

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 16,846

IN THE MATTER OF:

Served February 17, 2017

US CAPITAL SEDAN LLC, Suspension )  
and Investigation of Revocation of )  
Certificate No. 2782 )

Case No. MP-2016-190

This matter is before the Commission on respondent's failure to respond to Order No. 16,800, served January 12, 2017.

**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. 2782 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. 2782 was automatically suspended on November 13, 2016, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent expired without replacement. Order No. 16,676, served November 14, 2016, noted the automatic suspension of Certificate No. 2782 pursuant to Regulation No. 58-12, directed respondent to cease transporting passengers for hire under Certificate No. 2782, and gave respondent 30 days to replace the terminated endorsement and pay a \$100 late fee due under Regulation No. 67-03(c) or face revocation of Certificate No. 2782.

Respondent did not respond, and Certificate No. 2782 was revoked in Order No. 16,750 on December 15, 2016, pursuant to Regulation No. 58-15(a). Respondent thereafter submitted the necessary WMATC Insurance Endorsement, paid the late fee, and filed a timely application for reconsideration of Order No. 16,750, and Certificate of Authority No. 2782 was reinstated in Order No. 16,800, in accordance with Regulation No. 58-15(b).

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

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

However, respondent's replacement Endorsement did not take effect until December 29, 2016, instead of November 13, 2016, the expiration date of the prior Endorsement, thereby creating a 46-day gap in required coverage. Order No. 16,800 accordingly directed respondent to submit a statement verifying cessation of operations as of November 13, 2016, as required by Regulation No. 58-14(a). The order also directed respondent to produce copies of its business records pertaining to any and all operations under WMATC authority from September 1, 2016, through January 12, 2017.

Respondent has yet to respond.

## **II. ORDER TO SHOW CAUSE**

In accordance with Regulation No. 58-14(b), respondent shall have 30 days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or suspend or revoke Certificate No. 2782, for knowingly and willfully conducting operations under an invalid/suspended certificate of authority and failing to produce documents as directed.

THEREFORE, IT IS ORDERED:

1. That respondent shall have 30 days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or suspend or revoke Certificate No. 2782, 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.

FOR THE COMMISSION:



William S. Morrow, Jr.  
Executive Director