

BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the	)	DOCKET NO. UT-041188
	)	
Revocation of Telecommunications	)	ORDER NO. 02
Registrations of the Companies	)	
Listed on Attachment 1 for Failure	)	ORDER RESCINDING THE
to File Annual Reports and Pay	)	REVOCATION OF INMATE
Regulatory Fees.	)	COMMUNICATIONS
	)	CORPORATION'S REGISTRATION
	)	AS A TELECOMMUNICATIONS
.....	)	COMPANY

1     **Synopsis:** *The Washington Utilities and Transportation Commission (Commission) by stipulation between Commission Staff and Inmate Communications Corporation (Company) rescinds Order No. 1, which revoked the Company's registration as a telecommunications company. In lieu of revocation the Commission imposes a \$2,000 penalty on the Company for its violations.*

2     **Proceedings:** On July 20, 2004, the Commission served Notice of Impending Revocation of Registration as a Telecommunications Company and Opportunity to Request a Hearing (Revocation Notice) upon sixty-six telecommunications companies, including Inmate Communications Corporation, for failure to submit annual reports or pay regulatory fees in violation of RCW 80.04.080 and RCW 80.24.010, respectively. The Revocation Notice was sent via certified mail to each of the company's addresses on file with the Commission. The certified mailing included a request for a return receipt to show delivery was complete. Those receiving notice had 30 days after service (August 20, 2004) to come into compliance by submitting delinquent annual reports and/or regulatory fees or request a hearing regarding mitigation or the validity of the Commission's allegations. [Hereinafter "Revocation Period"].

- 3 On July 26, 2004, the Commission received a card signed by an Inmate Communications Corporation employee certifying that the Company had received the Revocation Notice. The Company did not come into compliance or request a hearing within the Revocation Period.
- 4 On September 9, 2004, the Commission entered Order No. 1 revoking the registrations of forty-three telecommunications companies, including Inmate Communications Corporation.
- 5 The deadline for filing 2004 annual reports was May 1, 2005. Inmate Communications Corporation did not timely file a 2004 annual report. The Commission took no action in response to this failure, because it believed the Company was no longer providing telecommunications services in the state. Inmate Communications Corporation filed its 2004 annual report on July 18, 2005.
- 6 Approximately a year after the Commission revoked its registration, Inmate Communications Corporation advised Commission staff that it wished to continue providing telecommunications services in the state. The Company requested the Commission rescind its revocation order and expressed its regret for the failure to comply with the filing requirements. The Company stated its commitment to future compliance.
- 7 The failure to file annual reports and pay regulatory fees is a violation of state law, and the Commission is authorized to impose penalties for this violation. *RCW 80.04.380*. However, the Commission generally does not do so because the violators are no longer doing business in the state. Instead, it has found that the more practical response to these violations is to revoke the registration of the violating company.

8 In this instance, where the violator wishes to continue its operations, the  
Commission believes that the more appropriate remedy is to rescind the  
revocation as to this respondent and impose penalties. A penalty of \$2,000 is  
reasonable for the company's failure to file its 2003 annual report on time.  
Commission Staff and the Company stipulate to the result.

### I. FINDINGS OF FACT

9 Having discussed above all matters material to our decision, and having stated our  
general finding, the Commission now makes the following summary findings of  
fact. Those portions of the preceding discussion that include findings pertaining to  
the ultimate facts of the Commission are incorporated by this reference.

10 (1) The Commission is an agency of the state of Washington vested by statute  
with the authority to regulate rates, rules, regulations, practices, and  
accounts of public service companies, including telecommunications  
companies.

11 (2) Inmate Communications Corporation is a telecommunications company.

12 (3) The Commission served a Revocation Notice on July 20, 2004, upon Inmate  
Communications Corporation and received confirmation of receipt on July  
26, 2004.

13 (4) Inmate Communications Corporation failed to submit an annual report and  
pay regulatory fees even after the Commission served the Revocation  
Notice, which gave the Company until August 20, 2004 to come into  
compliance.

