

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 20,824

IN THE MATTER OF:

Served July 10, 2024

FIRST METROPOLITAN COMMUNITY )  
SERVICES, INC., Suspension and )  
Investigation of Revocation of )  
Certificate No. 3290 )

Case No. MP-2023-094

This matter is before the Commission on respondent's response to Order No. 20,692, served April 5, 2024.

**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>

Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 3290 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. 3290 was rendered invalid on November 23, 2023, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 20,492, served November 24, 2023, noted the automatic suspension of Certificate No. 3290 pursuant to Regulation No. 58-12, directed respondent to cease transporting passengers for hire under Certificate No. 3290, 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. 3290.

On December 18, 2023, respondent submitted a \$1.5 million primary WMATC Insurance Endorsement, effective January 2, 2024, but failed to pay the insurance late fee, and Certificate No. 3290 was revoked on December 28, 2023, in Order No. 20,535.

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

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

Respondent thereafter paid the late fee and filed a timely application for reconsideration of Order No. 20,535, and Certificate No. 3290 was reinstated on January 10, 2024, in Order No. 20,566, in accordance with Regulation No. 58-15(b).

However, because the effective date of the new endorsement is January 2, 2024, instead of November 23, 2023, leaving a 40-day gap in insurance coverage, the reinstatement order gave respondent 30 days to verify cessation of operations from November 23, 2023, to January 10, 2024, in accordance with Regulation No. 58-14(a). The statement was to be corroborated by copies of respondent's pertinent business records from September 1, 2023, to January 10, 2024.

In response, on January 12, 2024, respondent produced copies of respondent's bank statements for the period beginning August 4, 2023, and ending January 3, 2024, and an invoice from a vehicle repair facility with a handwritten notation that respondent's 2011 Toyota had been in the shop throughout the period Certificate No. 3290 was suspended and revoked.

Respondent's response was deficient because respondent did not provide a statement verifying cessation of operations during the suspension/revocation period, nor did respondent produce adequate business records to corroborate cessation of operations, as required by Regulation No. 58-14(a) and Rule No. 28, and directed by Order No. 20,566.

Therefore, pursuant to Regulation No. 58-14(b), Order No. 20,692 gave respondent 30 days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or suspend or revoke Certificate No. 3290.

## **II. RESPONSE AND FINDINGS**

On April 19, 2024, respondent submitted a notarized statement signed by its Program Administrator, Elizabeth Alenda. This statement confirms that respondent ceased all transportation operations from November 23, 2023, to January 10, 2024. Respondent also produced corroborating business records demonstrating that respondent used alternate third-party transportation services to transport its residents to appointments during the suspension/revocation period.

On this record, we find that respondent has demonstrated cessation of transportation operations during the suspension/revocation period. Respondent has therefore shown good cause why Certificate No. 3290 should not be suspended or revoked.

But respondent offers no explanation for failing to file a statement verifying cessation of operations from November 23, 2023, to January 10, 2024, on or before the February 9, 2024, deadline established in Order No. 20,566. We find that respondent's failure to fully respond

to Order No. 20,566 in a timely manner was knowing and willful and warrants assessment of a civil forfeiture in the amount of \$250.<sup>3</sup>

THEREFORE, IT IS ORDERED:

1. That pursuant to Article XIII, Section 6(f), of the Compact, the Commission hereby assesses a civil forfeiture against respondent in the amount of \$250 for knowingly and willfully violating Regulation No. 58-14(a) and Order No. 20,566.

2. That respondent is hereby directed to pay to the Commission within 30 days of the date of this order, by check or money order, the sum of two hundred fifty dollars (\$250).

BY DIRECTION OF THE COMMISSION; COMMISSIONERS LACKEY, KERSHBAUM, AND RICHARD:



Jeffrey M. Lehmann  
Executive Director

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<sup>3</sup> See *In re Emerald Exec. Transp., Inc.*, No. MP-19-162, Order No. 19,788 (June 7, 2022) (assessing \$250 civil forfeiture for failure to verify cessation of operations and produce documents in timely fashion).