

**Department of Legislative Services**  
Maryland General Assembly  
2016 Session

**FISCAL AND POLICY NOTE**  
**Third Reader**

House Bill 503 (Chair, Environment and Transportation Committee)(By  
Request - Departmental - Transportation)

Environment and Transportation

Finance

---

**Washington Metropolitan Area Transit Authority Compact - Board of Directors  
- Appointing Authority for Federal Members**

---

This departmental bill repeals the authority of the U.S. Administrator of General Services to appoint the federal members of the Washington Metropolitan Area Transit Authority's (WMATA) governing board. Instead, that authority is granted to the U.S. Secretary of Transportation.

The bill takes effect June 1, 2016.

---

**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). The Department of Legislative Services concurs with this assessment.

---

**Analysis**

**Current Law/Background:** WMATA was established in 1967 through an interstate compact among Maryland, Virginia, and the District of Columbia. The original purpose was construction and operation of a rapid rail transit system for the Washington metropolitan area. In 1973, WMATA purchased the assets of four major private bus companies operating in the area. Maryland's overall participation in the Washington

metropolitan transit system consists of the provision of annual funding to WMATA for the capital and operating costs of Metrorail, Metrobus, and MetroAccess systems. Funding for Maryland's portion of WMATA costs is the sole responsibility of the State.

The WMATA compact was amended in 2009 to include two federal principal and two alternate board members; the inclusion of representatives from the federal government was required by the Passenger Rail Investment and Improvement Act of 2008. At that time, the U.S. