

Decision 87 10 086

OCT 28 1987

ORIGINAL

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Coast Yellow Cab Cooperative, )  
Inc., )

Complainant, )

vs. )

Case 86-09-052  
(Filed September 26, 1986)

Michael J. Perzo, dba Associated )  
Transportation Service, aka )  
Perzo & Dilullo, Inc., dba )  
Associated Transportation )  
Service, aka Yellow Cab Service, )

Defendant. )

Farano and Kieviet, by Floyd L. Farano and  
Jeffrey L. Farano, Attorneys at Law, for  
Coast Yellow Cab Cooperative, Inc.,  
complainant.

Morinello, Barone, Holden & Nardulli, by  
Kenneth E. McDonald and J. Terence  
Lyons, Attorneys at Law, for Michael J.  
Perzo, dba Associated Transportation  
Service, defendant.

Donald R. Howery, by K. D. Walpert, for Los  
Angeles Department of Transportation,  
interested party.

Lou Cluster, for the Transportation  
Division.

O P I N I O N

Coast Yellow Cab Cooperative, Inc. (Coast), a California corporation, complains that Michael J. Perzo, an individual doing business as Associated Transportation Service (ATS) illegally operates taxicab service under its charter-party carrier of passengers permit without authority from local jurisdictions. It requests that the Commission either revoke or not renew TCP 710-B issued to defendant.

ATS admits that it conducts transportation business in communities which regulate taxicabs but alleges that its activities are within the purview of the Passenger Charter-party Carriers' Act (Sections 5351-5419, Public Utilities (PU) Code). Defendant requests that its permit be renewed in the name of Perzo and Dilullo, Inc., a California corporation owned by Michael J. Perzo and Joseph Dilullo, and that it be allowed time to rectify any violations of law or Commission regulations which may be found to exist.

The Los Angeles Department of Transportation (LADOT) intervened in this case as an interested party, and duly noticed public hearings were held before Administrative Law Judge Orville I. Wright in Los Angeles on February 24-26 and March 25-26, 1987. As the Commission's Transportation Division staff and LADOT participated in these proceedings in support of complainant, these parties and Coast were permitted to file opening briefs. Defendant filed a reply brief, and complainant filed a closing brief on June 19, 1987, at which time the matter was submitted.

Evidence of Taxicab Operation

The following facts developed on the record in this case tend to show that an unlawful taxicab operation is being conducted:

1. Messrs. Perzo and Dilullo, owners of ATS, admit that they provide taxi service and want the public to believe that they are rendering a taxicab service.

2. ATS advertises its transportation as "Yellow Cab Service," meaning, according to ATS, "the old type operation of Yellow Cab when it was founded in 1920 by the Wrigley family in Chicago. That type of service was a Yellow Cab service where drivers had uniforms on, wore hats, very polite to people. They would go to the actual address, knock on the door, take their luggage and so forth. That is what we mean by Yellow Cab service." (Transcript pages 558-559.)

3. ATS advertises in the local telephone white pages as "Yellow Cab," advertises in the telephone yellow pages under the heading "taxicabs," and distributes business cards stating "Yellow" or "Yellow Cab."

4. ATS prominently displays this sign upon all its vehicles: "ATS, Associated Transport Service, Yellow Cab Service, 1-800-233-TAXI."

5. ATS responds to telephone calls for immediate service. Testimony is that immediate response requests constitute from 20 per cent to 50 per cent of defendant's business.

6. A large segment of ATS business is performed by virtue of arrangements made with various hotels that ATS will be summoned by telephone when a hotel patron seeks taxicab service.

7. ATS service is performed in the cities of Costa Mesa, Newport Beach, and Santa Ana, all of which municipalities license and regulate taxicabs. ATS has no taxicab license or authority to operate taxicabs in any of these jurisdictions.

Defendant's Charter-party Record

The Commission staff obtained and examined defendant's charter-party records, reviewed the file history of TCP 710-B, presented an exhibit and oral testimony at the hearings, and filed a brief in order to assist the Commission in reaching a decision in this matter.

We quote from the staff's brief with respect to record of non-compliance with the Commission's regulatory requirements:

"A. ATS consistently failed to provide information requested by Commission staff.

"Beginning in March 1985, when ATS first applied for charter party authority, staff had to write defendant three times requesting a filing fee of \$200.00 (Ex 1, pp 47-49). A filing fee is required before an application is accepted for processing (P.U. Code §5373.1(a)). Because of ATS' delay in submitting this fee, ATS did not receive a

charter party certificate until June 1985. By defendant Michael Perzo's own admission, ATS began operations 3 months previously (Tr 40), in violation of P.U. Code §5371.

