

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 8283

IN THE MATTER OF:

Served September 20, 2004

Investigation of Unauthorized)
Transfer of Certificate No. 85 and)
Unauthorized Operations of JIMMIE)
LEE DAVENPORT and JAMES L. HUGHES)

Case No. MP-2004-164

On April 23, 2004, the Commission received a \$100 check in payment of the 2004 annual fee for V.I.P. Tours, Inc., WMATC No. 85. The check was drawn on the account of "VIP Tours LLC". Commission records identify Jimmie Lee Davenport and James L. Hughes as the sole shareholders and officers of V.I.P. Tours, Inc., and Mr. Hughes as the organizer of V.I.P. Tours, L.L.C.

A check of records obtained by the Commission from the Taxpayer Services Division of the Maryland Department of Assessments and Taxation (MDAT), reveals that V.I.P. Tours, Inc., forfeited its charter on October 7, 2003. MDAT records show that V.I.P. Tours, L.L.C., forfeited its charter on October 7, 2003, as well. Under Maryland law, a corporation ceases to exist upon forfeiture of its charter, and all assets owned by a corporation at the time of forfeiture are transferred by operation of law to the corporation's directors.¹

Under the Compact, Commission approval must be obtained to transfer a WMATC Certificate of Authority.² A person other than the person to whom an operating authority is issued by the Commission may not lease, rent, or otherwise use that operating authority.³ A person who knowingly and willfully violates a provision of the Compact, or a rule, regulation, requirement, or order issued under it, or a term or condition of a certificate shall be subject to a civil forfeiture of not more than \$1,000 for the first violation and not more than \$5,000 for any subsequent violation.⁴ The Commission may suspend or revoke all or part of any certificate of authority for willful failure to

¹ Cloverfields Improvement Ass'n, Inc., v. Seabreeze Properties, Inc., 362 A.2d 675 (Md. Ct. Spec. App. 1976), aff'd, 373 A.2d 935 (Md. 1977).

² Compact, tit. II, art. XI, § 11(a); In re Atlantic Valet, Inc., t/a Atlantic Transp., & Atlantic Servs. Group, Inc., No. AP-01-34, Order No. 6254 (June 15, 2001).

³ Compact, tit. II, art. XI, § 11(b).

⁴ Compact, tit. II, art. XIII, § 6(f).

comply with a provision of the Compact, an order, rule, or regulation of the Commission, or a term, condition, or limitation of the certificate.⁵

Mr. Davenport and Mr. Hughes paid a \$500 civil forfeiture in 2002 for knowingly and willfully violating the Compact by operating under color of Certificate No. 85 after forfeiting the charter of V.I.P. Tours, Inc., on October 6, 1998. They will have thirty days to show cause why the Commission should not assess another civil forfeiture, and why Certificate No. 85 should not be suspended or revoked, for repeating the violation in 2003-2004. In the meantime, Mr. Davenport and Mr. Hughes will be ordered not to transport passengers for hire between points in the Metropolitan District, unless and until otherwise ordered.

THEREFORE, IT IS ORDERED:

1. That an investigation is hereby initiated under Article XIII, Section 1, of the Compact.

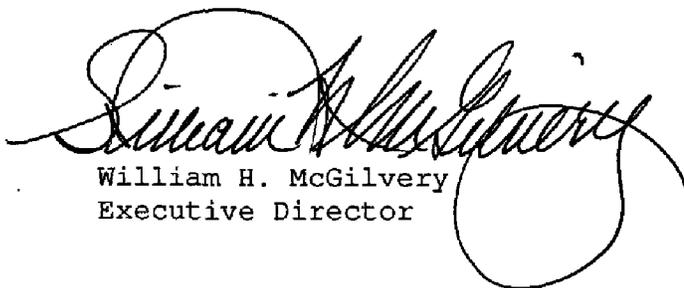
2. That Jimmie Lee Davenport and James L. Hughes shall not transport passengers for hire between points in the Metropolitan District, directly or through some entity other than V.I.P. Tours, Inc., unless and until otherwise ordered by the Commission.

3. That Jimmie Lee Davenport and James L. Hughes shall have thirty days to show cause why the Commission should not assess a civil forfeiture for knowingly and willfully violating Article XI, Section 11, of the Compact.

4. That Jimmie Lee Davenport and James L. Hughes shall have thirty days to show cause why Certificate No. 85 should not be suspended or revoked for willful failure to comply with Article XI, Section 11.

5. That Jimmie Lee Davenport and James L. Hughes may each file within 15 days from the date of this order a 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.

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



William H. McGilvery
Executive Director

⁵ Compact, tit. II, art. XI, § 10(c).