



1500 SW Arrowhead Road
Topeka, KS 66604-4027

Phone: 785-271-3100
Fax: 785-271-3354
<http://kcc.ks.gov/>

Dwight D. Keen, Chair
Shari Feist Albrecht, Commissioner
Susan K. Duffy, Commissioner

Laura Kelly, Governor

NOTICE OF PENALTY ASSESSMENT

August 29, 2019

20-TRAM-087-PEN

Kari Harper, Manager
Desco Coatings, LLC
19890 W 156th Street
Olathe, KS 66062

This is a notice of a penalty assessment against Desco Coatings, LLC (Desco Coatings) for violation(s) of Kansas Motor Carrier Safety Statutes, Rules, and Regulations discovered during a compliance review conducted on July 29, 2019, by Kansas Corporation Commission Special Investigator Wade Patterson. Penalties are assessed in accordance with the FY 2020 Uniform Penalty Assessment Matrix, approved by the Commission on July 16, 2019. For a full description of the penalty(s) and terms and obligations please refer to the Order attached to this notice.

IF YOU ACCEPT THE PENALTY: Desco Coatings has been assessed a \$2,000 penalty. You have thirty (30) days from the date of service of the Penalty Order to pay the penalty. Please remit payment of \$2,000, through your personal account with the Kansas Corporation Commission's KTRAN system located at <https://puc.kcc.ks.gov/ktran/>. If you have not received a letter from the Transportation Division assigning you a PIN, please contact that Division at 785-271-3145. You must have an account through KTRAN to pay the penalty owed.

The attached Order requires a representative of Desco Coatings to attend a Commission-sponsored safety seminar within ninety (90) days from the date of the Order and to provide the undersigned Litigation Counsel with written proof of attendance. A schedule of dates and locations for safety seminars can be found at the Commission's website http://www.kcc.state.ks.us/trans/safety_meetings.htm. The Order also requires your company to submit to one follow-up safety compliance review within 18 months from the date of the Order. Transportation Staff will contact your company at a later date to determine an appropriate time for this review.

IF YOU CONTEST THE PENALTY ORDER: You have the right to request a hearing. A request for hearing must be made in writing, setting forth the specific grounds upon which relief is sought. Desco Coatings must file, within fifteen (15) days from the date of service of this Order, the request for hearing with the Commission's electronic filing system found at <https://puc.kcc.ks.gov/e-filing/e-express/>, and mail a copy of the request for hearing to the undersigned at the above address. If you do not have access to the internet, you can mail an original and seven copies of the request to the Executive Director at 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, and mail a copy to the undersigned Litigation Counsel. K.A.R. 82-1-215; K.S.A. 2018 Supp. 77-542.

IF YOU FAIL TO ACT: Failure to pay the penalty of \$2,000 within thirty (30) days from the date of service of the Penalty Order or failure to comply with the terms of the Order, or in the alternative, failure to provide a timely written request for a hearing, will result in the Order becoming final and may result in additional sanctions of suspension and/or revocation of your motor carrier operating authority.

Respectfully,

Ahsan A. Latif
Litigation Counsel
(785) 271-3118

Before Commissioners: Dwight D. Keen, Chair
Shari Feist Albrecht
Susan K. Duffy

PENALTY ORDER

I. JURISDICTION

2. Pursuant to K.S.A. 2018 Supp. 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. The Commission has the authority, pursuant to K.A.R. 82-1-237, to investigate an entity under the Commission's jurisdiction and issue an order on the Commission's own motion when the Commission believes the entity is in violation of the law or any order of the Commission.

II. BACKGROUND

4. Desco Coatings, LLC (Desco Coatings) has private operating authority with the Commission and further operates under USDOT number 374774.

5. Kari Harper attended the Procedures for Safety Compliance Seminar presented by the Kansas Corporation Commission, on July 9, 2019, on behalf of Desco Coatings.

