Department of Legislative Services

Maryland General Assembly 2011 Session

FISCAL AND POLICY NOTE

Senate Bill 323

(Chair, Education, Health, and Environmental Affairs Committee)(By Request - Departmental - Transportation)

Education, Health, and Environmental Affairs

Washington Suburban Transit Commission - Membership Qualifications, Restrictions, and Reporting Responsibilities

This departmental bill establishes new qualifications and reporting requirements for individuals appointed by the Governor to the Washington Suburban Transit Commission after October 1, 2011. The commission's members are deemed "public officials" and made subject to the restrictions and requirements of the Maryland Public Ethics Law, including financial disclosure requirements.

Fiscal Summary

State Effect: None.

Local Effect: None.

Small Business Effect: The Maryland Department of Transportation (MDOT) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Bill Summary: Washington Suburban Transit Commission members appointed by the Governor:

• may not hold any elected office in federal, State, or county government at any time during the term of their appointment;

- may not have been employed by the Washington Metropolitan Area Transit Authority (WMATA) for at least one year prior to being appointed;
- must have experience in at least one of the following areas: transportation or land use planning; transportation or other public-sector management; engineering; finance; public safety; homeland security; or law; and
- must be a regular passenger of WMATA bus or rail service.

During the term of their appointment, commission members appointed by the Governor are also required to submit semiannual reports, by June 30 and December 31 annually, to the Governor indicating (1) the dates of the WMATA Board of Directors meetings attended and, if applicable, the reason for not attending a board meeting; and (2) the dates of any other public meetings attended in their official capacity as a WMATA board member.

Current Law/Background: The Washington Suburban Transit Commission, established in 1965, is responsible for administering the Washington Suburban Transit District and is authorized to develop a transportation system, including mass transit facilities, for Montgomery and Prince George's counties. It coordinates mass transit programs with the two county governments, WMATA, and MDOT. MDOT provides annual operating grants to the commission, which then provides funding to WMATA for operation of the Metrorail, Metrobus, and MetroAccess systems.

The commission consists of seven members appointed to three-year terms. The Montgomery and Prince George's county executives each select two members. The Governor, with Senate advice and consent, appoints one member from each of the two counties. The Secretary of Transportation serves on the commission as an *ex officio* member. The gubernatorial appointees to the commission also represent the State on the WMATA Board of Directors.

Under the Maryland Public Ethics Law, an official or employee may not intentionally use the prestige of office or public position for that official's or employee's private gain or that of another. "Official" means either a State or public official. The determination of whether an individual is a "public official" is made in accordance with specified provisions in the Maryland Public Ethics Law.

In June 2010, the Greater Washington Board of Trade and the Metropolitan Washington Council of Governments created a task force to review WMATA's governance structure. The task force was established in response to area leaders and industry experts' belief that significant shortcomings in WMATA's governance structure have contributed to a serious decline in Metro's performance, as evidenced by fatal accidents, escalator and SB 323/ Page 2

elevator outages, and unsatisfactory service reliability. The task force released a report in November 2010 recommending several changes to WMATA's governance structure, including the creation of a governance commission to make necessary improvements to the governance structure and hold the board of directors accountable for its performance.

MDOT advises that the bill will increase transparency and accountability and help ensure that the State selects competent and uncompromised representatives to govern the commission and WMATA.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland Department of Transportation, Metropolitan

Washington Council of Governments, Department of Legislative Services

Fiscal Note History: First Reader - March 10, 2011

ncs/lgc

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Washington Suburban Transit Commission – Membership

Qualifications, Restrictions, and Reporting Responsibilities

BILL NUMBER: SB 323

PREPARED BY: Maryland Department of Transportation

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

X WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

The proposed legislation will have no impact on small business in Maryland.