- 14 (5) On September 9, 2004, the Commission issued Order No. 1 in this docket  
revoking Inmate Communications Corporation's registration as a  
telecommunications company.
- 15 (6) Inmate Communications Corporation came into compliance with its  
outstanding obligations by filing its 2003 annual report and 2004 regulatory  
fee sheet<sup>1</sup> on April 25, 2005.
- 16 (7) While the Commission had good cause to revoke Inmate Communications  
Corporations' registration as a telecommunications company, rescinding  
Order No. 1 as it pertains to the Company, and instead imposing a penalty  
for the violation, is consistent with the public interest.
- 17 (8) The Company's failure to timely comply with its statutory requirements  
warrants the imposition of a \$2,000 penalty.
- 18 (9) Inmate Communications Corporation waives its right to a hearing under  
RCW 80.04.210 and stipulates to entry of an order rescinding the revocation  
of its registration and imposing a penalty of \$2000 in lieu of revocation.

## II. CONCLUSIONS OF LAW

19 Having discussed all matters material to this decision, and having stated general  
conclusions, the Commission now makes the following summary conclusions of  
law. Those portions of the preceding discussion that state conclusions pertaining  
to the ultimate decisions of the Commission are incorporated by this reference.

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<sup>1</sup> Because intrastate operating revenue for the Company was \$11,808 for 2003, it did not have to pay a regulatory fee for that year. Docket No. U-040263, Order No. 1 (February 25, 2004).

- 20 (1) The Commission has jurisdiction over the subject matter of and the parties to this proceeding. *RCW 80.01.040; Chapter 80.36 RCW; Chapter 480-120 WAC; Chapter 480-121 WAC.* The Commission may amend, rescind or correct its orders by its own initiative after opportunity for hearing. *RCW 80.04.210; WAC 480-07-875.*
- 21 (2) Inmate Communications Corporation is a public service company as defined in RCW 80.04.010 and registered with the Commission as a telecommunications company under chapter 80.36 RCW and chapter 480-121 WAC.
- 22 (3) Inmate Communications Corporation violated RCW 80.04.080 by failing to file its 2003 annual report until April 25, 2005.
- 23 (4) The Commission has authority to revoke a company's registration as a telecommunications company for good cause after notice and opportunity for a hearing. *WAC 480-121-060.*
- 24 (5) The Commission also has the authority to issue penalties. *RCW 80.04.380.*
- 25 (6) Pursuant to RCW 34.05.010 and WAC 480-121-060, Inmate Communications Corporation properly received notice and an opportunity for a hearing before its registration was revoked in Docket No. UT-041188, Order No. 1 (September 9, 2004).
- 26 (7) The Commission may enter this order without further notice to Inmate Communications Corporation and without hearing.

### III. ORDER

#### THE COMMISSION ORDERS:

- 27 (1) The Commission imposes a penalty of \$2,000 on Inmate Communications Corporation.
- 28 (2) The Commission rescinds the revocation of Inmate Communication Corporation's registration as a telecommunications company doing business in the state of Washington ordered in Order No. 1 of this docket. This rescission is conditioned on timely payment by Inmate Communications Corporation of the penalty to the Commission.
- 29 (3) The Company will deliver, or cause to be delivered to Carole J. Washburn, Executive Secretary, at her office located at 1300 South Evergreen Park Drive SW, Post Office Box 47250, Olympia, Washington 98504-7250, by 4:30 p.m. P.D.T. on [14 days after service] its penalty payment in the amount of \$2,000.
- 30 (4) The Commission retains jurisdiction of the subject matter and the parties to effectuate the provisions of this Order. In the event of noncompliance with the provision of this order requiring payment, the Commission may rescind this order and reinstate the revocation of Inmate Communications Corporation's registration without further notice or hearing.

DATED at Olympia, Washington, and effective this 30th day of November, 2005.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PHILIP B. JONES, Commissioner

**NOTICE TO PARTIES: This is a final order of the Commission. In addition to judicial review, administrative relief may be available through a petition for reconsideration, filed within 10 days of the service of this order pursuant to RCW 34.05.470 and WAC 480-07-850, or a petition for rehearing pursuant to RCW 80.04.200 or RCW 81.04.200 and WAC 480-07-870.**