

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 14,468

IN THE MATTER OF:

Served January 8, 2014

SMOOTH RIDE TRANSPORTATION, LLC,)
Suspension and Investigation of)
Revocation of Certificate No. 1066)

Case No. MP-2013-044

Application of SMOOTH RIDE)
TRANSPORTATION, LLC, for)
Restrictive Amendment of)
Certificate of Authority No. 1066)

Case No. AP-2013-091

This matter is before the Commission on the response of Smooth Ride Transportation, LLC, (Smooth Ride), to Order No. 14,025, served June 20, 2013, which directed Smooth Ride to show cause why the Commission should not assess a civil forfeiture against Smooth Ride, and/or revoke Certificate No. 1066.

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."¹ A certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.² Smooth Ride has not been in compliance with the Commission's insurance requirements since March 30, 2013. Hence, Certificate No. 1066 has been invalid since March 30, 2013.

Smooth Ride's noncompliance stems from its failure to maintain the minimum amount of vehicle liability insurance coverage required under Regulation No. 58-02(c). Smooth Ride holds operating authority unrestricted as to vehicle seating capacity. Under Regulation No. 58-02(c), carriers with operating authority unrestricted as to vehicle seating capacity shall maintain minimum insurance coverage of \$5,000,000, Combined Single Limit, (bodily injury, death, and property damage) per accident. Commission records show that Smooth Ride has carried only \$1.5 million in such coverage since March 30, 2013.

The Commission brought this to Smooth Ride's attention by issuing Order No. 13,827 on April 2, 2013. The order noted the automatic suspension of Certificate No. 1066 pursuant to Regulation No. 58-12, directed Smooth Ride to cease transporting passengers for hire under Certificate No. 1066, and gave Smooth Ride 30 days to

¹ Compact, tit. II, art. XI, § 6(a).

² Compact, tit. II, art. XI, § 7(g).

replace the missing coverage and pay the \$100 late fee due under Regulation No. 67-03(c) or face revocation of Certificate No. 1066. Smooth Ride paid the late fee on May 1, 2013, but has yet to replace the full \$5 million in coverage required under Regulation No. 58-02(c).

Instead, Smooth Ride filed an application on April 3, 2013, to add a seating capacity restriction to Certificate of Authority No. 1066 so as to lower the minimum insurance requirement to \$1.5 million under Commission Regulation No. 58-02(c). The application was conditionally approved in Order No. 13,843, served April 4, 2013. The order stipulated that Smooth Ride would have the 180-day maximum permitted by Regulation No. 66 to satisfy the conditions of approval. But as of June 20, 2013, Smooth Ride had yet to satisfy any of the conditions stipulated in Order No. 13,843. Moreover, there was no compliance notice in the record, as required by WMATC Rule No. 28,³ that would indicate Smooth Ride had ceased operating pending amendment and reinstatement of Certificate No. 1066.

Although the order conditionally granting amendment of Certificate No. 1066 stipulated that Smooth Ride would have the 180-day maximum permitted by Regulation No. 66 to satisfy the conditions of approval, that order did not lift the suspension of Certificate No. 1066.

And inasmuch as Smooth Ride had not filed a compliance notice in accordance with Rule No. 28 confirming cessation of operations as of the suspension of Certificate No. 1066 on March 30, 2013, and considering that Smooth Ride had yet to satisfy any of the conditions stipulated in Order No. 13,843 for amending and reinstating Certificate No. 1066, Order No. 14,025, served June 20, 2013, stipulated that Smooth Ride would have 30 days to show cause why the Commission should not assess a civil forfeiture against Smooth Ride, and/or revoke Certificate No. 1066, for knowingly and willfully conducting operations under an invalid/suspended certificate of authority.⁴

Smooth Ride subsequently filed the documents required by Order No. 14,025, but Smooth Ride has yet to verify cessation of operations as of March 30, 2013, notwithstanding a reminder emailed by staff to Smooth Ride on September 5, 2013, admonishing Smooth Ride that said verification was still required by Order No. 14,025.

II. REVOCATION OF AUTHORITY

The Commission may suspend or revoke all or part of any certificate of authority for willful failure to comply with a

³ See *Handi-Pro Transp., Inc.*, No. MP-07-060, Order No. 10,817 (Oct. 10, 2007) (same).

⁴ See *In re Olalekan Salami, t/a Startime Ventures*, No. MP-08-147, Order No. 11,690 (Nov. 19, 2008) (same).

provision of the Compact, an order, rule, or regulation of the Commission, or a term, condition, or limitation of the certificate.⁵

The term "knowingly" means with perception of the underlying facts, not that such facts establish a violation.⁶ The terms "willful" and "willfully" do not mean with evil purpose or criminal intent; rather, they describe conduct marked by intentional or careless disregard or plain indifference.⁷

We find that Smooth Ride has failed to show cause why Certificate No. 1066 should not be revoked for Smooth Ride's willful failure to comply with Regulation No. 58 and Order Nos. 13,827 and 14,025.

THEREFORE, IT IS ORDERED:

1. That pursuant to Article XI, Section 10(c), of the Compact, Certificate of Authority No. 1066 is hereby revoked for the willful failure of Smooth Ride Transportation, LLC, to comply with Regulation No. 58 and Order Nos. 13,827 and 14,025.

2. That within 30 days from the date of this order Smooth Ride Transportation, LLC, shall:

b. remove from its vehicle(s) the identification placed thereon pursuant to Commission Regulation No. 61;

c. file a notarized affidavit and supporting photograph(s) with the Commission verifying compliance with the preceding requirement; and

d. surrender Certificate No. 1066 to the Commission.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS BRENNER, HOLCOMB, AND BELLAMY:



William S. Morrow, Jr.
Executive Director

⁵ Compact, tit. II, art. XI, § 10(c).

⁶ *In re Epps Transp. Co., Inc.*, No. MP-08-124, Order No. 11,935 at 3 (Apr. 9, 2009).

⁷ *Id.* at 3.