CALLAGHAN: Good morning, Your Honor.

14 This is Nash Callaghan, Assistant Attorney
15 General, appearing on behalf of Commission Staff.

16 I have Jacque Hawkins-Jones, Investigator,
17 here with me.

18 THE COURT: Thank you, Mr. Callaghan. So,
19 Mr. Callaghan, given that the company is not appearing
20 today, what would Staff -- what would Staff pursue?
21 What is your recommendation?

22 MR. CALLAGHAN: Thank you, Your Honor.
23 Staff asks that the commission find the company in
24 default for failure to appear at this time and place set
25 for the hearing. And Staff would request that the

1 commission proceed with the hearing and resolve the
2 issues before it.

3 JUDGE HOWARD: Certainly, I will go ahead
4 and let you present your testimony to support the motion
5 for default first. And then I suppose after we have
6 that testimony, then we will address the merits of the
7 case.

8 Does that sound acceptable?

9 MR. CALLAGHAN: Yes, Your Honor.

10 THE COURT: Okay. You may call your witness
11 to support the motion for a default.

12 MR. CALLAGHAN: Thank you, Your Honor.

13 Staff calls Jacque Hawkins-Jones to the
14 stand.

15 THE WITNESS: Good morning.

16 JUDGE HOWARD: Good morning, Ms. Jones.

17 Would you please raise your right hand? And
18 I will swear you in.

19 Do you swear or affirm that the testimony
20 you will give today is the truth, the whole truth, and
21 nothing but the truth?

22 THE WITNESS: Yes, I do.

23 JUDGE HOWARD: You may proceed,
24 Mr. Callaghan.

25 MR. CALLAGHAN: Thank you, Your Honor.

1 EXAMINATION

2 BY MR. CALLAGHAN:

3 Q. Ms. Hawkins-Jones, could you state your name and
4 spell your last name for the record?

5 A. My name is Jacque Hawkins-Jones. Last name
6 H-a-w-k-i-n-s, hyphen, J-o-n-e-s.

7 Q. And where do you work?

8 A. I work at the Washington Utilities and
9 Transportation Commission in the Consumer Protection
10 Division.

11 Q. And are you the current Staff Investigator
12 assigned to this case?

13 A. Yes, I am.

14 Q. Were you the first Staff Investigator assigned
15 to this case?

16 A. No, I was not.

17 Q. Okay. Was this case transferred to you by
18 another investigator?

19 A. Yes, it was.

20 Q. And who was that?

21 A. My supervisor, Bridget Feezer (phonetic),
22 Assistant Director of Consumer Protection, transferred
23 the case to me when the previous investigator, Brian
24 Braun, left the agency.

25 Q. Okay. And once the case was transferred to you,

1 did you review the complaint in this case?

2 A. Yes, I did.

3 Q. And did you review the declaration of the
4 previous investigator, Brian Braun?

5 A. Yes, I did.

6 Q. And, to your knowledge, are those documents true
7 and correct?

8 A. Yes, they are.

9 Q. All right. And moving on to the company itself,
10 is Starving Students a household goods carrier?

11 A. That's what they hold themselves out to be, yes.

12 Q. Okay. What services does Starving Students
13 offer and advertise?

14 A. They offer and advertise local moves in the
15 State of Washington and residential moves in the State
16 of Washington.

17 Q. All right. And these -- you've seen these
18 advertisements through your investigation; is that
19 correct?

20 A. That is correct.

21 Q. And does the company currently have a household
22 goods permit from the commission?

23 A. As of this morning, they do not hold a permit
24 with the Commission.

25 Q. And the company did have a household goods

1 permit that was canceled due to lack of insurance in
2 2016; is that correct?

3 A. That is correct.

4 Q. So presumably, the company should be aware that
5 it does need a household goods permit from the
6 Commission in order to operate?

7 A. Yes.

8 Q. Okay. And throughout this case, Staff has had
9 difficulty serving the company; is that correct?

10 A. That is correct.

11 Q. But the process server was ultimately able to
12 serve the company through the Washington State Secretary
13 of State; is that right?

14 A. Yes.

15 Q. And is that Exhibit JHJ-3?

16 A. Yes, it is.

17 MR. CALLAGHAN: All right. Your Honor, at
18 this point, Staff would offer Exhibit JHJ-3 into
19 evidence.

20 THE COURT: It is admitted.

21 (Exhibit No. JHJ-3 was admitted.)

