

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 16,471

IN THE MATTER OF:

Served July 12, 2016

DAFRE, INC., Trading as DAFRE ) Case No. MP-2016-088  
TRANSPORTATION, Suspension and )  
Investigation of Revocation of )  
Certificate No. 607 )

This matter is before the Commission on the response of respondent to Order No. 16,408, served June 7, 2016, revoking Certificate No. 607 pursuant to Regulation No. 58-15(a) for respondent's willful failure to maintain on file with the Commission proof of \$5 million in combined-single-limit, motor vehicle liability insurance, as required by Commission Regulation No. 58, and willful failure to pay a \$100 late fee, as required by Commission Regulation No. 67-03(c).

Respondent filed a \$5 million WMATC Insurance Endorsement on June 24, 2016, and an application for reconsideration of Order No. 16,408 on July 7, 2016, accompanied by payment of the late fee.

**I. REINSTATEMENT**

Under Regulation No. 58-15(b), if a carrier's authority is revoked for failure to comply with Regulation No. 58, or an order issued thereunder, the Executive Director shall reopen the proceeding and reinstate said authority if the following two conditions are met: (i) the carrier files a timely application for reconsideration in accordance with Rule No. 27; and (ii) the application is supported by the necessary Endorsement(s) and by payment of the late fee under Regulation No. 67-03(c); provided, that reinstatement shall not be available if the carrier's WMATC operating authority stands revoked for other reasons, as well.

Respondent's request was filed within the 30-day deadline established for seeking reconsideration under Rule No. 27; the request is supported by the necessary Endorsement(s) and by payment of the late fee; and Certificate No. 607 does not stand revoked for any other reason.

Accordingly, this proceeding is hereby reopened, and Certificate of Authority No. 607 is hereby reinstated.

**II. CONTINUATION OF INVESTIGATION**

As noted in Order No. 16,344, issued in this proceeding on May 6, 2016, respondent's failure to maintain compliance with Regulation No. 58 dates back to May 5, 2015.

On May 5, 2015, the \$5 million primary WMATC Insurance Endorsement on file for respondent expired without being fully replaced by one or more WMATC Endorsements. WMATC received a replacement endorsement on May 4, 2015, for the first \$1.5 million in coverage, but no endorsement was received for the remaining \$3.5 million in coverage required by Regulation No 58 until June 24, 2016.

The effective date of the June 24, 2016, replacement Endorsement is May 5, 2016, instead of May 5, 2015, the date on which full coverage under respondent's previous WMATC Endorsement first terminated and Certificate No. 607 became automatically suspended under Regulation No. 58-12 as a result. 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.

In accordance with Regulation No. 58-14, respondent will be directed to submit a statement verifying cessation of operations as of May 5, 2015. The statement shall be corroborated by copies of respondent's pertinent business records.

THEREFORE, IT IS ORDERED:

1. That this proceeding is reopened under Commission Regulation No. 58-15(b).
2. That Certificate No. 607 is hereby reinstated.
3. That in accordance with Commission Regulation No. 58-14, respondent shall, within 30 days from the date of this order, state whether it conducted any operations in the Metropolitan District from May 5, 2015, through July 11, 2016.
4. That in accordance with Commission Regulation No. 58-14, respondent shall, within 30 days from the date of this order, produce any and all books, papers, correspondence, memoranda, contracts, agreements, and other records and documents, including any and all stored electronically, that are within respondent's possession, custody or control and which relate to the transportation of passengers for hire between points in the Metropolitan District during the period beginning January 1, 2015, and ending on the date of this order, including, but not limited to any and all:

a. customer contracts and invoices;

b. calendars and itineraries;

c. bank and credit card statements.

FOR THE COMMISSION:

A handwritten signature in black ink, appearing to read 'W. S. Morrow, Jr.', written in a cursive style.

William S. Morrow, Jr.  
Executive Director