6. Desco Coatings is a private motor carrier which primarily hauls construction and flooring materials.

III. STATEMENT OF FACTS

7. Pursuant to the jurisdiction and authority cited above, on July 29, 2019, Commission Staff (Staff) Special Investigator Wade Patterson conducted a safety compliance review of the operations of Desco Coatings. A copy of the safety compliance review is included in this Penalty Order as Attachment "A" and is hereby incorporated by reference. As a result of this investigation, the special investigator identified three (3) violation(s) of the Motor Carrier Safety Regulations.

- a. On June 24, 2019, Desco Coatings required or permitted its driver, Ryan Courtney, to operate a non-CDL required commercial motor vehicle, a 2014 Ford F550, VIN ending in 82262, GVWR 19,500 lbs., from Olathe,

Kansas to Kansas City, Missouri. This trip is evidenced by Ryan Courtney's Desco Coatings Time Records, a copy of which is attached hereto as Attachment "B" and is hereby incorporated by reference. At the time of this transportation, Desco Coatings failed to maintain a driver qualification file on Mr. Courtney containing the required documentation. The special investigator discovered two (2) violations of this type. The carrier's failure to maintain a driver qualification file on its drivers is a violation of 49 C.F.R. 391.51(a), adopted by K.A.R. 82-4-3g, and authorized by K.S.A. 2018 Supp. 66-1,129. Staff recommends a fine of \$750.

- b. During the transportation described in paragraph a, above, Desco Coatings failed to require its driver to prepare a record of duty status using the appropriate method. The special investigator discovered 38 violations of this type. The carrier's failure to require its drivers to keep records of duty status for each 24-hour period, or in the alternative to maintain and retain time records described in 49 C.F.R. 395.1(e) under the short haul exemption, using the method described in 49 C.F.R. 395.8(a), and to submit the original record to the motor carrier within 13 days of creation is a violation of 49 C.F.R. 395.8(a), adopted by K.A.R. 82-4-3a, and authorized by K.S.A. 2018 Supp. 66-1,129. Staff recommends a fine of \$1,000.
- c. During the transportation described in paragraph a, above, Desco Coatings failed to obtain and document a successful periodic (annual) inspection on

the commercial motor vehicle during the preceding 12-month period. The carrier's failure to conduct periodic (annual) inspections on commercial motor vehicles is a violation of 49 C.F.R. 396.17(c), adopted by K.A.R. 82-4-3j, and authorized by K.S.A. 2018 Supp. 66-1,129. Staff recommends a fine of \$250,

IV. STAFF'S RECOMMENDATIONS

8. Based upon the available facts, Staff recommends the Commission finds Desco Coatings committed three (3) violation(s) of Kansas law that governs motor carriers, including various provisions of the Federal Motor Carrier Safety Regulations (FMCSRs), as adopted by the Kansas Administrative Regulations, and is therefore subject to sanctions or fines imposed by the Commission.

9. Additionally, Staff recommends a civil penalty of \$2,000 for three (3) violation(s) of the Motor Carrier Safety Statutes, Rules and Regulations.

10. Staff further recommends that a representative from Desco Coatings be required to attend a Commission-sponsored safety seminar within ninety (90) days from the date of this Order, and provide Litigation Counsel with written proof of attendance. A schedule of the dates and locations for safety seminars can be found on the Commission's website at http://kcc.ks.gov/trans/safety_meetings.htm.

11. Finally, Staff recommends that Desco Coatings submit to one follow-up safety compliance review within eighteen (18) months from the date of this Order. Transportation Staff will contact the motor carrier at a later date to determine an appropriate time for this review.

V. CONCLUSIONS OF LAW

12. The Commission finds it has jurisdiction over Desco Coatings because it is a motor carrier as defined in K.A.R. 82-4-1.

13. The Commission finds Desco Coatings committed three (3) violation(s) of Kansas law that governs motor carriers, including various provisions of the Federal Motor Carrier Safety Regulations (FMCSRs), as adopted by the Kansas Administrative Regulations, and is therefore subject to sanctions or fines imposed by the Commission.

THE COMMISSION THEREFORE ORDERS THAT:

A. Desco Coatings, LLC, of Olathe, KS is hereby assessed a \$2,000 civil penalty for three (3) violation(s) of Kansas law governing the regulation of motor carriers, the Kansas Administrative Regulations and provisions of the Federal Motor Carrier Safety Regulations, as adopted by the Kansas Administrative Regulations.