22 MR. CALLAGHAN: Thank you. Thank you, Your
23 Honor.

24 BY MR. CALLAGHAN:

25 Q. So have you, as part of your investigation, made

1 attempts to provide the company with notice of today's
2 hearing?

3 A. Yes, I have.

4 Q. Okay. Could you describe what efforts you've
5 made?

6 A. We have tried calling the agent -- or the
7 company at the number listed. We've also sent a
8 certified letter to the listed company owner. And we
9 attempted to serve the company at a total of eight
10 addresses.

11 Q. Thank you.

12 And is Staff requesting that the Commission
13 classify Starving Students as a household goods carrier?

14 A. Yes, we are.

15 Q. Is Staff asking that the Commission assess
16 penalties for two violations of RCW 81.80.075?

17 A. Yes.

18 Q. And what are Staff's recommendations for the
19 penalty assessment?

20 A. We recommend penalties for the advertising of a
21 household goods mover and for the operating in the State
22 of Washington without a Commission permit.

23 Q. Does Staff have a recommendation about the
24 specific amount?

25 A. Staff recommends up to \$5,000 per violation.

1 Q. Okay. Thank you.

2 And last week did, you check to see whether
3 Starving Students was still offering household goods
4 carrier services?

5 A. Yes, I did.

6 Q. And what did you find?

7 A. I was able to secure a quote for a move between
8 two ZIP codes within the state of Washington.

9 Q. Okay. Thank you.

10 MR. CALLAGHAN: Your Honor, with that, I'd
11 offer Exhibits JHJ-1 and -2 into evidence.

12 THE COURT: They are admitted.

13 (Exhibit Nos. JHJ-1 and JHJ-2 were admitted.)

14 MR. CALLAGHAN: Thank you, Your Honor.

15 I have no further questions.

16 JUDGE HOWARD: Ms. Hawkins-Jones, just to
17 clarify. When we're talking about the service of
18 process issue --

19 THE WITNESS: Yes.

20 JUDGE HOWARD: -- the -- you referred to
21 Staff sending a certified letter to the company at its
22 listed address. I'm not sure that that's in the record.

23 Do you know which address Staff used?

24 THE WITNESS: I would be able to look it up
25 in just one moment. I do believe that that letter was

1 not successfully -- sorry. I'm having a hard time
2 finding it at the moment.

3 The address that we sent the certified
4 letter to was 12675 Mountain Crest Lane in Los Angeles,
5 California 90049-6831.

6 JUDGE HOWARD: Thank you. And I was
7 wondering, the -- in the exhibits that we've already
8 admitted, there is a place of business, it looks like,
9 for the company in Bellevue.

10 Did Staff, at any point, attempt to hand
11 the -- the service process to the -- to the manager of
12 that place of business?

13 THE WITNESS, yes. There was an attempt to
14 serve at that location and it was unsuccessful.

15 JUDGE HOWARD: Can you tell me about that?

16 THE WITNESS: From what I know, there was no
17 one by that name at that service address or anyone
18 representing that company at that address.

19 JUDGE HOWARD: Was the company not operating
20 at that address?

21 THE WITNESS: Correct.

22 THE COURT: Thank you. That -- that is all
23 my questions for the moment.

24 Mr. Callaghan, would you ask -- do you have
25 any further questions on the service issue and the

1 motion to default?

2 MR. CALLAGHAN: Your Honor, I do have just
3 some quick follow-up, just to give a broader sense of
4 Staff's -- Staff's attempts at service for this company.

5 So, if I may?

6 THE COURT: You may.

7 MR. CALLAGHAN: Thank you.

8 FURTHER EXAMINATION

9 BY MR. CALLAGHAN:

10 Q. So, Ms. Hawkins-Jones, as part of your
11 investigation, have you reviewed some of the paperwork
12 from the process server in this case?

13 A. Some of the paperwork, yes.

14 Q. Okay. And are -- is it true that there have
15 been many -- multiple addresses that could be possible
16 business addresses both for Starving Students and for
17 Ethan Margalith, the owner of Starving Students?