"In May 1985 ATS failed to report the creation of the partnership of Michael Perzo and Joseph Dilullo (Tr 113 - 117) as required by P.U. Code §5377.1.

"Beginning in March 1986, when ATS' charter party authority was due to expire, staff wrote to Mr. Perzo two letters informing him that renewal was due (Ex 1, pp 26, 27). An application indicating a transfer of ownership (into a corporation owned by two persons) was received by staff; promptly a third letter was sent to defendant (Ex 1, p 25). This explained the transfer procedure (a form was to be completed and a small fee paid), and informed defendant that evidence of insurance coverage in the name of the corporation was required. A fourth letter informed applicant that this information had not yet been received, and that it must be made available before July 31, 1986, or defendant's authority would be revoked (Ex 1, p 21).

"Evidence of insurance coverage in the name of defendant's corporation was not received until February 1987, seven months later, when hearings in this proceeding were underway (Ex 1, p 50).

"B. ATS failed to maintain evidence of liability insurance protection as required under Public Utilities Code §§5391 - 5393 and General Order 115-D, and, when TCP 710-B was suspended, continued to operate for a period of four months.

"TCP 710-B was suspended due to lack of insurance on November 10, 1985. This suspension was based on a notice of cancellation received in San Francisco on October 11, 1985 (Ex 1, p 4-bottom; see also p 5-bottom and p 4-top for previous cancellation and reinstatement). The record is not clear as to the reason why ATS'

insurance policy was cancelled. Defendant's insurance company, Great Global Insurance Company, eventually filed for bankruptcy, but not until January 30, 1986. Nothing in the record links this bankruptcy with this cancellation, while defendant Joe Dilullo's explanation (Tr 552, 553) indicates that there were imperfect communications, and perhaps other difficulties, between ATS and Brown and Associates, its insurance broker.

"Perhaps because of the special circumstances created by this bankruptcy, Transportation Division staff accepted on February 25, 1986, a non-standard filing of reinstatement (Ex 1, p 3) for the Great Global policy (which essentially stated that the Great Global policy was, as of November 1, 1985, reinstated effective from November 10, 1985), and TCP 710-B was reinstated on that date (Ex 1, p 28). Evidence of insurance coverage was not filed with the Commission until March 27, 1986, by the Industrial Indemnity Company, ATS' insurance company under the state Assigned Risk Plan (Ex 1, p 2-top).

"There was a parallel situation in 1987. A ten day gap in insurance coverage existed between January 18 and January 28, 1987, and evidence of the policy effective January 28th was not received by Transportation Division staff until February 2, 1987 (Ex 1, p 2-bottom and p 1-top).

"We are well aware of the national liability insurance problem. It has created great difficulties for insurance companies and policyholders. In this case the internal problems of the Great Global Insurance Company may have contributed to defendant's inability to maintain its insurance record with this Commission, and it is possible, though it is by no means certain, that defendant held a valid insurance policy throughout the period of this suspension in late 1985 and early 1986.

"That does not mean, however, that the suspension of 710-B was open to

interpretation. If the insurance record is uncertain then the charter party carrier is told to cease operations. What follows is clear. The charter party carrier does not operate. It is the obligation of the carrier to maintain full liability insurance protection as specified by G.O. 115-D, and also to provide Transportation Division with evidence of such coverage.

"ATS operated throughout the period of suspension in violation of P.U. Code §§5379. In effect, ATS left the "housekeeping" of its insurance status to others, including Commission staff. Exhibit 1 contains correspondence written by Commission staff and Brown and Associates which detail their efforts, in good faith, to ascertain and certify ATS' insurance status. No correspondence or records, which would reflect an effort by the principal officers of ATS to solve this problem, exist in Exhibit 1, nor were they submitted as exhibits in this proceeding.

"ATS made certain of its charter party records available to staff. The records for November and December 1985 show operations during the entire two months. These records, along with those provided for 1986, show two other things as well. They show substantial deficiencies in charter party record-keeping. And they show that ATS vastly underreported its 1985 revenues when computing the P.U.C.T.R.A (Public Utilities Commission Transportation Reimbursement Account) fee.

"C. ATS failed to maintain charter party records as required by G.O. 98-A, Part 13.

"Staff's review of ATS records is detailed in Exhibit 10, pages 3 through 7. The procedure followed in selecting typical, or average, records from those provided by ATS is also detailed on those pages.