B. Desco Coatings is hereby ordered to attend a Commission-sponsored safety seminar within ninety (90) days from the date of this Order, and is to provide Litigation Counsel with written proof of attendance.

C. Carrier is hereby ordered to submit a written, comprehensive corrective action plan (CAP) to Transportation Staff within thirty (30) days of the date of this order.

D. Desco Coatings is ordered to submit to one follow-up safety compliance review within eighteen (18) months from the date of this Order. Transportation Staff will contact the carrier to set up the appointment.

E. Pursuant to K.S.A. 2018 Supp. 77-537 and K.S.A. 77-542, any party may request a hearing on the above issue(s) by submitting a written request setting forth the specific grounds upon which relief is sought. The request may be electronically filed with the Commission's

electronic filing system at <https://puc.kcc.ks.gov/e-filing/e-express/>, within fifteen (15) days from the date of service of this Order, and a copy of the request mailed to the Litigation Division. If you do not have access to the internet, you can mail an original and seven copies of the request to the Executive Director at 1500 S.W. Arrowhead Road, Topeka, Kansas 66604, and mail a copy of the request to Litigation Counsel. A hearing will be scheduled only upon written request. Failure to timely request a hearing will result in a waiver of Desco Coatings' right to a hearing, and this Penalty Order will become a Final Order assessing a \$2,000 civil penalty against Desco Coatings, and ordering a representative from Desco Coatings to attend a Commission-sponsored safety seminar within ninety (90) days from the date of this Order and provide Litigation Counsel with written proof of attendance, and to submit to a safety compliance review within 18 months from the date of this Order.

F. If a request for hearing is filed, attorneys for all parties shall enter their appearances in Commission proceedings by giving their names and addresses for the record. For civil penalties exceeding \$500, a corporation shall appear before the Commission by its attorney, unless waived by the Commission for good cause shown and a determination that such waiver is in the public interest. K.S.A. 77-515(c); K.A.R. 82-1-228(d)(2); K.A.R. 82-1-202(a). For civil penalties less than \$500, a corporation may appear by a duly authorized representative of the corporation. K.S.A. 2018 Supp. 66-1,142b(e) and amendments thereto.

G. If you do not request a hearing, the payment of the civil penalty of \$2,000 is due in thirty (30) days from the date of service of this Order. Payment of \$2,000 must be made through your personal account with the Kansas Corporation Commission's KTRAN system located at <https://puc.kcc.ks.gov/ktran/>. You must have an account through KTRAN to pay the penalty.

H. Failure to pay the \$2,000 civil penalty within thirty (30) days from the date of service of this Penalty Order, *see* K.S.A. 66-1,105, and/or failure to comply with the provisions of this Order, may result in suspension of Desco Coatings' motor carrier operating authority without further notice. Additionally, the Commission may impose further sanctions to include, but not limited to, the issuance and enforcement of revocation of authority and/or cease and desist orders, and any other remedies available to the Commission by law, without further notice.

I. The Commission retains jurisdiction over the subject matter and the parties for the purpose of entering such further orders, as necessary.

BY THE COMMISSION IT IS SO ORDERED.

Keen, Chair; Albrecht, Commissioner; Duffy, Commissioner







Dated: 08/29/2019



Lynn M. Retz
Executive Director

AAL

ATTACHMENT “A”

	US DOT # 374774	Legal: DESCO COATINGS INC Operating (DBA):	
MC/MX #:		Federal Tax ID:  (EIN)	
Review Type: Compliance Review (CR)			
Scope: Principal Office		Location of Review/Audit: Company facility in the U. S.	
Territory:			
Operation Types		Interstate Intrastate	
Carrier:	HM	N/A	
Shipper:	N/A	N/A	
Cargo Tank:	N/A		
Business: Corporation		Gross Revenue:  for year ending: 12/31/2019	
Company Physical Address:			
19890 W 156TH OLATHE, KS 66062-3500			
Contact Name: Kari Harper			
Phone numbers: (1 		Fax: 	
E-Mail Address: 			
Company Mailing Address:			
19890 W 156TH OLATHE, KS 66062-3500			
Carrier Classification			
Private Property			
Cargo Classification			
Construction		Other Flooring Materials	
Hazardous Materials			
8 Corrosive material		Carried Non-Bulk	
Equipment			
	Owned	Term Leased	Trip Leased
Truck	1	0	0
Power units used in the U S. 1			
Percentage of time used in the U.S. 100			
Does carrier transport placardable quantities of HM? No			
Is an HM Permit required? N/A			
Driver Information			
	Inter	Intra	Average trip leased drivers/month: 0
< 100 Miles:			Total Drivers: 2
>= 100 Miles:	2		CDL Drivers: 2



