

BEFORE THE IOWA INSURANCE COMMISSIONER

IN THE MATTER OF)	
)	
RYDER SYSTEM, INC.)	
RYDER TRUCK RENTAL, INC. d/b/a RYDER)	ORDER AND CONSENT TO ORDER
TRANSPORTATION SERVICES)	
RYDER INTEGRATED LOGISTICS, INC.)	
)	
Respondents)	

Now comes the Iowa Insurance Division (“Division”), pursuant to the provisions of Iowa Code § 87.11 to .11E—Workers’ Compensation or Employers’ Liability Insurance; Iowa Code Chapter 505—Iowa Insurance Division; and Iowa Administrative Code chapter 191—57 Workers’ Compensation Self-Insurance for Individual Employers, and enters into the following Consent Order (“Order”):

I. PARTIES AND JURISDICTION

1. The Commissioner of Insurance, Doug Ommen, directly and through his designees, pursuant to Iowa Code § 505.8 (2017), administers and enforces the provisions of Iowa Code § 87.11 to .11E—Workers’ Compensation or Employers’ Liability Insurance; Iowa Code Chapter 505—Iowa Insurance Division; and Iowa Administrative Code chapter 191—57 Workers’ Compensation Self-Insurance for Individual Employers. Commissioner Ommen has designated James N. Armstrong as Deputy Commissioner.
2. Ryder System, Inc., Ryder Truck Rental, Inc. d/b/a Ryder Transportation Services, and Ryder Integrated Logistics, Inc. (collectively “Ryder”) is a foreign corporation with a mailing address of P.O. Box 14870, Lexington, KY 40512.
3. Ryder is and has been registered as an Iowa self-insured employer since February 1, 1988.
4. Pursuant to Iowa Code § 505.28, Ryder has consented to the jurisdiction of the Commissioner of Insurance by committing acts governed by chapter 505.

5. From June 2, 2017 to July 31, 2017, Ryder has engaged in acts and practices with the state of Iowa constituting cause for nonrenewal or revocation of a certificate of relief from insurance or other relief under Iowa Code chapters 87 and 505 and Iowa Administrative Code chapter 191—57.

II. FINDINGS OF FACT

6. On September 5, 2012, Ryder entered into a Consent Order with the Division that ordered, in part, the following:

a. Ryder agrees to timely file all future applications for renewal in compliance with 191-57 of the Iowa Administrative Code.

b. Ryder agrees to timely respond to all inquiries received from the Iowa Insurance Division.

7. On August 28, 2013, Ryder entered into a second Consent Order with the Division that ordered, in part, the following:

a. Ryder agrees to timely file all future applications for renewal in compliance with Iowa Administrative Code chapter 57.

b. In the event that Ryder fails to submit future applications for renewal on or before June 1st annually (or any subsequent date specified in 191 IAC 57), Ryder agrees to cease its workers' compensation program in Iowa upon expiration of the then current certificate of relief and obtain commercial insurance.

8. On or before June 1, 2017, Ryder failed to submit a completed application for renewal with supporting documentation pursuant to 191 IAC 57.9(1)“b”.

9. On June 30, 2017, the Division received a materially incomplete application for renewal.

10. Ryder was notified by email of deficiencies in the materially incomplete application on the following dates: July 5, 2017, July 7, 2017, July 18, 2017 and July 20, 2017.

11. On July 21, 2017, the Chief Examiner of the Division notified Ryder by email and certified letter that, due to a history of submitting late and incomplete applications for renewal, Ryder would need to secure commercial insurance beginning August 1, 2017 when its current self-insurance certificate expires on July 31, 2017.
12. A subsequent phone call was held on July 21, 2017 between the Chief Examiner and Ryder's Claim Manager. During the call, the Chief Examiner stated that she would consider self-insured status beginning August 1, 2017 and ending July 31, 2018 if Ryder immediately sent a complete application for renewal and detailed any remaining issues with the application and how those issues would be resolved by Ryder. As of August 1, 2018, Ryder would need to secure commercial workers' compensation coverage.
13. On July 31, 2017, Ryder submitted a complete application along with the required supporting documentation.
14. On August 10, 2017, the Division received the bond increase documentation.

ORDER

WHEREFORE, IT IS ORDERED pursuant to the powers granted to the Commissioner of Insurance by Iowa Code chapters 87 and 505 and Iowa Administrative Code chapter 191-57 that:

- A. Ryder shall not submit a renewal application for Iowa workers' compensation self-insurance program effective on August 1, 2018.
- B. Ryder shall obtain commercial coverage for workers' compensation effective on August 1, 2018, and provide a copy of the certificate of liability insurance to the Commissioner.
- C. Ryder shall pay costs of \$500 to the Division upon the signing of this Order. A check for \$500 shall be made payable to the Iowa Insurance Division and remitted along with the signed

Consent to Order to the Iowa Insurance Division, 601 Locust St., Fourth Floor, Des Moines, Iowa 50309-3738 with attention to Robert Koppin, Company Regulation Counsel.

D. Nothing contained in the Order shall in any way limit the right of the Division to institute administrative or legal action against Ryder for any other past conduct or future activity in violation of Iowa laws or regulations.

SO ORDERED on the 24th day of October, 2017.

/s/

JAMES N. ARMSTRONG
Deputy Insurance Commissioner

Respectfully Submitted

/s/

Robert Koppin
Company Regulation Counsel
Two Ruan Center
601 Locust St. – Fourth Floor
Des Moines, Iowa 50309-3738

Attorney for the Iowa Insurance Division

CONSENT TO ORDER

I, Greg Pitz, being a duly authorized signatory, have read, understood, and do knowingly consent to this Order in its entirety. By executing this consent, I understand that I am waiving Ryder System Inc., Ryder Truck Rental d/b/a Ryder Transportation Services and Ryder Integrated Logistics, Inc.'s rights to a hearing, to confront and cross-examine witnesses, to produce evidence, and to judicial review. I also understand that this Order is considered final administrative action that may be reported to the National Association of Insurance Commissioners. I also understand that this Order is a public record under Iowa Code chapter 22 (2017), that will be disclosed to other state regulatory authorities, upon request, pursuant to Iowa Code section 505.8(8)"d" (2017). I also understand that the information contained in the Order will be posted to the Division's web site and a notation will be made to a publicly available web site record that administrative action has been taken against these companies.

Dated this 10th day of October, 2017.

/s/

Greg Pitz

Duly Authorized Signatory

Print Name

Subscribed and sworn before me by Greg Pitz on this 11th day of October, 2017.

Carm D. Cappuccilli

Notary Public for the state of Georgia