"Staff's analysis of these records show that the management of ATS made no attempt to record the names and address of the

person(s) requesting the charters. Names of persons are infrequently listed, and were done so only when it would help the driver make a pickup. No information on who paid for the transportation is given, nor is there an identification of the person or persons, if any, who had charge of the charter group. For example, in Exhibit 30, the driver's log and its "tripslips" contain only two names; that of the driver, and a person named "Chuck."

"The records do indicate that charges are based, in most cases, on mileage. However, they do not indicate what the annotation, "(Flat)", means; and if it does indicate that a flat rate, or minimum rate was used, it does not indicate or explain why that flat rate varies, in Exhibit 30's driver's log, between \$5.00 and \$10.00, nor why there are other charges, apparently computed on a mileage basis, which are both less and more than \$5.00.

"In the most part, the pickup and dropoff points are, to a reasonable standard, identified. In Exhibit 30, "JWA" and "OCA" indicates John Wayne Airport. "Hilton" probably indicates the Newport Beach Hilton Hotel. However, "Exxon" can mean any number of service stations, and "Stand" can indicate a Standard Oil Service Station or a taxistand at some location. In these instances also the records are incomplete.

"The record does not contain any assertion by ATS that its record keeping was complete. The record hints at ATS' position in this matter, (Tr 215, 226 - 227, 534). ATS may argue that record-keeping, in the detail required by Part 13, is not necessary in providing its transportation service. Setting aside the question of the usefulness of these records to ATS, which is of no relevance; and setting aside the usefulness of these records to the public, charter party carriers, and interested third parties, which has been affirmatively answered by staff (Tr 216-bottom); the relevant issue here is compliance with

existing rules and regulations. If a carrier seeks an exemption from a rule or regulation it must first give reasons why. Until then, a carrier must comply with the rules (Tr 215 - 216).

"Mr. Perzo admitted that he was unfamiliar with General Order 98-A (Tr 187).

"D. ATS significantly underreported gross income for 1985, and failed to pay P.U.C.T.R.A. fees as required by Resolution M-4740.

"Exhibit 5 is ATS' P.U.C.T.R.A. fee statement for 1985. Gross revenues of \$22,000 were reported, and a fee of \$220.00 was paid. Exhibit 11 shows staff's computations of monthly gross revenues, based on summations of drivers' daily gross receipts for the records provided by ATS from October 1st through December 28, 1985. The gross revenues for this period as computed are \$71,861.39.

"This is over three times the amount ATS reported for the entire year.

"In the course of the hearings, after the submission of Exhibit 11, ATS submitted a revised P.U.C.T.R.A. fee statement for 1985 (Ex 23). In this revision ATS reported gross receipts of \$126,580 for 1985. ATS submitted a check for \$1,307.25 to cover the additional P.U.C.T.R.A. fees and penalty for late payment.

"A search of the Commission's records shows no submission by ATS of a P.U.C.T.R.A. fee statement for 1986. Mr. Dilullo testified that he has received the statement form mailed out to all TCP and PSC carriers December 15, 1986 (Tr 415). The statement form (Ex 18) states that payment is due January 15, 1987, and that a late penalty is added if not postmarked on or before February 15, 1987. It should be noted here that ATS' records, as provided by ATS and tallied by staff, show gross receipts of \$41,446.60 for September 1986 (Ex 10, p 3).



"E. ATS failed to employ drivers as required by General Order 98-A, Part 12, as its compensation plan made its drivers independent contractors, from the time it began operating until January 1, 1987.

"ATS has admitted that it characterized and compensated its drivers as independent contractors during this period. ATS submitted evidence that this practice was discontinued January 1, 1987."

#### Authorities Cited

The parties have cited decisions where the Commission has been called upon to distinguish taxicab operations from authorized charter-party service. In Department of Transportation, City of Los Angeles v Cosmo Sales and Leasing, Inc. (1981) D.93406, August 4, 1981, C.10910, we said at p. 5, mimeo.:

"There is a traditional division of responsibility between state and local government under which taxicab regulation is a local function. (In Re Martinez (1943) 22 C 2d 259, cf. People v Western Airlines (1954) 42 C 2d 621.)

"In our opinion, this division of responsibility is sound public policy. The Commission will do nothing to disturb or weaken it. For that reason, this Commission does not knowingly issue charter-party permits or certificates to authorize anyone to engage in either intra- or inter-city taxicab operations.

"Our staff, upon renewal of authority, should add an endorsement on charter permits and certificates which expressly states that the holder is not authorized to engage in taxi operations under the charter authority.