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Part A

QUESTIONS regarding this report or the Federal Motor Carrier Safety or Hazardous Materials rules may be addressed to the Office of Motor Carriers at.

This report will be used to assess your safety compliance.

<u>Person(s) Interviewed</u>	
Name: Kari Harper	Title: Manager
Name:	Title:



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Part B Violations

1 FEDERAL CRITICAL	Primary: 391.51(a)	Discovered 2	Checked 2	Drivers/Vehicles In Violation 2	Checked 2
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Description

Failing to maintain driver qualification file on each driver employed.

Example

On June 24th, 2019 Desco Coatings Inc. had driver Ryan Courtney (KSDL#) operate a non-CDL vehicle (2014 Ford F550 VIN# [REDACTED] 32262) in interstate commerce. Driver operated the vehicle from the carrier's principal place of business in Olathe Kansas to a job site in Kansas City Missouri. This vehicle has a gross vehicle weight rating of 19,500 lbs. This trip is evidenced by a carrier statement, a job invoice, and incomplete hours of service records. At the time of this trip and during the review, carrier failed to maintain a driver qualification file on each driver employed.

2 FEDERAL CRITICAL	Primary: 395.8(a)(1)	Discovered 38	Checked 38	Drivers/Vehicles In Violation 2	Checked 2
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Description

Failing to require a driver to prepare a record of duty status using the appropriate method

Example

On June 24th, 2019 Desco Coatings Inc. had driver Ryan Courtney (KSDL#) operate a non-CDL vehicle (2014 Ford F550 VIN# [REDACTED] 32262) in interstate commerce. Driver operated the vehicle from the carrier's principal place of business in Olathe Kansas to a job site in Kansas City Missouri. This vehicle has a gross vehicle weight rating of 19,500 lbs. This trip is evidenced by a carrier statement, a job invoice, and incomplete hours of service records. At the time of this trip and during the review, carrier failed to require a driver to prepare a record of duty status using the appropriate method.

3 FEDERAL	Primary: 396.17(a)	Discovered 1	Checked 1	Drivers/Vehicles In Violation 1	Checked 1
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Description

Using a commercial motor vehicle not periodically inspected.

Example


On June 24th, 2019 Desco Coatings Inc. had driver Ryan Courtney (KSDL#) operate a non-CDL vehicle (2014 Ford F550 VIN# [REDACTED] 32262) in interstate commerce. Driver operated the vehicle from the carrier's principal place of business in Olathe Kansas to a job site in Kansas City Missouri. This vehicle has a gross vehicle weight rating of 19,500 lbs. This trip is evidenced by a carrier statement, a job invoice, and incomplete hours of service records. At the time of this trip and during the review, carrier used a commercial motor vehicle not periodically inspected.

Safety Fitness Rating Information:		OOS Vehicle (CR): 0	
Total Miles Operated	10,447	Number of Vehicle Inspected (CR): 0	
Recordable Accidents	0	OOS Vehicle (MCMIS): 0	
Recordable Accidents/Million Miles	0.00	Number of Vehicles Inspected (MCMIS): 0	

Your proposed safety rating is : CONDITIONAL	Rating Factors		Acute	Critical
	Factor 1:	S	0	0
	Factor 2:	C	0	1
	Factor 3:	U	0	2
	Factor 4:	S	0	0
	Factor 5:	S	0	0
	Factor 6:	S	-	-

This rating will become the final rating 60 days from the date indicated on a forthcoming official notice from the Federal Motor Carrier Safety Administration headquarters in Washington, D.C.



