

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO

PROCEEDING NO. 14C-1126-INS

IN THE MATTER OF COMMISSION ACTION AGAINST THE CERTIFICATE(S)
AND PERMIT(S) OF MOTOR CARRIERS CONCERNING FINANCIAL
RESPONSIBILITY PURSUANT TO § 40-10.1-112, C.R.S., AND RULE 6008,
4 CCR 723-6, OF THE RULES REGULATING TRANSPORTATION BY MOTOR VEHICLES.

**RECOMMENDED DECISION OF
ADMINISTRATIVE LAW JUDGE
MELODY MIRBABA
REVOKING AUTHORITIES AND PERMITS**

Mailed Date: December 11, 2014

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I. STATEMENT, FINDINGS OF FACT, AND CONCLUSIONS

1. The cases listed on the attached Appendix A (Hearing Exhibit 4) were instituted by “Order of Summary Suspension and Complaint and Notice of Hearing” (Complaint or Complaints), issued by the Commission Director and served upon the

Respondents¹ on November 21, 2014 (Hearing Exhibits 2 and 3) by United States mail, at the most recent addresses on file with the Commission for the Respondents.

2. The Complaint provides notice of the nature of the allegations against the Respondents. Hearing Exhibit 2. In particular, the Complaint against each of the Respondents listed on Appendix A alleges that the Public Utilities Commission (Commission) has received notices from the Respondents' insurance or surety companies to cancel the Respondents' insurance or surety coverage as specifically identified in each Complaint. *Id.* The Complaint further notifies the Respondents that their authorities or permits have been summarily suspended and that at the date, time, and location noticed in the Complaint, a hearing will be held regarding whether their authorities or permits should be permanently revoked, based upon the Respondents' failure to maintain proper evidence of insurance or surety coverage on file with the Commission. *Id.*

3. As noticed in the Complaint, on December 9, 2014 at 12:00 p.m., the undersigned Administrative Law Judge (ALJ) called the cases for hearing.

4. Commission Staff member Vanessa Condra appeared through counsel and testified on behalf of the Staff of the Commission (Staff). Respondent Alltown Transportation Inc. (Alltown), and Denver Limousine & Town Car Services LLC. (Denver Limo), appeared at the hearing. Mr. Nabil Elkasmi, with Denver Limo did not participate in the hearing. He left the hearing after meeting briefly with Staff's counsel. Present for Alltown were: Ms. Helena Bagdasarova and Mr. Samuil Vaynshteyn.

¹ Reference to Respondents is a reference to each Respondent identified in Hearing Exhibit 4, which is Appendix A to this Decision.

5. Hearing Exhibits 1 through 4 were admitted into evidence during the hearing.

A. Alltown's Representation.

6. During the course of the hearing, Alltown provided sufficient information to meet the requirements of Rule 1200(b) of the Rules of Practice and Procedure, 4 *Code of Colorado Regulations* (CCR) 723-1, and § 13-1-127, C.R.S., to be represented by a non-attorney. The ALJ found that Alltown may be represented by a non-attorney in this proceeding because it has provided satisfactory evidence that: it is a closely held entity, that the amount in controversy is less than \$15,000, and that its designated representative, the President and one of the company's owners, Ms. Helena Bagdasarova, has authority to represent Alltown. Alltown was represented by Ms. Bagdasarova during the hearing, and may continue to be represented by her in this proceeding moving forward.

B. The Commission's Requirements Relating to Financial Responsibility.

7. Pursuant to § 40-10.1-107, C.R.S., and Rule 6007 of the Rules Regulating Transportation by Motor Vehicle, 4 CCR 723-6, every motor carrier must keep and maintain evidence of financial responsibility in such sum, for such protection, and in such form as the Commission deems necessary to adequately safeguard the public interest.

8. In addition to motor vehicle liability insurance, towing carriers must maintain and keep in force at all times cargo liability insurance (among other insurance). Rules 6007(a)(III) and (IV), 4 CCR 723-6.

