

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1691

IN THE MATTER OF:

Served May 17, 1977

DIAMOND TOURS, INC.,	)	Docket No. 374
Investigation and Revocation of	)	
Certificate No. 2	)	
	)	
D. C. TRANSIT SYSTEM, INC.,	)	Docket No. 375
Investigation and Revocation of	)	
Certificate No. 5-A	)	
	)	
MONTGOMERY CHARTER SERVICE, INC.,	)	Docket No. 376
Investigation and Revocation of	)	
Certificate No. 13	)	
	)	
IRONSIDES MEDICAL TRANSPORTATION	)	Docket No. 377
CORPORATION, Investigation and	)	
Revocation of Certificate No. 31	)	
	)	
BANNISTER ENTERPRISES, INC.,	)	Docket No. 378
Investigation and Revocation of	)	
Certificate No. 32	)	
	)	
REHAB TRANSPORTATION, INC.,	)	Docket No. 379
Investigation and Revocation of	)	
Certificate No. 30	)	

The Compact, Title II, Article XII, Section 9(a) mandates that no certificate of public convenience issued under Section 4 of said Article ". . . shall remain in force unless the person . . . holding such certificate complies with such reasonable regulations as the Commission shall prescribe governing the filing and approval of surety bonds, policies of insurance, and qualifications as a self-insurer . . . in such reasonable amount as the Commission may require . . . ." See also Commission Regulation 62.

Regulation 62-03, as amended by Order No. 1598, served August 25, 1976, requires that each certificated carrier maintain security for the protection of the public in the following minimum amounts.

Kind of equipment	Limit for bodily injuries to or death of one person	Limit for bodily injuries to or death of all persons injured or killed in any one accident (subject to a maximum of \$100,000 for bodily injuries to or death of one person)	Limit for loss or damage in any one accident to property of others
Passenger equipment (seating capacity): 11 passengers or less	\$100,000	\$300,000	\$50,000
Passenger equipment (seating capacity): 12 passengers or more	\$100,000	\$500,000	\$50,000

Diamond Tours, Inc., on October 30, 1974, filed a certificate of insurance in the proper form indicating that coverage was in effect from April 1, 1974, until cancelled. Montgomery Charter Service, Inc., on November 13, 1973, filed a certificate of insurance indicating that coverage was in effect from November 14, 1973, until cancelled.

At the time these certificates were filed, Regulation 62-03 prescribed minimum amounts substantially lower than those set forth above. Accordingly, by certified letter dated March 1, 1977, each of the above-named carriers was requested to provide written confirmation that its insurance coverage meets or exceeds the new minimum requirements adopted in Order No. 1598. <sup>1/</sup> Acknowledgements of receipt were returned to the Commission, but the requested written confirmations were not filed. By letters dated April 1, 1977, the Commission advised each of the above-named carriers that no response had yet been received. To date, these inquiries remain unanswered. The Commission

<sup>1/</sup> The Compact, Title II, Article XII, Section 10(a) requires that a carrier provide specific answers to all questions upon which the Commission deems information to be necessary.

therefore finds that Diamond Tours, Inc., and Montgomery Charter Service, Inc., are in violation of Title II, Article XII, Sections 9(a) and 10(a) of the Compact and in violation of Regulation 62 of the Commission's regulations.

By certified letter (return receipt received) dated March 1, 1977, the Commission advised D. C. Transit System, Inc. (Transit), that its certificate of insurance had expired on January 14, 1977. Transit was directed to file an appropriate certificate of insurance not later than March 18, 1977. No such certificate, however, has been filed. By letter dated April 1, 1977, Transit was reminded of its insurance obligations. On April 12, 1977, a letter was received from Transit's attorneys stating that Transit's insurance program is being intensely reviewed and that more specific information should be forthcoming in the next several days. To date, no further response has been received. The Commission therefore finds that D. C. Transit System, Inc., is in violation of Title II, Article XII, Sections 9(a) and 10(a) of the Compact and in violation of Regulation No. 62 of the Commission's regulations.

By certified letter dated March 1, 1977, <sup>2/</sup> the Commission advised Ironsides Medical Transportation Corporation (Ironsides) that its certificate of insurance had expired on August 4, 1975. Ironsides was directed to file an appropriate certificate, but has not done so. Similarly, by certified letter (return receipt received) dated March 1, 1977, Bannister Enterprises, Inc. (Bannister), was advised that it had not filed a certificate of insurance. Bannister was required to file an appropriate certificate no later than March 18, 1977. By letter dated April 1, 1977, Bannister was reminded of this obligation. To date, no response from Bannister has been received. The Commission therefore finds that Ironsides Medical Transportation Corporation and Bannister Enterprises, Inc., are in violation of Title II, Article XII, Sections 9(a) and 10(a) of the Compact and in violation of Regulation 62 of the Commission's regulations.

By letter dated May 16, 1977, National Indemnity Company notified the Commission that policy number BA148470, issued to Rehab Transportation, Inc., was cancelled effective May 12, 1977. The Commission therefore finds that Rehab Transportation, Inc., is in violation of Title II, Article XII, Section 9(a) of the Compact and Regulation 62 of the Commission's regulations.

**THEREFORE, IT IS ORDERED:**

1. That the above-captioned proceedings be, and they are hereby, instituted for the purpose of investigating whether the above-enumerated certificates of public convenience and necessity shall be revoked.

2. That Diamond Tours, Inc., D. C. Transit System, Inc., Montgomery Charter Service, Inc., Ironsides Medical Transportation Corporation,

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<sup>2/</sup> Said certified letter was left unclaimed and returned to the Commission on March 17, 1977. After verifying the address, the letter was sent again by first class mail on March 22, 1977. It has not been returned.

Bannister Enterprises, Inc., and Rehab Transportation, Inc., be, and each is hereby, made a party to the respective above-captioned proceeding.

3. That pursuant to Title II, Article XII, Sections 4(g) and 9(a) of the Compact, Certificate Nos. 2, 5-A, 13, 30, 31, and 32 of Diamond Tours, Inc., D. C. Transit System, Inc., Montgomery Charter Service, Inc., Rehab Transportation, Inc., Ironsides Medical Transportation Corporation, and Bannister Enterprises, Inc., respectively, be, and they are hereby, suspended until otherwise ordered by the Commission.

4. That each of the above-named carriers be, and it is hereby, directed, within 30 days from the date of service hereof, fully to comply with provisions of the Compact, Title II, Article XII, Section 9(a) and Regulation 62 thereunder, and is further directed within said 30 days to file with the Commission an appropriate certificate of insurance or such other evidence in writing and under oath, as each carrier may deem pertinent to show good cause why its certificate of public convenience and necessity should not be revoked.

BY DIRECTION OF THE COMMISSION:

  
WILLIAM H. MCGILVERY  
Executive Director