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Part B Violations		

However, if this rating improves a previous Unsatisfactory rating, it will become effective on the date of the official notice from the FMCSA headquarters.

Corrective actions must be taken for the violations (deficiencies) listed on Part B of this review. Title 49 CFR Sections 385.15 and 385.17 provide for administrative review and a change to a safety rating based on corrective actions, respectively. A request for a change to a safety rating under section 385.17 may be made at any time. A motor carrier may request, in writing, a change in the rating by providing evidence of corrective actions to the Field Administrator for the FMCSA Service Center in which the carrier maintains its principal place of business. (See 49 CFR 385.17 for additional details) A request for administrative review under section 385.15 must be made within 90 days of the date of the proposed safety rating issued under section 385.11(c) or a final safety rating issued under section 385.11(b), or within 90 days after denial of a request for a change in rating under section 385.17.

If this was a focused investigation, which will be noted in the Review Type on the first page of this report (Part A), some factors shown above may be marked "SATISFACTORY" even if they were not reviewed. A focused investigation will not result in a SATISFACTORY safety rating because all standards and factors specified in 40 CFR 383.5 and 385.7 were not examined in full, even though it may appear that they were under the rating factors in Part B of this document. It may, however, result in a less than SATISFACTORY rating if sufficient violations are discovered in the parts and factors examined to result in a CONDITIONAL or UNSATISFACTORY rating, or a non-ratable review.

If you receive a conditional or unsatisfactory rating, you may request an administrative review under 49 CFR 385.15 or a safety rating upgrade based on corrective action under 49 CFR 385.17. However, a successful request may only result in a non-ratable status, upgrade to a conditional safety rating, or reinstatement of your most recent safety rating. You will not receive a new satisfactory safety rating as a result of your request(s) under 49 CFR 385.15 and/or 49 CFR 385.17.





DESCO COATINGS INC
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Part B Requirements and/or Recommendations

1. For all Investigations

- Understand Why Compliance Saves Time and Money Compliance with FMCSRs will not only save lives, but also saves your business time and money Tracking how much your business spends on non-compliance activities can help you understand the many benefits of compliance to your business and why safety is good business.

- Document and Follow Through on Action Plans Document and follow through on action plans to ensure the actions you are taking are creating improvement in safety management and compliance.

- NOTICE: A pattern and/or repeated violations of the same or related acute or critical regulations (violations of the same Part in Title 49, Code of Federal Regulations) will cause the maximum penalties allowed by law to be assessed under Section 222 of the Motor Carrier Safety Improvement Act of 1999 (MCSIA). A pattern of violations means two or more violations of acute and/or critical regulations in three or more Parts of Title 49, Code of Federal Regulations discovered during any eligible investigation. Repeated violations means violation(s) of an acute regulation of the same Part of Title 49, Code of Federal Regulations discovered in an investigation after one or more closed enforcement actions within a six year period and/or violation(s) of a critical regulation in the same Part of Title 49, Code of Federal Regulations discovered in an investigation after two or more closed enforcement actions within a six year period

- NOTICE 49 CFR Part 391.23 requires prospective employers to, at a minimum, investigate a driver's employment information, crash record, and alcohol and controlled substances history from all employers the driver worked for within the previous 3 years.

The Pre-Employment Screening Program (PSP) is a screening tool that assists motor carriers in investigating crash history and roadside safety performance of prospective drivers. The PSP allows motor carriers to purchase 5 years of crash data and 3 years of roadside inspection data from the Federal Motor Carrier Safety Administration's (FMCSA) Motor Carrier Management Information System (MCMIS) Records are available 24 hours a day via Web request. Motor carriers should visit the following website for more information:
<http://www.psp.fmcsa.dot.gov/Pages/default.aspx>

- All motor carriers and truck drivers are needed to fight against terrorism and hijacking. You could be a target. Protect yourself, your trucks, your cargo, and your facilities. Discuss with your employees/drivers the "Security Measures for Truck Drivers and Companies" which were provided and reviewed with motor carrier official. Motor carriers should visit the following website for more information.
<http://www.fmcsa.dot.gov/documents/Hijacking-Brochure.pdf>

For all Investigations that could result in a Notice of Claim:

- PLEASE NOTE The violations discovered during this compliance review may affect the civil penalty proposed in any subsequent Notice of Claim. In addition, your history of prior violations of the Federal Motor Carrier Safety Regulations, Federal Hazardous Material Regulations or the Federal Motor Carrier Commercial Regulations may also affect the civil penalty proposed in any subsequent Notice of Claim. Your signature for receipt of this report acknowledges your understanding that the violations discovered by the FMCSA during this review may be used to calculate any civil penalty proposed as a result of this review.