"It is appropriate to allow a carrier to retain an endorsed certificate or permit when there is any reason to believe that at least a part of his operations may be subject to the Passenger Charter-party Carriers' Act. Here, however, there is no reason to believe that the defendant plans to conduct any non-taxi operations. Consequently, it has no legitimate

use for a charter permit. The only reason why a carrier in defendant's situation might wish to hold such a permit is to obstruct legitimate local taxi regulations by means of frivolous or vexatious litigation. It is, therefore, appropriate to apply § 5378(g). That statute authorizes us to revoke an unused permit."

In Transportation Investments, Inc., et al. v Barbara Hackett, et al. (1983) D.83-09-048, September 7, 1983, C.82-03-12 and C.82-03-14, we reviewed operational elements of charter-party permit holders' business to determine whether or not a taxicab operation was being conducted. Unacceptable charter-party conduct included driving an uninsured vehicle, leasing a vehicle on a daily basis to a driver holding no operating authority from the Commission, advertising in the taxicabs section of Pacific Telephone's yellow pages, offering to immediately dispatch vehicles to pick up callers, not issuing telephone disclaimers on providing taxicab service, or operating vehicles painted to resemble taxicabs.

In Affiliated Cab Drivers v K. T. L. Co. Limousines, et al. (1982) D.82-05-069, May 17, 1982, C.10902, we found, among other of defendants' charter-party failings, that there was a failure of drivers to possess a trip ticket showing the name and address of the person requesting or arranging the charter, the date the request was made, who paid for the transportation, or how and when payment was made.

In Department of Transportation, *supra*, charter-party authority was revoked, the Commission finding that there was no legitimate need for a permit. In Transportation Investments, Inc. and in Affiliated Cab Drivers, supra, the defendants professed a desire to conduct legitimate charter-party operations, and their permits were accordingly conditioned to prohibit all elements of service akin to taxicab operation.

ATS Position and Discussion

Although its owners admit that they operate a taxicab service, ATS makes the technical contention that its operations are lawfully permitted to a charter-party carrier. ATS views the P. U. Code, local ordinances, and Commission decisions as inexact with respect to defining and regulating taxicab operations. It is contended that taxicab operators should be permitted to do business under Commission charter-party permits until the legislature acts to provide a more precise definition of taxis.

This view of the law is not shared by the Commission. Rather, we believe the issues in this case have been previously decided contrary to the position taken here by ATS.

Department of Transportation, supra, held that a charter-party carrier was operating as a taxicab business and revoked the charter-party authority. The Commission noted the following aspects of its operations:

1. Vehicles painted bright colors.
2. Vehicles equipped with taxi meters.
3. Vehicles equipped with top lights.
4. Drivers cruise for fares.
5. Drivers respond to hails.
6. Drivers park in recognized taxi stands.
7. Vehicles do not display TCP number.
8. Drivers are allowed to lease vehicles.

ATS states that, with one exception, there is no evidence that it engages in the listed conduct. It would be necessary, the argument continues, that defendant engage in all of the proscribed activity for it to be found to be operating a taxicab business.

The cited decision does not, however, attempt to put forward a definition of taxi; it simply sets down several elements found in that case to indicate that taxicab service was being provided. Further, defendant's practice of painting TAXI and YELLOW CAB SERVICE on its vans is sufficient, in our opinion, to

notify the general public that taxicab service is offered, even though the vehicles are not brightly colored or fitted with top lights.

ATS responds to Affiliated Cab Drivers, supra, and Transportation Investments, Inc., supra, in like fashion. It reviews the elements found in each of those cases to indicate taxi service by charter-party companies and concludes that it is not a taxicab company because it does not engage in the described conduct.

We think that the following elements revealed in the present case compel the finding that ATS is a taxicab operation:

1. Testimony of owners that they operate a taxicab business and intend to operate a taxicab business.
2. Advertising in the telephone book, on vans used in the service, and in other media that a taxicab service is offered to the public.
3. Testimony of members of the public and users of defendant's service that they regard it as taxicab service.
4. Providing immediate response to telephone calls for transportation service where the points of origin and destination are specified by the patron.
5. Failure to maintain charter-party records required by the Commission; the operator cannot affirmatively show that it is complying with the law.

It is apparently true that ATS drivers do not cruise for fares, respond to hails, or park in taxi stands. ATS vehicles do not have meters, dome lights, or uniform color schemes. These modifications of the old type operation of Yellow Cab when it was founded in 1920, as reported by ATS, do not materially detract from the overwhelming evidence of defendant's holding itself out to the

public as a taxicab operation and being accepted by the public as a taxicab operation.

