THE STATE CORPORATION COMMISSION OF THE STATE OF KANSAS

Before Commissioners:	Andrew J. French, Chairperson Dwight D. Keen
	Annie Kuether

In the Matter of the Investigation of) Versaair Services LLC of Scranton,) Kansas, Regarding the Violation of the) Motor Carrier Safety Statutes, Rules and) Regulations and the Commission's) Authority to Impose Penalties, Sanctions) and/or the Revocation of Motor Carrier) Authority.

Docket No. 25-TRAM-089-UCR

ORDER SUSPENDING INTRASTATE MOTOR CARRIER OPERATIONS

The above-captioned matter comes before the State Corporation Commission of the State of Kansas (Commission) for consideration and determination. Having examined its files and records, and being duly advised in the premises, the Commission finds and concludes as follows:

I. JURISDICTION AND BACKGROUND

1. Pursuant to K.S.A. 66-1,111, 66-1,112, and 66-1,115, the Commission is given full power, authority and jurisdiction to supervise and control motor carriers, as defined in 49 C.F. R 390.5 and as adopted by K.A.R. 82-4-3f, doing business or procuring business in Kansas, and is empowered to do all things necessary and convenient for the exercise of such power, authority, and jurisdiction.

2. Pursuant to K.S.A. 66-1,129a, 66-1,130, and 66-1,142b, the Commission may suspend operations, revoke, or amend certificates, and initiate sanctions or fines against every motor carrier and every person who violates any provision of Kansas law in regard to the regulation of such motor carriers and persons, or who fails to obey any order, decision, or regulation of the Commission.

3. Pursuant to K.S.A. 66-1,105, "[e]very order and decision of the commission on matters covered by this act shall become operative and effective within 30 days after service, and the motor carrier shall carry the provisions of the order into effect, unless the order is enjoined or set aside by a court of proper jurisdiction."

II. ANALYSIS

4. On October 18, 2024, Commission Staff filed a Motion to Suspend Intrastate Motor Carrier Operations due to the carrier's failure to comply with a Commission-issued Penalty Order.

5. Staff advised that Versaair Services LLC of Scranton, Kansas (Carrier) is a motor carrier, as defined in 49 C.F.R. 390.5 and as adopted by K.A.R. 82-4-3f, which operates commercial motor vehicle(s) in interstate commerce and operates under USDOT Number 3013566.

6. On July 30, 2024, Carrier was issued a penalty assessment of \$300 for failing to pay its 2024 Unified Carrier Registration (UCR) fees by January 1, 2024, as required by 49 C.F.R. 367.40 and adopted by K.A.R. 82-4-30a, in this docket.¹ The Commission's Penalty Order is incorporated herein by reference and made a part of this Order.

7. The Carrier was served with the Penalty Order via certified mail, return receipt requested, on August 3, 2024. A Proof of Service was filed in this docket on August 14, 2024. The Carrier had 30 days from the date served to pay the civil penalty of \$300.

8. Carrier was mailed a collection letter dated August 30, 2024, notifying it of its unpaid fine and lack of compliance with the above-referenced Penalty Order, giving the Carrier ten (10) days from the date of the collection letter to pay the penalty amount and the 2024 UCR fees. The Carrier did not respond to the collection letter.

¹See Penalty Order (Jul. 30, 2024).

9. As of October 18, 2024, Commission records indicate Carrier has not complied with requirements of the Penalty Order in that Carrier had thirty (30) days from the date of service to pay the fine of \$300 as well as its 2024 UCR fees, and Transportation Division records indicate the fine and 2024 UCR fees remain unpaid.

10. Staff recommended the Commission place Versaair Services LLC out-of-service due to its failure to comply with the Commission's Penalty Order.

III. CONCLUSIONS OF LAW

11. The Commission finds it has jurisdiction over Carrier pursuant to K.S.A. 66-1,108b, as it is a motor carrier, as defined in 49 C.F.R. 390.5 and as adopted by K.A.R. 82-4-3f.

12. The Commission finds Carrier was properly served and received sufficient notice of the Commission's Penalty Order and the requirement to pay the fine within 30 days from the date of service of the Penalty Order.

13. The Commission finds Carrier intentionally failed to act upon the collection letter and comply with the requirements of the Penalty Order. The Commission concludes that suspending Carrier's intrastate motor carrier authority operations is appropriate and the suspension shall remain in place until such time as Carrier comes into compliance with the applicable motor carrier statutes, rules and regulations, and cooperates with Transportation Staff comply with the Commission's Penalty Order

THE COMMISSION THEREFORE ORDERS THAT:

A. Versaair Services LLC of Scranton, Kansas is suspended and ordered to immediately cease all intrastate commercial motor carrier operations, other than such motor carrier operations excepted from the Commission's regulation under K.S.A. 66-1,129, until such time as Carrier pays the penalty amount of \$300, pays its 2024 UCR fees, and brings its motor carrier

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operation into compliance with motor carrier safety statutes, rules and regulations. <u>This</u> <u>Suspension of Intrastate Motor Carrier Operations Order may also attach and apply to the</u> <u>operations of successor entities, including any motor carrier entity or entities established or used</u> <u>to avoid the consequences of any Order to cease operations or suspending operating authority.</u>

B. <u>Pursuant to K.S.A. 77-537 and K.S.A. 77-542, any party may request a hearing</u> on the above issues by submitting a written request, setting forth the specific grounds upon which relief is sought, to the Executive Director, at 1500 S.W. Arrowhead Road Topeka, <u>Kansas 66604 within fifteen (15) days from the date of service of this Order</u>. Pursuant to K.S.A. 66-1,129a, hearings will be held within ten (10) days upon written request. Failure to timely request a hearing will result in a waiver of Carrier's right to a hearing, and this Order will become a Final Order.

C. Attorneys for all parties shall enter their appearances in Commission proceedings by giving their names and addresses for the record. For civil penalties of \$500 or less, a corporation may appear by a duly authorized representative of the corporation. K.S.A. 66-1,142b(e) and amendments thereto.

D. Failure to comply with the provisions of this Order may result in further sanctions to include, but not limited to, the assessment of civil penalties and/or the impoundment of commercial motor vehicles found operating in violation of this Order and any other remedies available to the Commission by law, without further notice.

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BY THE COMMISSION IT IS SO ORDERED

French, Chairperson; Keen, Commissioner; Kuether, Commissioner

Dated: <u>10/24/2024</u>

Lynn M. Ref

Lynn M. Retz Executive Director

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CERTIFICATE OF SERVICE

25-TRAM-089-UCR

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of

first class mail and electronic service on __10/24/2024_

AHSAN LATIF, LITIGATION COUNSEL KANSAS CORPORATION COMMISSION 1500 SW ARROWHEAD RD TOPEKA, KS 66604 ahsan.latif@ks.gov James Sutton, FOUNDER & CEO Versaair Services LLC 301 W 205th Street Scranton, KS 66537 tdrew@versaair.com

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/S/ KCC Docket Room KCC Docket Room