For all Investigations resulting in serious violations

Serious violations were recorded on this investigation report. These violations will impact your safety record. Furthermore, these violations may result in a follow-up investigation at a later date unless adequate evidence of corrective action is forwarded to our office

US Department of Transportation
Federal Motor Carrier Safety Administration
Kansas Division
Division Administrator





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Part B Requirements and/or Recommendations

1303 First American Place
Suite 200
Topeka, KS 66604-4040

For all Investigations resulting in a proposed conditional or unsatisfactory rating

385.15

If you believe the proposed rating is in error and there are factual and procedural issues in dispute, Part 385.15 (copy provided) outlines procedures for petitioning the Federal Motor Carrier Safety Administration for an administrative review of these findings. Your petition should be addressed to

Chief Safety Officer
Federal Motor Carrier Safety Administration
1200 New Jersey Avenue SE,
Washington, DC 20590

385.17

In addition, a request for a revised rating based on corrective actions may be made at any time. Part 385.17 (copy provided) outlines the procedures for such a request. The request must be made in writing, must describe the corrective action taken and must include other documentation that may be relied upon as a basis for the requested change. Address your written request to

US Department of Transportation
Federal Motor Carrier Safety Administration
Midwestern Service Center
4749 Lincoln Mall Drive
Suite 300-A
Matteson, IL 60443

Ensure that a CC copy of the letter is mailed to

US Department of Transportation
Federal Motor Carrier Safety Administration
Kansas Division
Division Administrator
1303 First American Place
Suite 200
Topeka, KS 66604-4040

This letter should be submitted as soon as possible.

- All Other Motor Carriers This review will result in a Proposed Safety Rating. The findings indicate you are currently operating at an unsatisfactory level of safety compliance. A written notice of proposed unsatisfactory rating will be sent to you by the FMCSA via U.S. Mail. If you fail to obtain an improved rating within 60 days of the date that notice is sent, the unsatisfactory rating will become final and you must cease interstate operations.

Information on your compliance status, roadside inspections, regulatory changes, accident countermeasures and hazardous material incident prevention manual is available on the Internet at the Federal Motor Carrier Safety Administration's web site at <http://www.fmcsa.dot.gov/> and <http://www.safer.fmcsa.dot.gov/>.

For all Investigations that did not result in a Cooperative Safety Plan





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Part B Requirements and/or Recommendations

The KCC requires that you prepare a corrective action plan (CAP), addressing the measures taken to correct all violations identified within this report. Submit this letter within 30 days outlining the carrier's updated changes to their policies and procedures regarding all listed violations. Explain in detail how, as a carrier representative, you will rectify these deficiencies and prevent their reoccurrence going forward. Include any supporting documentation and evidence as indicated in the recommendations above, (example: vehicle inspections performed, proof of drug and alcohol testing in place, etc.) necessary to prove that corrective action has been taken. Submit the letter along with copies of your supporting evidence to:

e-mail: g.davenport@kcc.ks.gov,

FAX 785-271-3124,

or mail

Kansas Corporation Commission

Attn: Gary Davenport

1500 SW Arrowhead Rd

Topeka, KS 66604-4027

2. FMCSA recently announced planned improvements to the Carrier Safety Measurement System (SMS) which was implemented in December 2010 as part of the Agency's broader Compliance, Safety, Accountability (CSA) initiative. A preview of these improvements is currently available to motor carriers. The system changes are scheduled to be available to the public in July 2012. There will be an additional opportunity for public comment on the changes after the preview period ends in July 2012.

