

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 9175

IN THE MATTER OF:

Served December 9, 2005

CHARMING SERVICES, LIMITED )  
LIABILITY COMPANY, Suspension and )  
Investigation of Revocation of )  
Certificate No. 970 )  
Case No. MP-2005-20

This matter is before the Commission on respondent's failure to respond to Order No. 8729, served May 19, 2005, which directed respondent to furnish proof that it ceased operations as of March 3, 2005, with corroboration from the District of Columbia Department of Health, Medical Assistance Administration, (DC Medicaid).

**I. BACKGROUND**

Under the Compact, a WMATC carrier may not engage in transportation subject to the Compact if the carrier's certificate of authority is not "in force."<sup>1</sup> A certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.<sup>2</sup>

Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 970 for a minimum of \$1.5 million in combined-single-limit liability coverage and maintain on file with the Commission at all times proof of coverage in the form of a WMATC Certificate of Insurance and Policy Endorsement (WMATC Insurance Endorsement) for each policy comprising the minimum.

Certificate No. 970 became invalid on March 3, 2005, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 8572, served March 4, 2005, noted the automatic suspension of Certificate No. 970 pursuant to Regulation No. 58-02, directed respondent to cease transporting passengers for hire under Certificate No. 970, and gave respondent thirty days to replace the cancelled endorsement or face revocation of Certificate No. 970. Respondent submitted a \$1.5 million primary WMATC Insurance Endorsement on May 3, 2005. The effective date of the new endorsement is March 28, 2005. This means that respondent was without

---

<sup>1</sup> Compact, tit. II, art. XI, § 6(a).

<sup>2</sup> Compact, tit. II, art. XI, § 7(g).

insurance coverage for twenty-five days, from March 3, 2005, through March 27, 2005.

Under Commission Rule No. 28, respondent is required to verify that it ceased transporting passengers for hire under Certificate No. 970 as directed by Order No. 8572. Order No. 8729 gave respondent thirty days to furnish proof that respondent ceased operations as of March 3, 2005, as corroborated by evidence from DC Medicaid.

## II. FAILURE TO RESPOND

Respondent has yet to respond to Order No. 8729. In the meantime, the replacement endorsement filed May 3, 2005, was cancelled effective July 15, 2005, and has not been replaced. Under the circumstances, we will give respondent thirty days to show cause why the Commission should not revoke Certificate No. 970.<sup>3</sup>

THEREFORE, IT IS ORDERED:

1. That respondent shall have thirty days to show cause why the Commission should not revoke Certificate No. 970 for respondent's willful failure to comply with Commission Rule No. 28, Commission Regulation No. 58 and Commission Order No. 8729.

2. That respondent may submit within 15 days from the date of this order a written request for oral hearing, specifying the grounds for the request, describing the evidence to be adduced and explaining why such evidence cannot be adduced without an oral hearing.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS YATES, MILLER, AND SMITH:



William S. Morrow, Jr.  
Executive Director

---

<sup>3</sup> The Commission may suspend or revoke all or part of any certificate of authority for willful failure to comply with a provision of the Compact, an order, rule, or regulation of the Commission, or a term, condition, or limitation of the certificate. Compact, tit. II, art. XI, § 10(c).