

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 12,025

IN THE MATTER OF:

Served June 4, 2009

UNION, INC., Suspension and )  
Investigation of Revocation of )  
Certificate No. 1226 )

Case No. MP-2009-007

This matter is before the Commission on respondent's failure to comply with Order No. 11,936, served April 10, 2009, which directed respondent to verify cessation of operations as of January 10, 2009, and corroborate the verification with copies of its pertinent business records.

**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. 1226 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. 1226 was rendered invalid on January 10, 2009, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 11,792, served January 12, 2009, noted the automatic suspension of Certificate No. 1226 pursuant to Regulation No. 58-12, directed respondent to cease transporting passengers for hire under Certificate No. 1226, and gave respondent thirty days to replace the terminated endorsement and pay the \$50 late fee due under Regulation No. 67-03(c) or face revocation of Certificate No. 1226.

Respondent paid the late fee on February 11, 2009, and submitted a \$1.5 million primary WMATC Insurance Endorsement on February 25, 2009, but the effective date of the new endorsement is March 5, 2009, instead of January 10, 2009.

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

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

Under Regulation No. 58-14:

If a carrier's operating authority is suspended under Regulation No. 58-12 and the effective date of a later-filed replacement Endorsement falls after the automatic suspension date, the carrier must verify timely cessation of operations in accordance with Commission Rule No. 28 and corroborate the verification with client statements and/or copies of pertinent business records, as directed by Commission order.

Order No. 11,936 accordingly gave respondent until May 10 to verify cessation of operations as of January 10. Inasmuch as respondent's only tariff is for service rendered to the general public, the order directed respondent to corroborate the verification with copies of its business records for the period beginning December 1, 2008, and ending April 10, 2009.

Respondent has yet to respond.

## II. ORDER TO SHOW CAUSE

Considering that respondent has not denied operating its vehicle(s) on and after the suspension date, and considering that respondent has failed to produce the required documents, respondent shall have thirty days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or revoke Certificate No. 1226, for knowingly and willfully conducting operations under an invalid/suspended certificate of authority and failing to produce documents as directed.<sup>3</sup>

THEREFORE, IT IS ORDERED:

1. That respondent shall have thirty days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or suspend or revoke Certificate No. 1226, for knowingly and willfully violating Article XI, Section 6(a), of the Compact, Regulation No. 58, and the orders issued in this proceeding.

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 CHRISTIE AND BRENNER:



William S. Morrow, Jr.  
Executive Director

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<sup>3</sup> See *In re Olalekan Salami, t/a Startime Ventures*, No. MP-08-147, Order No. 11,690 (Nov. 19, 2008) (same).