9. The motor carriers are responsible for filing proof of the required financial responsibility coverage with the Commission. § 40-10.1-107, C.R.S., and Rule 6007, 4 CCR 723-6.

10. The required certificates of insurance and surety bonds cannot be terminated or cancelled unless and until the insurance carrier provides 30 days' written notice of the same to the Commission. § 40-10.1-107(4), C.R.S.; Rule 6007(i), 4 CCR 723-6. Consequently, the Commission regularly receives notice from insurance carriers when they have cancelled the insurance or surety bonds of motor carriers who are licensed by the Commission. Failure to have proof of current and effective insurance or surety coverage on file with the Commission creates a rebuttable presumption that the carrier is in violation of the financial responsibility requirements. Rule 6007(e), 4 CCR 723-6. Indeed, the required notice from the insurance and surety carriers of cancellation is evidence that the carriers no longer have proof of financial responsibility on file with the Commission.

C. Governing Legal Standards.

11. Section 40-10.1-112, C.R.S., and the Commission's rules implementing that section, provide that after hearing upon notice to the holder of any certificate or permit, and upon proof of violation, a Commission issued authority or permit may be suspended, revoked, altered, or amended if it is established to the satisfaction of the Commission that the holder of that authority or permit has violated any applicable statute, rule, regulation, or Commission decision. Rule 6008, 4 CCR 723-6.

12. Staff carries the burden of proof by a preponderance of the evidence to demonstrate that the allegations of the Complaint are true. The preponderance standard requires the finder of fact to determine whether the existence of a contested fact is more probable than its non-existence. *Swain v. Colorado Department of Revenue*, 717 P.2d 507, 508 (Colo. App. 1985). A party has met this burden of proof when the evidence, on the whole, slightly tips in favor of that party.

D. Witness Testimony.

13. Ms. Condra testified that the Complaints were served upon the Respondents listed on Appendix A by United States mail on November 21, 2014, at the most recent addresses on file with the Commission. Hearing Exhibits 2 and 3. The addresses on file with the Commission were provided by the Respondents.

14. Ms. Condra further testified that the Respondents were identified as being in violation of the financial responsibility requirements because the Commission received notice from each of the Respondents' insurance or surety carriers that their insurance or surety is being cancelled. Hearing Exhibit 4 (Appendix A), is a list of carriers for whom the Commission has received notice from their insurance or surety carriers that their insurance or surety has been or will be cancelled.

15. As of the date of the hearing, none of the Respondents listed in Appendix A had come into compliance with the Commission's financial responsibility requirements as noted in the Complaints. In addition, Ms. Condra searched Commission records prior to the hearing to determine whether any Respondent has a pending application or proceeding before the Commission which may impact the instant proceeding (*e.g.*, application seeking to transfer or suspend Respondents' permits). Ms. Condra found that Alltown has a pending application to suspend its permit, Proceeding No. 14A-1106BP-Suspension. Other than Alltown, Ms. Condra found no other pending proceedings that could impact this proceeding. Ms. Condra recommended that the complaint against Alltown be dismissed, pending the Commission's decision in Proceeding No. 14A-1106BP-Suspension. If the Commission does not grant the suspension application, Staff wishes to reserve the right to move for revocation of Alltown's permit. Staff does not object to dismissal of the Complaint against Alltown without prejudice.

16. With the exception of Alltown, Staff recommended and requested that the authorities and permits of the Respondents listed in Appendix A be revoked.

17. Ms. Condra testified that Denver Limo intends to file paperwork requesting its permit be cancelled, rather than revoked. Ms. Condra recommended that its permit be revoked, unless cancelling the registration administratively trumps revocation.

E. Conclusions.

18. The evidence was undisputed.

19. The ALJ finds and concludes that service of the Complaints upon each of the Respondents is proper because they were served by United States mail, at the most recent addresses on file with the Commission. Hearing Exhibits 2 and 3. The ALJ further finds that the Complaints are in compliance with Rule 6008(a), 4 CCR 723-6 because the Complaints provide notice of the nature of the allegations and the relief sought against the Respondents, provide opportunities for Respondents to respond to the allegations, and provide notice of the hearing regarding the Complaints. Hearing Exhibits 2 and 3.

