

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 15,265

IN THE MATTER OF:

Served December 30, 2014

CAR PLUS TRANSPORTATION LLC, )  
Suspension and Investigation of )  
Revocation of Certificate No. 2054 )

Case No. MP-2014-099

This matter is before the Commission on respondent's failure to respond to Order No. 15,108, served October 8, 2014.

**I. BACKGROUND**

Under the Compact, a WMATC carrier may not engage in transportation subject to the Compact if the carrier's certificate of authority is not "in force."<sup>1</sup> A certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.<sup>2</sup>

As of January 31, 2014, Commission Regulation No. 58 required respondent to insure the revenue vehicles operated under Certificate No. 2054 for a minimum of \$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.

The \$3 million, excess of \$2 million, WMATC Insurance Endorsement on file for respondent expired on January 31, 2014, without replacement. Order No. 14,893, served July 3, 2014, noted the automatic suspension of Certificate No. 2054 pursuant to Regulation No. 58-12, directed respondent to cease transporting passengers for hire under Certificate No. 2054, and gave respondent 30 days to replace the terminated endorsement and pay the \$100 late fee due under Regulation No. 67-03(c) or face revocation of Certificate No. 2054.

Respondent submitted a \$3 million, excess of \$2 million, WMATC Insurance Endorsement on July 10, 2014, with an effective date of December 31, 2013, and respondent paid the \$100 late insurance fee on July 24, 2014.

Also on July 24, 2014, respondent submitted an application to add a 15-person seating capacity restriction to Certificate No. 2054. The Commission conditionally approved the application in Order

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<sup>1</sup> Compact, tit. II, art. XI, § 6(a).

<sup>2</sup> Compact, tit. II, art. XI, § 7(g).

No. 14,939 on July 25, 2014.<sup>3</sup> Adding the seating capacity restriction to Certificate No. 2054 confines respondent's operations to vehicles with a seating capacity of 15 persons or less, including the driver, and reduces to \$1.5 million respondent's minimum insurance obligation under Commission Regulation No. 58.

The conditions of approval in Order No. 14,939 included the requirement that respondent file one or more WMATC Endorsements showing a minimum of \$1.5 million in coverage. Respondent filed a \$1.5 million WMATC Endorsement on July 14, 2014, with an effective date of June 1, 2014, and otherwise satisfied the conditions of approval, and Certificate No. 2054 was reissued on October 8, 2014.

During the course of this proceeding, it was discovered that on May 30, 2013, when the minimum insurance requirement for Certificate No. 2054 was still \$5 million, and the Commission had on file for respondent a \$2 million primary WMATC Endorsement and \$3 million excess WMATC Endorsement, respondent filed a \$1.5 million primary WMATC Endorsement with an effective date of June 1, 2013. Under Regulation No. 58-07(e), this had the effect of terminating coverage under the \$2 million primary endorsement already on file, leaving respondent without WMATC insurance coverage for the portion of any property damage and bodily injury claims in excess of \$1.5 million but less than \$2 million - thus creating a \$500,000 gap and causing the automatic suspension of Certificate No. 2054 under Regulation No. 58-12. The gap lasted from June 1, 2013, until December 31, 2013, the effective date of a \$2 million primary WMATC Endorsement filed by respondent on January 8, 2014.

Accordingly, Order No. 15,108 gave respondent 30 days to verify cessation of operations as of June 1, 2013, as corroborated by copies of respondent's pertinent business records and insurance claims data, in accordance with Regulation No. 58-14.

Respondent has yet to respond.

## **II. ORDER TO SHOW CAUSE**

Considering that respondent has not denied operating its vehicle(s) from June 1, 2013, until December 31, 2013, and considering that respondent has failed to produce the required documents, respondent shall have 30 days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or suspend or revoke Certificate No. 2054, for knowingly and willfully conducting operations under an invalid/suspended certificate of authority and failing to produce documents as directed.<sup>4</sup>

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<sup>3</sup> *In re Car Plus Transp. LLC*, No. AP-14-226, Order No. 14,939 (July 25, 2014).

<sup>4</sup> *See In re Olalekan Salami, t/a Startime Ventures*, No. MP-08-147, Order No. 11,690 (Nov. 19, 2008) (same).

THEREFORE, IT IS ORDERED:

1. That respondent shall have 30 days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or suspend or revoke Certificate No. 2054, for knowingly and willfully violating Article XI, Section 6(a), of the Compact, Regulation No. 58, and the orders issued in this proceeding.

2. 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 BRENNER, HOLCOMB, AND BROWN:

A handwritten signature in black ink, appearing to read 'W. S. Morrow, Jr.', is positioned above the typed name.

William S. Morrow, Jr.  
Executive Director