The improvements to SMS are based on ongoing analysis and feedback from enforcement personnel, the motor carrier industry, and other stakeholders. The changes more effectively identify and prioritize high-risk and other unsafe motor carriers for enforcement interventions designed to reduce commercial motor vehicle crashes and hazardous materials incidents.

Motor carriers currently have the ability to preview how the improvements impact their individual safety data in SMS. These improvements include: (1) Changes to the SMS methodology that identify higher risk carriers while addressing industry biases; (2) better applications of SMS results for Agency interventions by more accurately identifying safety sensitive carriers (i.e., carriers transporting people and carriers hauling hazardous materials (HM)), so that such firms can be selected for CSA interventions at more stringent levels; and, (3) more specific fact-based displays of SMS results on the SMS Web site.

The data preview may be found at <http://csa.fmcsa.dot.gov/>. During the data preview period, the Agency requests comments on the impacts of the changes.

3. HOS COMPLIANCE BASIC PROCESS BREAKDOWN. Roles and Responsibilities

DESCRIPTION OF PROCESS BREAKDOWN:

Desco Coatings Inc.'s violations occurred due to a breakdown regarding the roles and responsibilities elements of compliance within this section of the regulations. During the course of this review, it was revealed that the carrier failed to require drivers to prepare hours of service records. It is your responsibility to ensure that drivers prepare accurate hours of service records. Based on your local operations, you would qualify for the Short Haul Provision. Utilize the documents and forms provided during the course of this review to assist you in compliance. If you have questions or needs, please don't hesitate to contact me.

BASIC SPECIFIC RECOMMENDED REMEDIES

Implement Safety Improvement Practices. The following are recommended practices related to Roles and Responsibilities.

- Define and document roles and responsibilities of managers and supervisors for monitoring compliance with Hours-of-Service (HOS) policies.
- Ensure that managers are responsible for reviewing Records of Duty Status (RODS) for accuracy and for disciplining those who falsify their logs.
- Assign responsibility for making sure that all Records of Duty Status (RODS) are collected and stored for six months.





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Part B Requirements and/or Recommendations

- Prior to accepting shipments, ensure that dispatchers are responsible for mapping out routes, asking drivers how many hours they have driven recently, and verifying that the route can be completed without breaking Hours-of-Service (HOS) regulations.
- Ensure that drivers are responsible for informing the carrier when they are sick, keeping accurate Records of Duty Status (RODS), and planning their route so that it can be completed efficiently within Hours-of-Service (HOS) rules.
- Define and document roles and responsibilities of drivers and dispatchers as they pertain to Hours-of-Service (HOS) policies and procedures.

Seek Out Resources

- You are encouraged to review your company's record at the following website [http //ai.fmcsa dot.gov/SMS](http://ai.fmcsa.dot.gov/SMS). You will need to use your PIN Number that has been provided by the FMCSA
- Contact industry associations to get resources and ideas on safety improvement practices from other carriers in the industry.

4. VEHICLE MAINTENANCE BASIC - INSPECTION-REPAIR-MAINTENANCE PROCESS BREAKDOWN Policies and Procedures

DESCRIPTION OF PROCESS BREAKDOWN: Desco Coatings Inc.'s violations occurred due to a breakdown regarding the policies and procedures elements of compliance within this section of the regulations. At the time of this review, carrier failed to have annual inspections conducted on commercial motor vehicles. Ensure that all commercial motor vehicles had current periodic annual inspections. If you have any questions or needs, please don't hesitate to contact me.

BASIC SPECIFIC RECOMMENDED REMEDIES

Implement Safety Improvement Practices: The following are recommended practices related to Policies and Procedures.

