

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 6879

IN THE MATTER OF:

Served October 30, 2002

Application of GENERAL SERVICES,) Case No. AP-2002-95
INC., Trading as GENERAL SERVICES)
FAMILY TRANSPORT, for a)
Certificate of Authority --)
Irregular Route Operations)

Applicant seeks a certificate of authority to transport passengers in irregular route operations between points in the Metropolitan District, restricted to transportation in vehicles with a seating capacity of less than 16 persons only, including the driver. The application is unopposed.

The Compact, Title II, Article XI, Section 7(a), authorizes the Commission to issue a certificate of authority if it finds that the proposed transportation is consistent with the public interest and that the applicant is fit, willing, and able to perform the proposed transportation properly, conform to the provisions of the Compact, and conform to the rules, regulations, and requirements of the Commission. If an applicant does not make the required showing, the application must be denied under Section 7(b).

The fitness inquiry focuses on an applicant's financial fitness, operational fitness, and regulatory compliance fitness.¹ To make a prima facie case of financial fitness, an applicant must show the present ability to sustain operations during the first year under WMATC authority.² An applicant must proffer evidence that it has secured the financing needed to implement and sustain the proposed service.³

Applicant's balance sheet shows only \$616 in cash and no revenue vehicles. Applicant cannot obtain a vehicle and insurance and establish an adequate reserve for contingencies on such little initial capital. Applicant explains in a supplement to the application that applicant's president has acquired a vehicle for the corporation's use and obtained a promise from a family member to "help the business with

¹ In re Regional Nursing Servs. L.P., No. AP-01-14, Order No. 6231 (May 22, 2001); In re Marylou's Janitorial Serv., Inc., t/a Marylou's Transp. Serv., No. AP-96-23, Order No. 4874 (June 20, 1996).

² Order No. 6231; Order No. 4874.

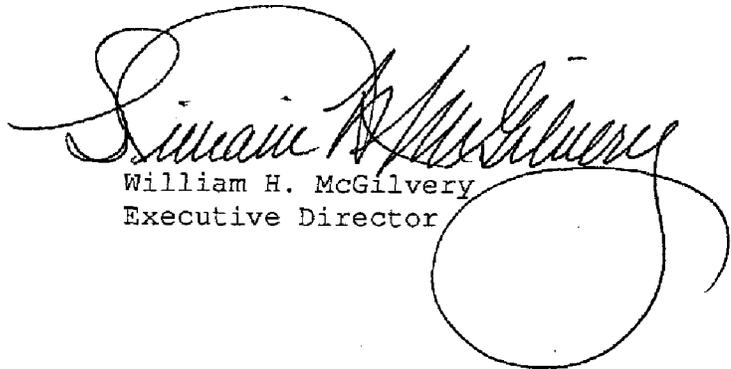
³ Order No. 6231; Order No. 4874.

the sum of \$10,000." The statement is supported by an insurance card and safety inspection notice for a 1998 Pontiac van.

The insurance card accompanying applicant's supplemental statement is evidence that applicant has secured additional financing, but not enough. Applicant still has not shown how it intends to acquire the \$1.5 million liability insurance policy required under Commission Regulation No. 58 and establish an adequate reserve for contingencies with only \$616 in the bank. The undocumented promise of \$10,000 in future aid is not evidence that applicant "has secured" the financing needed to implement and sustain operations for one year. Accordingly, we are unable to find applicant financially fit on this record.⁴

THEREFORE, IT IS ORDERED that the application of Services, Inc., trading as General Services Family Transport, for a certificate of authority, irregular route operations, is hereby denied without prejudice.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS YATES AND MILLER:



William H. McGilvery
Executive Director

⁴ See In re Charlene Bonita Gant, t/a Charlene Area Transit (C.A.T.), No. AP-02-22, Order No. 6638 (May 2, 2002) (\$4,000 in cash, 14-year-old van, no insurance); In re Reach Out Transp. Inc., No. AP-02-13, Order No. 6626 (Apr. 23, 2002); (\$1,000 in cash, one vehicle, no insurance); Order No. 4874 (\$5,000 cash, one vehicle, no insurance).