

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 6375

IN THE MATTER OF:

Served October 3, 2001

Revocation of Certificate of )  
Insurance and Investigation of )  
Suspension and Revocation of )  
Certificate of Authority )  
Directed to: )

EPPS TRANSPORTATION COMPANY, INC., )  
WMATC No. 51 )

Case No. MP-2001-44

WHEELCHAIR MOBILE TRANSPORT, INC., )  
WMATC No. 127 )

Case No. MP-2001-45

SOUTH EAST AREA TRANSIT, INC., )  
Trading as SEAT, WMATC No. 171 )

Case No. MP-2001-46

EXECUTIVE COACH, LTD., )  
WMATC No. 177 )

Case No. MP-2001-47

SINNAR CARE, INC., WMATC No. 228 )

Case No. MP-2001-48

L&N TRANSPORTATION COMPANY, INC., )  
WMATC No. 254 )

Case No. MP-2001-49

EXECUTIVE SEDAN MANAGEMENT SERVICES, )  
INC., Trading as WASHINGTON CAR & )  
DRIVER, WMATC No. 265 )

Case No. MP-2001-50

ERRANDS PLUS, INC., Trading as )  
RMA CHAUFFEURED TRANSPORTATION )  
SERVICE, WMATC No. 287 )

Case No. MP-2001-51

HANDI-PRO TRANSPORTATION, INC., )  
WMATC No. 301 )

Case No. MP-2001-52

SERVICES CORP LIMITED, Trading as )  
SERVICES CORP TRANSPORTATION, )  
WMATC No. 422 )

Case No. MP-2001-53

ERNEST T. GIVENS, Trading as )  
A - TOTAL TRANSPORTATION SERVICE, )  
WMATC No. 425 )

Case No. MP-2001-54

COACH ONE, INC., WMATC No. 430 )

Case No. MP-2001-55

ANG HEALTH SERVICES, INC., )  
Trading as ANG TRANSPORTATION, )  
WMATC No. 458 )

Case No. MP-2001-56

FOWLER TRIO, L.L.C., Trading as )  
AAA TRANSPORT AND ALL AMERICAN )  
ADVENTURES & TOURS, WMATC No. 576 )

Case No. MP-2001-57

These combined proceedings were initiated on June 12, 2001, in Order No. 6249, for the purpose of revoking respondents' certificates of insurance after the common issuer -- insurance company agent Early, Cassidy & Schilling, Inc. -- repudiated the certificate it had issued for Carrier No. 116 by attempting to cancel the certificate retroactively. The order gave respondents thirty days to file new certificates of insurance signed by an insurance company. All respondents have complied, and all but one of the proceedings have been terminated.

This matter is before the Commission again on the petition of Early Cassidy requesting that we renew our acceptance of insurance certificates issued by Early Cassidy personnel.

Commission Regulation No. 58 specifies the minimum insurance requirements for WMATC carriers and requires each WMATC carrier to maintain on file with the Commission an effective certificate of insurance in a form approved by or acceptable to the Commission. The regulation does not specify who may execute the Commission's form, but the terms of the form itself permit issuance by a company representative or authorized agent. When an agent repudiates a filing, the Commission's practice is to require a replacement filing from a company representative and refuse further filings from that agent.<sup>1</sup>

The Commission may waive No. 58 or practice thereunder for good cause.<sup>2</sup> We find that Early Cassidy has not shown good cause.

At this point it is helpful to review what Early Cassidy said in its repudiation of Carrier No. 116's insurance certificate. The repudiation, dated June 5, 2001, states that "coverage for [Carrier No. 116], written with St. Paul Insurance Company, has cancelled for non-payment of premium effective May 25, 2001." The repudiation explains that payment was not made in accordance with the "finance agreement with AFCO Premium Finance Company and . . . accordingly cancellation was requested." The repudiation concludes that "there is no coverage through our agency, or with the St. Paul Insurance Co., effective 5/25/01!"

The petition reveals that the premium finance company had been granted the power to cancel the policy subject to a 10-day notice requirement, which the petition acknowledges violates the WMATC 30-day notice requirement. The petition then expresses Early Cassidy's intent to "continue to allow power of attorney to the finance company, but cancellation provisions must not be less than 30 days when WMATC is involved. Otherwise, no premium will be allowed."

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<sup>1</sup> See also 49 C.F.R. § 387.25, adopted by Commission Regulation No. 64 (providing that a certificate of insurance is not acceptable unless issued by "an insurance or surety company").

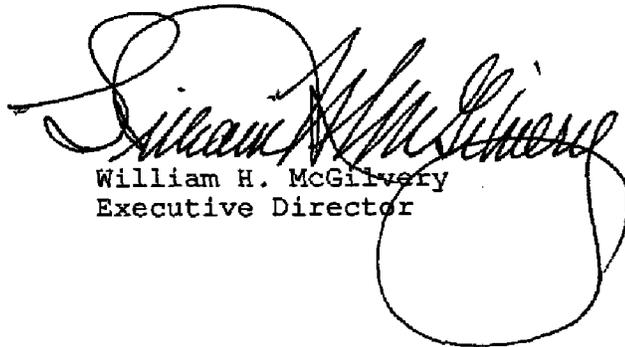
<sup>2</sup> See In re Old Town Trolley Tours of Wash., Inc., & D.C. Ducks, Inc., No. AP-96-44, Order No. 5053 (Apr. 2, 1997) (Commission may waive regulation).

The petition does not explain why Early Cassidy would sign the Commission's insurance form -- which expressly provides for thirty-day written notice of cancellation to the Commission -- knowing that the finance company might cancel on only ten day's notice. Early Cassidy's proposed solution, in any event, leaves the public dependent on Early Cassidy personnel knowing and remembering to use the correct power of attorney provision when dealing with WMATC carriers. We do not believe this adequately protects the public.

Early Cassidy's petition might be more convincing if it were supported by a retraction of the repudiation or an acknowledgement from St. Paul that it was bound for thirty-days from the date the Commission received written notice of cancellation notwithstanding the 10-day power of attorney. As it is, all we are left with is the bare assurance of the word Early Cassidy has already broken.

THEREFORE, IT IS ORDERED that the petition of Early, Cassidy & Schilling, Inc., for waiver of the Commission's insurance requirements is DENIED.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS YATES, LIGON, AND MILLER:



William H. McGilvery  
Executive Director