- Develop a system of preventive maintenance for compliant, safe, and efficient fleet operations, including a schedule for periodic maintenance, inspection, and recordkeeping. This system should be attuned to manufacturer recommendations, the carrier's own experience, and regulatory requirements.
- Develop a procedure ensuring that vehicle defects that impact safety and/or safety compliance are reported, repaired, and certified before the vehicle is operated.
- Develop procedures to ensure that management is notified of vehicle defects through the use of Driver Vehicle Inspection Records (DVIRs) and other communication channels, such as driver call-in and e-mail from mechanics.
- Develop a policy ensuring that drivers are qualified to complete thorough and timely Driver Vehicle Inspection Records (DVIRs) by the end of the day of the trip and prior to a subsequent assignment.
- Establish a policy requiring drivers to submit copies of all roadside inspections to carrier management within 24 hours.
- Develop policies and procedures requiring drivers to immediately notify appropriate management of any roadside vehicle Out-of-Service (OOS) order.
- Develop a written and progressive disciplinary policy focused on taking corrective action to ensure drivers comply with regulations and policies. A progressive disciplinary policy could include, among other things, written warnings, suspensions, or work restrictions, monetary penalties, and termination. This policy should also specify consequences for any carrier official who knowingly and willfully allows vehicle maintenance violations


Seek Out Resources

- You are encouraged to review your company's record at the following website <http://ai.fmcsa.dot.gov/SMS>. You will need to use your PIN Number that has been provided by the FMCSA.
- Contact industry associations to get resources and ideas on safety improvement practices from other carriers in the industry.

5. DRIVER FITNESS BASIC PROCESS BREAKDOWN. Roles and Responsibilities

DESCRIPTION OF PROCESS BREAKDOWN Desco Coatings Inc.'s violations occurred due to a breakdown



	DESCO COATINGS INC U S. DOT # 374774	Review Date 07/29/2019
Part B Requirements and/or Recommendations		

regarding the roles and responsibilities elements of compliance within this section of the regulations. Carrier failed to create driver qualification files for each driver employed. It is your responsibility to establish and maintain driver qualification files. Utilize the forms and documents provided to you during the course of this review to assist you with compliance. If you have any questions or needs, please don't hesitate to contact me.

BASIC SPECIFIC RECOMMENDED REMEDIES

Implement Safety Improvement Practices The following are recommended practices related to Roles and Responsibilities

- Define and document the role of managers and supervisors for implementing driver-fitness policies and for monitoring compliance with them. This should include regular evaluation of the carrier's driver-wellness program.
- Define and document roles and responsibilities of managers and supervisors in providing training and maintaining qualifications for all employees according to driver-fitness regulations and company policies and procedures.
- Ensure that operations managers and dispatchers are responsible for having the proper amount of fit drivers by considering short-term changes, for example, with regard to vacations, variations in sales, and additional driver duties, and long-term changes, for example, with regard to permanent reassignment and termination of employees.
- Ensure that dispatchers and operation managers are responsible for ascertaining that drivers are qualified before authorizing runs.
- Define and document roles and responsibilities of drivers, dispatchers, and other personnel according to driver fitness regulations and company policies and procedures.

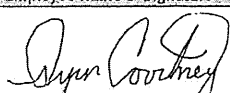
Seek Out Resources

- You are encouraged to review your company's record at the following website. <http://ai.fmcsa.dot.gov/SMS>. You will need to use your PIN Number that has been provided by the FMCSA.
- Contact industry associations to get resources and ideas on safety improvement practices from other carriers in the industry.



ATTACHMENT “B”

DESCO COATINGS TIME CARD

Employee Name: Ryan Courtney	Floors or Walls		Regular Time	Overtime	Double Time		Shift 1, 2 or 3		Subs	Tax Travel	Non Tax Travel		Receipt Amount	Receipt for: Gas, Parking, phone, tools, supplies, etc
Week Ending: 6/28/2019														
Receipts that do not go against any job, list to the right on this line.														
Thursday			8											
Friday			8	1										
Saturday														
Sunday														
Monday			8											
Tuesday			8	1										
Wednesday			8	1										
Employee Signature: See Signature Below														
Employee Name & Signature	Inj: y/n	Description of Accident	Date Reported & Rep. To	Time Inj.	Date Inj.	Witness								
	No													

CERTIFICATE OF SERVICE

20-TRAM-087-PEN

I, the undersigned, certify that a true copy of the attached Order has been served to the following by means of
first class mail/hand delivered on 08/30/2019.

KARI HARPER, MANAGER
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/S/ DeeAnn Shupe
DeeAnn Shupe