18 A. Yes. There were multiple addresses listed for
19 each, the company and the individual.

20 Q. And has -- to your knowledge, did the process
21 server attempt service at 3718 South Tacoma Way in
22 Tacoma, Washington?

23 A. To my knowledge, yes.

24 Q. Okay. And did -- and you've already answered
25 the question about the -- the address in Bellevue.

1 Did the process server also attempt services at
2 addresses in California?

3 A. Yes.

4 Q. Okay. And has the process server attempted
5 services at 6252-1/2 Stanley Avenue South, Seattle,
6 Washington?

7 A. Yes.

8 Q. Okay. And this was after Staff attempted to
9 serve what had previously been Starving Students'
10 registered agent, CT Corporate Systems; is that correct?

11 A. Correct.

12 MR. CALLAGHAN: Okay. No further questions,
13 Your Honor.

14 THE COURT: Does Staff move for default at
15 this time?

16 MR. CALLAGHAN: Yes, we do, Your Honor. So
17 under RCW 23.95.405(4), once the -- if a -- if a party
18 has no registered agent and the agency has attempted
19 service on the places of business and attempted to serve
20 the party through certified mail, the Secretary of State
21 is the -- is an acceptable form of service.

22 Staff has made all those attempts. They
23 were unsuccessful, unfortunately, and so we served the
24 Secretary of State. That is Exhibit JHJ-3. And
25 Starving Students has not appeared. Staff made multiple

1 attempts to serve the company. The company is aware
2 that it does need a household goods permit from the
3 Commission in order to operate, and so Staff would ask
4 that the Commission classify Starving Students as a
5 household goods company and assess penalties.

6 Thank you.

7 THE COURT: Thank you, Mr. Callaghan.

8 I will grant Staff's motion for default, so
9 you may proceed with your testimony on the merits.

10 MR. CALLAGHAN: I'm sorry. What was that
11 last part?

12 THE COURT: Well, let me clarify. I intend
13 to grant Staff's motion for default.

14 Do you have any further testimony you'd like
15 to give on the merits of the case and classifying the
16 company? Or has Staff already provided that?

17 MR. CALLAGHAN: No, Your Honor. I believe
18 we've already provided that. Thank you.

19 THE COURT: Okay. If -- in that case, then,
20 may I just clarify what Staff's requested penalty would
21 be?

22 The revised Order 01 refers to at least two
23 violations of the relevant statute. We have the -- the
24 advertising on -- the advertising for moving services, I
25 believe, was in January. And -- sorry. I'm just

1 looking for my notes on this. Advertising online on
2 January 23rd. And then there's the quote on
3 February 6th for services given over the phone. Are --
4 and Ms. Hawkins-Jones referred to it sounded like
5 another instance.

6 So is Staff seeking two violations of the
7 statute at issue or more?

8 MR. CALLAGHAN: Just two at this time, Your
9 Honor.

10 JUDGE HOWARD: Okay. I think my last
11 question, then, would just be a clarifying question for
12 Ms. Hawkins-Jones.

13 The Commission has sometimes classified --
14 household good moving companies have relied on third
15 parties to provide services.

16 Is that an issue at all in this case?

17 THE WITNESS: Not to my knowledge.

18 JUDGE HOWARD: Okay. That's all the
19 questions I had.

20 Thank you for your testimony today,
21 Ms. Jones, and you may be excused.

22 THE WITNESS: Thank you.

23 THE COURT: Well, Mr. Callaghan, is there
24 anything else we should address before we adjourn today?

25 MR. CALLAGHAN: I don't believe so, Your

1 Honor.

2 JUDGE HOWARD: All right. In that case, I
3 will take this all under advisement and issue an order
4 soon.

5 Before we adjourn, I'd like to ask Staff if
6 it would waive the requirement for me to issue an order
7 in 10 days.

8 It would be helpful to have the transcript
9 of the hearing available, and that can sometimes take
10 several days. So I would anticipate issuing the order
11 within five days from the date I receive the transcript.

12 Would Staff have any objection to waiving
13 that requirement?

14 MR. CALLAGHAN: No. No objection, Your
15 Honor.

16 THE COURT: All right. Thank you.

17 And in that case, we are adjourned and off
18 the record.

19

20

21 (Proceeding adjourned at 10:06 a.m.)

22

23

24

-o0o-

25