Remedy

Complainant, staff, and LADOT urge that the remedy in this case should be that defendant's charter-party certificate be canceled, and that Messrs. Perzo and Dilullo be denied, as individuals, partners, or shareholders in a corporation, their pending applications for renewal and/or transfer of TCP 710-B, or future applications for any authority from this Commission for a period of two years. Further, staff urges that a \$5000 fine be imposed.

In acknowledgement that an incidental part of defendant's business is legitimate charter-party carriage of passengers, the parties suggest that the Commission may wish to continue ATS charter authority, but under certain special conditions. Staff suggests that the following conditions be placed on the ATS permit:

- "1. ATS must comply with Part 12 of General Order 98-A.
- "2. ATS must maintain records as described in § 13 of General Order 98-A.
- "3. ATS will cease and desist from all operations resembling taxi services. ATS will not use taxicab markings, symbols, colors, or devices of any kind. It or its agents specifically cannot use the words "Yellow", "taxi", "cab", either by themselves or as part of other words, in either its written or verbal advertising, or on its vehicles, nor can these vehicles be painted yellow, or use the color yellow in any way, or use a checkered pattern of any color.
- "4. ATS will use only the fictitious business name registered with this Commission on its charter party certificate."

While ATS states in its closing brief that it will abide by points 1 and 2 of the staff recommendation, and that it could comply with points 3 and 4, although these latter conditions are unlawful in defendant's opinion, it appears to us that repeating existing requirements of general orders or statutes in permits should be unnecessary. In this case, imposition of the stated conditions may be interpreted as an expression of our view that this taxicab business can somehow be accommodated as a charter-party operation. We do not hold this view.

If ATS wishes to continue in the taxicab business, it should apply for the required local authorizations to do so. When properly licensed, ATS can then apply to this Commission for a charter-party permit as an adjunct to its business, as complainant has done. This may well be the course taken by ATS as several witnesses have testified that its taxi service is good. Accordingly, we will impose no time constraints on ATS or its owners if it approaches the Commission at a later time as a duly licensed taxicab operation seeking incidental charter authority.

The charter-party certificate held in the name of Michael J. Perzo will be canceled, and, with the above-described exception, neither Michael J. Perzo nor Joseph Dilullo, nor any entity substantially owned by them or either of them, shall be granted transportation operating authority from this Commission for a period of one year. We will not impose the \$5000 fine suggested by staff, and we limit the time for future applications to one year rather than the two years recommended by staff.

Comments

Pursuant to the Commission's Rules of Practice and Procedure, the proposed decision of the assigned administrative law judge for this proceeding was filed with the Commission and distributed to the parties on September 22, 1987.

Comments were filed by Coast and by ATS. Our review of these comments does not persuade us that any change in the proposed decision is appropriate.

Findings of Fact

1. Messrs. Perzo and Dilullo, owners of ATS, admit that they provide taxi service and want the public to believe that they are rendering a taxicab service.

2. ATS advertises in telephone directories, in prominent print on its vans, and in other media that a taxicab service is offered to the public.

3. Members of the public and ATS passengers believe ATS to be providing taxicab service.

4. ATS provides immediate response to telephone requests for transportation service, the points of origin and destination being specified by the patron.

5. A large segment of ATS business is performed by virtue of arrangements made with various hotels that ATS will be summoned by telephone when a hotel patron seeks taxicab service.

6. ATS service is performed in the cities of Costa Mesa, Newport Beach, and Santa Ana, all of which municipalities license and regulate taxicabs. ATS has no taxicab license or authority to operate taxicabs in any of these jurisdictions.

7. ATS does not maintain charter-party records required by the Commission. As a result of this omission, ATS cannot affirmatively show what service it is, in fact, providing, or whether it is complying with the law.

Conclusions of Law

1. ATS and its owners, Michael Perzo and Joseph Dilullo, hold themselves out as providing taxicab service and, in fact, perform taxicab service in jurisdictions requiring taxicab operators to be licensed.

2. ATS and its owners are unlicensed taxicab operators.

3. ATS and its owners have operated as a charter-party carrier in violation of GO 98-A.

4. TCP 710-B should be canceled.

5. In the event that Michael J. Perzo, Joseph Dilullo, and/or Perzo & Dilullo, Inc. obtain the required taxicab licenses in the municipalities they serve, they, or either of them, may apply for charter-party authority incidental to taxicab operations.

