

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the matter of:

Complaint No. 339972

906 TAXI LLC
Unregistered
Application No. 58-02-000176

Respondent.

This 8th day of January, 2020

NOTICE AND ORDER TO CEASE AND DESIST

The Department of Licensing and Regulatory Affairs, Corporations, Securities & Commercial Licensing Bureau (the “Department”), under its statutory authority and responsibility to administer and enforce the Limousine, Taxicab, and Transportation Network Company Act, MCL 257.2101 *et seq.* (the “Act”), orders 906 Taxi LLC to cease and desist from violating the Act. Specifically, 906 Taxi LLC is ordered to cease and desist from engaging in the business of a limousine carrier or taxicab carrier until it obtains a registration with the Department under the Act.

I. BACKGROUND

A. Respondent

1. 906 Taxi LLC is a limited liability company with a registered office mailing address of 2222 W. Grand River Ave, Suite A, Okemos, MI 48864. On August 10, 2018, Arturo Flores filed Articles of Organization for the entity, citing Judy Aho as its managing member.

B. Findings of Fact

2. The Act became effective on March 21, 2017.

3. 906 Taxi LLC has never been registered with the Department under the Act. Attached as Exhibit 1 is a certificate of registration status.
4. On January 4, 2019, the Department sent a Second Notice of Incomplete Application to 906 Taxi LLC requesting 906 Taxi LLC to submit a Certificate of Liability Insurance that lists the Department as a Certificate Holder. However, to date, 906 Taxi LLC has failed to submit the requested proof of insurance, and its application remains incomplete. A copy of the Second Notice of Incomplete Application is attached as Exhibit 2.
5. On or about April 3, 2019, R.L. filed a statement of complaint with the Department alleging that 906 Taxi LLC was operating a taxicab company without being registered with the Department under the Act and without the required liability insurance. A copy of the statement of complaint is attached as Exhibit 3.
6. On April 8, 2019, Department personnel performed an internet search that revealed 906 Taxi LLC was offering services as a taxicab company without being registered under the Act. A copy of the internet search results is attached as Exhibit 4.
7. On May 15, 2019, Judy Aho, on behalf of 906 Taxi LLC, contacted the Department by email in response to the Statement of Complaint. However, she failed to submit the requested Certificate of Liability Insurance.
8. To date, 906 Taxi LLC has yet to submit the required insurance information and is not registered under the Act.

II. RELEVANT STATUTORY PROVISIONS

9. MCL 257.2102 provides the following definitions as used in the Act:

(d) "Limousine" means a self-propelled motor vehicle used in the carrying of passengers and the baggage of passengers for hire with a seating capacity of 8 passengers or fewer, including the driver. Limousine does not include a commercial vehicle. . . .

(e) "Limousine carrier" means a person who, either directly or through any device, dispatch system, or arrangement, holds himself or herself out to the public as willing to transport passengers for hire by limousine.

* * *

(i) "Taxicab" means a motor vehicle with a seating capacity of 8 passengers or fewer, including the driver, that is equipped with a roof light and that carries passengers for a fee usually determined by the distance traveled. Taxicab does not include a commercial vehicle.

(j) "Taxicab carrier" means a person who, either directly or through any device, dispatch system, or arrangement, holds himself or herself out to the public as willing to transport passengers for hire by taxicab.

10. MCL 257.2104(1) provides that a "limousine carrier [or] taxicab carrier . . . shall not operate in this state without first having registered with the department under this act."

11. MCL 257.2149 provides the following:

(1) A limousine carrier, taxicab carrier, or transportation network company, or an officer or agent of a limousine carrier, taxicab carrier, or transportation network company who requires or knowingly permits a driver to drive or operate a limousine, taxicab, or personal vehicle in violation of this act, or a rule promulgated under this act, is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 per violation or imprisonment for not more than 90 days, or both.

(2) In addition to the fine authorized by this section, the department may assess a fine against a person who violates this act that covers the actual cost to the department of the investigation and enforcement of the violation, including attorney fees.

(3) A proceeding held under this act shall be held under chapter 4 of the administrative procedures act of 1969 [MCL 24.271 *et seq.*]

12. MCL 257.2151 provides the following:

All of the following apply to a person that violates this act or rules or an order promulgated or issued under this act:

(a) The person is subject to denial of a registration or renewal of a registration.

(b) The attorney general or the proper prosecuting attorney may institute appropriate criminal proceedings under this Act against the person with or without a reference from the department.

(c) The department or any other person, to enforce compliance with this act, may bring an action in a circuit court in any county in which the limousine carrier, taxicab carrier, or transportation network company has solicited or sold its services, whether or not that person purchased or used the limousine carrier's, taxicab carrier's, or transportation network company's services or is personally aggrieved by a violation of this act. The court may award damages, issue equitable orders in accordance with the Michigan court rules to restrain conduct in violation of this act, and award reasonable attorney fees and costs to a prevailing party.

