

STATE OF WASHINGTON WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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Date:

June 8, 2012

To:

Greg Kopta, Administrative Law Division

From: Dave Pratt, Assistant Director

Transportation Safety

Re:

Commission Staff's response and recommendation regarding the common

carrier application submitted by Four Star Trucking, Inc. under docket TV-

111671.

Commission staff recommends that the common carrier application submitted by Four Star Trucking, Inc. on August 30, 2011 under docket TV-111671 be denied for failure to establish safety fitness as required by RCW 81.80.070(3).

Background:

On August 30, 2011, Darlene Riojas, president, Four Star Trucking, Inc. submitted an application for a common carrier permit. UTC staff research identified that Four Star Trucking Inc. was owned and operated by the same individuals that owned and operated 7-Star Transport, LLC, a carrier that had been placed out of service by the Federal Motor Carrier Safety Administration (FMCSA) in June 2011. See Attachment A. Staff also noticed that the application that was FAXED in from 4 Star listed 7-Star Transport at the top of the cover page.

On June 26, 2011, 7 Star Transport, LLC was placed out of service by the FMCSA for serious safety violations. During a compliance review completed on February 19, 2011, federal enforcement staff documented 153 safety violations, many which were serious in nature. See Attachment B. That review resulted in an "unsatisfactory" rating. The FMCSA gave 7-Star Transport, LLC 60 days to take action to improve its safety rating. 7-Star Transport LLC failed to improve its safety rating within the 60 days and on June 26, 2011, the FMCSA issued a federal out of service order. 7-Star Transport, LLC was ordered to cease all operations of any commercial motor vehicles in interstate and

intrastate commerce. The federal out of service order also applied to the operations of any successor entities, including any motor carrier entity or entities established or used to avoid the consequences of a final "unsatisfactory" safety rating. A motor carrier who operates in violation of FMSCA's order is subject to penalties and criminal prosecution (49 USC § 521(b)). See Attachment C.

On August 11, 2011 the Washington State Patrol (WSP) issued an out of service order pursuant to RCW 46.32.100(2), on 7-Star Transport, LLC's USDOT number for failing to pay \$57,117.20 in penalties that WSP issued as a result of violations discovered during the February 19, 2011 compliance review. 7-Star Transport, LLC was ordered to immediately cease all motor carrier operations for commerce. The out of service order remains in effect until it is rescinded. A motor carrier who operates a commercial motor vehicle that has been placed out of service is subject to penalties for each violation. See Attachment D.

On September 19, 2011, the WSP issued an out of service order to the applicant, Four Star Trucking, Inc. per RCW 46.32.080(4)(d). Four Star Trucking Inc. was found to be a subterfuge for 7-Star Transport, LLC. The out of service order cited the safety violations found in the February, 2011 compliance review. As with WSP's August 11, 2011 out of service order, the order remains in effect until it is rescinded, and Four Star Trucking, Inc. is subject to penalties if it operates a commercial vehicle in violation of the order. See Attachment E.

Four Star Trucking Inc. has not established that the USDOT number of 7-Star Transport, LLC has been reinstated, or that the WSP's cease and desist order against it has been rescinded or reversed. It appears that all out-of service orders against 7-Star Transport, LLC and Four Star Trucking Inc. remain in effect. The orders require that Four Star Trucking, Inc. must correct safety deficiencies that led to its unsatisfactory safety rating, and pay outstanding penalties.

Recommendation:

Staff recommends the application filed by Four Star Trucking, Inc., in Docket TV-111671 be denied for failure to establish safety fitness as required by RCW 81.80.070(3).