6. In the event that Michael J. Perzo, Joseph Dilullo, and/or Perzo & Dilullo, Inc. do not obtain the required taxicab licenses in the municipalities they serve, they, or either of them, shall not receive any Commission authorized transportation authority for a period of one year from the effective date of this order.

ORDER

IT IS ORDERED that:

1. Charter-party Permit TCP 710-B is canceled.
2. In the event that Michael J. Perzo, Joseph Dilullo, and/or Perzo & Dilullo, Inc. obtain the required taxicab licenses in the municipalities they serve, they, or either of them, may apply for charter-party authority incidental to taxicab operations.
3. In the event that Michael Perzo, Joseph Dilullo, and/or Perzo & Dilullo, Inc. do not obtain the required taxicab licenses in the municipalities they serve, they, or either of them, shall not receive any Commission authorized transportation authority for a period of one year from the effective date of this order.

This order becomes effective 30 days from today.

Dated OCT 28 1987, at San Francisco, California.

STANLEY W. HULETT  
President

DONALD VIAL  
FREDERICK R. DUDA  
C. MITCHELL WILK  
JOHN B. OHANIAN  
Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Victor Weisser, Executive Director



notify the general public that taxicab service is offered, even though the vehicles are not brightly colored or fitted with top lights.

ATS responds to Affiliated Cab Drivers, supra, and Transportation Investments, Inc., supra, in like fashion. It reviews the elements found in each of those cases to indicate taxi service by charter-party companies and concludes that it is not a taxicab company because it does not engage in the described conduct.

We think that the following elements revealed in the present case compel the finding the ATS is a taxicab operation:

1. Testimony of owners that they operate a taxicab business and intend to operate a taxicab business.
2. Advertising in the telephone book, on vans used in the service, and in other media that a taxicab service is offered to the public.
3. Testimony of members of the public and users of defendant's service that they regard it as taxicab service.
4. Providing immediate response to telephone calls for transportation service where the points of origin and destination are specified by the patron.
5. Failure to maintain charter-party records required by the Commission; the operator cannot affirmatively show that it is complying with the law.

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If ATS wishes to continue in the taxicab business, it should apply for the required local authorizations to do so. When properly licensed, ATS can then apply to this Commission for a charter-party permit as an adjunct to its business, as complainant has done. This may well be the course taken by ATS as several witnesses have testified that its taxi service is good. Accordingly, we will impose no time constraints on ATS or its owners if it approaches the Commission at a later time as a duly licensed taxicab operation seeking incidental charter authority.

The charter-party certificate held in the name of Michael J. Perzo will be canceled, and, with the above-described exception, neither Michael J. Perzo nor Joseph Dilullo, nor any entity substantially owned by them or either of them, shall be granted transportation operating authority from this Commission for a period of one year. We will not impose the \$5000 fine suggested by staff, and we limit the time for future applications to one year rather than the two years recommended by staff.

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1. ATS and its owners, Michael Perzo and Joseph Dilullo, hold themselves out as providing taxicab service and, in fact, perform taxicab service in jurisdictions requiring taxicab operators to be licensed.

2. ATS and its owners are unlicensed taxicab operators.

3. ATS and its owners have operated as a charter-party carrier in violation of GO 98-A.

4. TCP 710-B should be canceled.

5. In the event that Michael J. Perzo, Joseph Dilullo, and/or Perzo & Dilullo, Inc. obtain the required taxicab licenses in the municipalities they serve, they, or either of them, may apply for charter-party authority incidental to taxicab operations.

6. In the event that Michael J. Perzo, Joseph Dilullo, and/or Perzo & Dilullo, Inc. do not obtain the required taxicab licenses in the municipalities they serve, they, or either of them, shall not receive any Commission authorized transportation

authority for a period of one year from the effective date of this order.

ORDER

IT IS ORDERED that:

1. Charter-party Permit TCP 710-B is canceled.
2. In the event that Michael J. Perzo, Joseph Dilullo, and/or Perzo & Dilullo, Inc. obtain the required taxicab licenses in the municipalities they serve, they, or either of them, may apply for charter-party authority incidental to taxicab operations.
3. In the event that Michael Perzo, Joseph Dilullo, and/or Perzo & Dilullo, Inc. do not obtain the required taxicab licenses in the municipalities they serve, they, or either of them, shall not receive any Commission authorized transportation authority for a period of one year from the effective date of this order.

This order becomes effective 30 days from today.

Dated \_\_\_\_\_, at San Francisco, California.