13. MCL 257.2153 provides the following:

(1) The director of the department or his or her designee may order a limousine carrier, taxicab carrier, or transportation network company to cease and desist from

a violation of this act, a rule promulgated under this act, or an order issued under this act.

(2) A limousine carrier, taxicab carrier, or transportation network company that receives an order to cease and desist described in subsection (1) may request a hearing before the department if the limousine carrier, taxicab carrier, or transportation network company files a written request for a hearing no later than 30 days after the effective date of the cease and desist order.

(3) If a limousine carrier, taxicab carrier, or transportation network company violates an order to cease and desist issued under subsection (1), the attorney general may apply to a court of competent jurisdiction to restrain and enjoin, either temporarily or permanently, that limousine carrier, taxicab carrier, or transportation network company from further violating the order to cease and desist.

III. CONCLUSIONS OF LAW

14. 906 Taxi LLC engaged in activity regulated by the Act by providing transportation services by limousine or taxicab to passengers for hire and for a fee without first registering with the Department under the Act, contrary to MCL 257.2104(1).

IV. ORDER

IT IS THEREFORE ORDERED, under MCL 257.2153(1), that:

- A. 906 Taxi LLC must immediately CEASE AND DESIST from further violating the Act, as set forth above, by ceasing to hold itself out to the public as willing to transport passengers for hire by limousine or by taxicab in this state until it obtains a certificate of registration from the Department under the Act.
- B. The Department, under MCL 257.2149(2), intends to recoup the costs of its investigation and enforcement of this matter by way of a FINE of \$300.97 against Respondent, plus any additional costs incurred by the Department after the issuance of this Order, if any, payable within 60 days of the date that this order becomes final.
- C. This CEASE AND DESIST ORDER IS IMMEDIATELY EFFECTIVE.
- D. Under MCL 257.2149(1), a limousine carrier or taxicab carrier who requires or knowingly permits a driver to drive or operate a limousine or taxicab in violation of the Act is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00 per violation or imprisonment for not more than 90 days, or both. **ACCORDINGLY, FAILURE TO COMPLY WITH THIS ORDER MAY SUBJECT RESPONDENT TO THESE ADDITIONAL CRIMINAL SANCTIONS, FINES, AND/OR PENALTIES.**
- E. Under MCL 257.2151(c), the Department may bring an action in a circuit court in which Respondent solicited or sold its services to enforce compliance with the Act. The court may award damages, issue equitable orders to restrain violations of the Act, and

award reasonable attorney fees and costs to a prevailing party. The Department retains the right to pursue a civil action against Respondent under MCL 257.2151(c) if it determines that such action is in the public interest.

- F. Under MCL 257.2153(3), if Respondent violates this Cease and Desist Order, the attorney general may apply to a court of competent jurisdiction to restrain and enjoin Respondent from further violating this Cease and Desist Order.

V. NOTICE OF OPPORTUNITY FOR HEARING

Respondent has thirty (30) days beginning with the first day after the date of service of this **NOTICE AND ORDER TO CEASE AND DESIST** to submit a written request to the Department asking that this matter be scheduled for a hearing. If the Department receives a written request in a timely manner, the Department will schedule a hearing. The written request for a hearing must be addressed to:

Corporations, Securities & Commercial Licensing Bureau
Regulatory Compliance Division
P.O. Box 30018
Lansing, MI 48909

VI. ORDER FINAL ABSENT HEARING REQUEST

- A. Respondent's failure to submit a written request for a hearing to the Department within 30 days after the service date of this **NOTICE AND ORDER TO CEASE AND DESIST** shall result in this order becoming a **FINAL ORDER** by operation of law. The **FINAL ORDER** includes imposition of the fine described in section IV.B. The fine is due to the department within 60 days after the date this order becomes final:

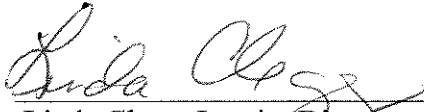
\$300.97 fine – imposed against 906 Taxi LLC, under MCL 257.2149(2).

- B. The FINE must be made payable to the STATE OF MICHIGAN, by cashier's check or money order with Complaint No. 339972 clearly indicated on the check or money order, and mailed to the following address:

Corporations, Securities & Commercial Licensing Bureau
Final Order Monitoring – Securities & Audit Division
P.O. Box 30018
Lansing, MI 48909

- C. Failure to pay the fine within six (6) months after this Order becomes final may result in the referral of the fine to the Michigan Department of Treasury for collection action against Respondent.

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS



Linda Clegg, Interim Director
Corporations, Securities & Commercial Licensing
Bureau

January 6, 2020

Date