

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 19,604

IN THE MATTER OF:

Served November 10, 2021

VERIGREEN, INC., Suspension and)
Investigation of Revocation of)
Certificate No. 3176)

Case No. MP-2021-105

This matter is before the Commission on respondent's failure to respond to Order No. 19,532, served September 29, 2021.

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. 3176 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. 3176 was rendered invalid on September 12, 2021, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 19,515, served September 14, 2021, noted the automatic suspension of Certificate No. 3176 pursuant to Regulation No. 58-12, directed respondent to cease transporting passengers for hire under Certificate No. 3176, 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. 3176.

Respondent thereafter paid the late fee and submitted a \$1.5 million primary WMATC Insurance Endorsement, and the suspension was lifted in Order No. 19,532. However, because the effective date of the new endorsement was September 28, 2021,³ instead of September 12, 2021, leaving a 16-day gap in required insurance coverage, the order gave respondent 30 days in accordance with Regulation No. 58-14(a) to: (1) verify cessation of operations as of September 12, 2021; and (2)

¹ Compact, tit. II, art. XI, § 6(a).

² Compact, tit. II, art. XI, § 7(g).

³ Order No. 19,532 erroneously stated that the effective date of the replacement endorsement was September 22, 2021.

produce copies of respondent's pertinent business records from June 1, 2021, to September 29, 2021.

On November 9, 2021, Progressive Casualty Insurance Company filed a new \$1.5 million primary WMATC Insurance Endorsement on behalf of respondent with an effective date of September 12, 2021, and an expiration date of September 12, 2022. This had the effect of closing the 16-day coverage gap. But closing the insurance gap does not alter the fact that Certificate No. 3176 was suspended from September 12, 2021, until September 29, 2021, and does not relieve a carrier of the requirements of Regulation No. 58-14(a).⁴ Respondent has yet to produce the statement and business records required by that regulation, as set forth in Order No. 19,532.

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. 3176, for knowingly and willfully conducting operations under an invalid/suspended certificate of authority and failing to produce documents as directed.

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. 3176, 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.

FOR THE COMMISSION:



Jeffrey M. Lehmann
Executive Director

⁴ *In re Butler Med. Transp., LLC, t/a Butler Mobility*, No. MP-17-037, Order No. 17,004 at 2-3 (May 16, 2017).