

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 18,310

IN THE MATTER OF:

Served August 6, 2019

HAPPY STAR TRANSPORTATION LLC,)
Suspension and Investigation of)
Revocation of Certificate No. 2169)

Case No. MP-2019-096

The Commission issued Order No. 18,294 in this proceeding on July 30, 2019. The order revoked Certificate No. 2169.

I. VACATUR OF ORDER NO. 18,294

Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 2169 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. 2169 was rendered invalid on June 24, 2019, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 18,223, served June 24, 2019, noted the automatic suspension of Certificate No. 2169 pursuant to Regulation No. 58-12, directed respondent to cease transporting passengers for hire under Certificate No. 2169, and gave respondent 30 days to replace the terminated endorsement and pay a \$100 late fee due under Regulation No. 67-03(c) or face revocation of Certificate No. 2169.

Respondent filed an acceptable \$1.5 million primary replacement WMATC Insurance Endorsement on July 24, 2019. On July 30, 2019, the Commission issued Order No. 18,294 revoking Certificate No. 2169 on the ground that respondent failed to pay the \$100 late fee. That factual finding was in error. On August 2, 2019, the Commission discovered that respondent tendered a \$100 online credit card payment on July 24, 2019. Under the circumstances, we shall vacate Order No. 18,294.¹

Inasmuch as respondent has filed the necessary replacement Endorsement(s) and paid the late fee under Regulation No. 67-03(c), we will lift the suspension in accordance with Regulation No. 58-13.

¹ See *In re Logisticare Sols., LLC, t/a Logisticare*, No. MP-03-124, Order No. 7604 (Dec. 11, 2003) (vacating revocation order issued in error).

II. ORDER TO CONTINUE INVESTIGATION

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."² A certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.³

As noted above, respondent submitted a \$1.5 million primary WMATC Insurance Endorsement on July 24, 2019, but the effective date of the new endorsement is July 23, 2019, instead of June 24, 2019, leaving a 29-day gap in insurance coverage.

Under Regulation No. 58-14:

If a carrier's operating authority is suspended under Regulation No. 58-12 and the effective date of a later-filed replacement Endorsement falls after the automatic suspension date, the carrier must verify timely cessation of operations in accordance with Commission Rule No. 28 and corroborate the verification with client statements and/or copies of pertinent business records, as directed by Commission order.

In accordance with Regulation No. 58-14, respondent will be directed to submit a statement verifying cessation of operations as of June 24, 2019. The statement shall be corroborated by copies of respondent's pertinent business records and by a written statement from Medical Transportation Management, Inc., one of respondent's principal clients, verifying timely cessation of operations.

THEREFORE, IT IS ORDERED:

1. That Order No. 18,294 is hereby vacated.
2. That the suspension of Certificate No. 2169 is hereby lifted.
3. That within 30 days from the date of this order, respondent shall verify it ceased all operations in the Metropolitan District as of June 24, 2019.
4. That within 30 days from the date of this order, respondent shall produce a statement from Medical Transportation Management, Inc., (MTM), indicating whether respondent ceased its MTM operations in the Metropolitan District from June 24, 2019, to the date of this order.

² Compact, tit. II, art. XI, § 6(a).

³ Compact, tit. II, art. XI, § 7(g).

5. That within 30 days from the date of this order, respondent shall produce any and all books, papers, correspondence, memoranda, contracts, agreements, and other records and documents, including any and all stored electronically, that are within respondent's possession, custody or control and which relate to the transportation of passengers for hire between points in the Metropolitan District during the period beginning April 1, 2019, and ending on the date of this order, including, but not limited to any and all:

- a. customer contracts and invoices;
- b. calendars and itineraries;
- c. bank and credit card statements.

FOR THE COMMISSION:



Jeffrey M. Lehmann
Executive Director