

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 17,762

IN THE MATTER OF:

Served August 13, 2018

KTS SOLUTIONS, INC., Suspension and)
Investigation of Revocation of)
Certificate No. 2315)

Case No. MP-2018-094

This matter is before the Commission on respondent's failure to respond to Order No. 17,715, served July 9, 2018.

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."¹ A certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.²

Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 2315 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. 2315 was rendered invalid on June 9, 2018, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 17,668, served June 11, 2018, noted the automatic suspension of Certificate No. 2315 pursuant to Regulation No. 58-12, directed respondent to cease transporting passengers for hire under Certificate No. 2315, 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. 2315.

Respondent paid the late fee on July 9, 2018, and submitted a \$1.5 million primary WMATC Insurance Endorsement on July 6, 2018, and the suspension was lifted in Order No. 17,715. However, because the effective date of the new endorsement is July 3, 2018, instead of June 9, 2018, the order gave respondent 30 days in accordance with Regulation No. 58-14(a) to: (1) verify cessation of operations as of June 11, 2018; and (2) produce copies of respondent's pertinent

¹ Compact, tit. II, art. XI, § 6(a).

² Compact, tit. II, art. XI, § 7(g).

business records from April 1, 2018, to July 9, 2018. To date, respondent has produced neither a statement nor any business records.

II. ORDER TO SHOW CAUSE

Regulation No. 58-14(b) states that upon the failure of a carrier to comply timely with the requirements of Regulation No. 58-14(a), "the Executive Director shall issue an order directing the carrier to show cause why a civil forfeiture should not be assessed against the carrier and/or why the carrier's operating authority should not be suspended or revoked."

Pursuant to Regulation No. 58-14(b), 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. 2315.

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. 2315, for knowingly and willfully violating 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.

FOR THE COMMISSION:

William S. Morrow, Jr.
Executive Director