20. The ALJ finds that Staff established by a preponderance of the evidence that the Commission received notice from the insurance or surety providers for the motor carriers identified in Appendix A that their insurance or surety has been cancelled or terminated for the permits identified in Appendix A. This creates the rebuttable presumption that the Respondent carriers are in violation of their respective financial responsibility requirements. Rule 6007(e), 4 CCR 723-6. There was no evidence rebutting this presumption.

21. The ALJ finds that Staff established by a preponderance of the evidence that the Commission's records do not show a currently effective level of financial responsibility, including, but not limited to motor vehicle liability insurance and cargo liability insurance in

such form and in such manner as required for the Respondents as stated in Appendix A. § 40-10.1-107, C.R.S., and Rule 6007, 4 CCR 723-6. Staff met its burden of proof as to the Respondents listed in Appendix A.

22. The Commission must fulfill its important duty to the public to guarantee that those persons who hold an authority or permit from the Commission have current, effective insurance as required by law. The Commission's only means of performing this important health and safety function is to have documentation of that fact furnished in a uniform format to the Commission. The holder of the authority is responsible for providing that documentation to the Commission. § 40-10.1-107, C.R.S.; Rule 6007, 4 CCR 723-6.

23. With the exception of Alltown, because the Respondents listed in Appendix A have failed to keep currently effective proof of financial responsibility on file with the Commission, including but not limited to motor vehicle liability insurance, cargo liability insurance and garage keeper's liability insurance, the authorities and permits listed in Appendix A should be revoked. As to Denver Limo, if its permit is cancelled before the effective date of this Decision, revocation of Denver Limo's permit shall be null and void.

24. Pursuant to § 40-6-109, C.R.S., the ALJ transmits to the Commission the record of this proceeding, this recommended decision containing findings of fact and conclusions thereon, and a recommended order.

II. ORDER

A. The Commission Orders That:

1. Alltown Transportation Inc. (Alltown) may be represented by Ms. Helena Bagdasarova in this proceeding.

2. Except for Alltown, the Respondents' authorities or permits listed in Appendix A attached hereto are revoked as of the effective date of this Decision.

3. Ordering Paragraph No. 1 shall be void and the case dismissed as to any affected Respondent who files the required Certificate of Insurance or surety with the Commission before the effective date of this Recommended Decision.

4. The Complaint against Alltown in this proceeding is dismissed without prejudice. Staff of the Commission may bring another Complaint against Alltown based upon the same facts alleged in this proceeding.

5. Should the permit of Denver Limousine & Town Car Services LLC. (Denver Limo) be cancelled by the Commission or its staff before the effective date of this Decision, this Decision is null and void as it pertains to Denver Limo, and its permit will not be deemed revoked.

6. Proceeding No. 14C-1126-INS is closed.

7. This Recommended Decision shall be effective on the day it becomes the Decision of the Commission, if that is the case, and is entered as of the date above.

8. As provided by § 40-6-109, C.R.S., copies of this Recommended Decision shall be served upon the parties, who may file exceptions to it.

a) If no exceptions are filed within 20 days after service or within any extended period of time authorized, or unless the decision is stayed by the Commission upon its own motion, the recommended decision shall become the decision of the Commission and subject to the provisions of § 40-6-114, C.R.S.

b) If a party seeks to amend, modify, annul, or reverse basic findings of fact in its exceptions, that party must request and pay for a transcript to be filed, or the parties may stipulate to portions of the transcript according to the procedure stated in § 40-6-113, C.R.S. If no transcript or stipulation is filed, the Commission is bound by the facts set out by the administrative law judge and the parties cannot challenge these facts. This will limit what the Commission can review if exceptions are filed.

9. If exceptions to this Decision are filed, they shall not exceed 30 pages in length, unless the Commission for good cause shown permits this limit to be exceeded.

(S E A L)



ATTEST: A TRUE COPY

Doug Dean,
Director

THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF COLORADO

MELODY MIRBABA

Administrative Law Judge