

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 8521

IN THE MATTER OF:

Served January 24, 2005

REHOBOTH TRANSPORTATION)
SERVICES LLC, Suspension and)
Investigation of Revocation of)
Certificate No. 822)

Case No. MP-2004-155

This matter is before the Commission on respondent's failure to respond to Order No. 8441, served November 29, 2004, directing respondent to verify compliance with Order No. 8257, served September 7, 2004, which commanded respondent to cease transporting passengers for hire under Certificate No. 822.

Under the Compact, a certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.¹ Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 822 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. 822 became invalid on September 6, 2004, when the \$1.5 million WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 8257 noted the automatic suspension of Certificate No. 822 pursuant to Regulation No. 58-02, directed respondent to cease transporting passengers for hire under Certificate No. 822, and gave respondent thirty days to replace the expired endorsement or face revocation of Certificate No. 822. Respondent submitted a \$1.5 million replacement endorsement on November 10, 2004. The effective date of the new endorsement is September 28, 2004. This means that respondent was without insurance coverage for twenty-two days, from September 6, 2004, through September 27, 2004.

Order No. 8257 gave respondent thirty days to furnish proof of having ceased operations as of September 6, 2004. Inasmuch as respondent's only tariff is for service rendered to clients of the District of Columbia Department of Health, Medical Assistance Administration (DC Medicaid), such proof was to include confirmation from DC Medicaid. Respondent claims it did not transport any passengers while suspended and uninsured, but the Commission has

¹ Compact, tit. II, art. XIII, § 7(g).

received a statement from DC Medicaid's agent for processing carrier invoices, ACS State Healthcare, indicating that respondent submitted a claim for services rendered on September 8, 2004.

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; each day of the violation constitutes a separate violation.² The Commission may suspend or revoke all or part of any certificate of authority for willful failure to comply with a provision of the Compact, an order, rule, or regulation of the Commission, or a term, condition, or limitation of the certificate.³

Respondent shall have thirty days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or suspend or revoke Certificate No. 822, for conducting operations under an invalid/suspended certificate of authority in violation of Article XI, Section 6(a), of the Compact and Commission Order No. 8257.

THEREFORE, IT IS ORDERED:

1. That respondent shall have thirty days to show cause why the Commission should not assess a civil forfeiture against respondent for knowingly and willfully violating Article XI, Section 6(a), of the Compact and Commission Order No. 8257.

2. That respondent shall have thirty days to show cause why the Commission should not suspend or revoke Certificate No. 822 for respondent's willful failure to comply with Article XI, Section 6(a), of the Compact and Commission Order No. 8257.

3. 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.

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


William S. Morrow, Jr.
Executive Director

² Compact, tit. II, art. XIII, § 6(f).

³ Compact, tit. II, art. XI, § 10(c).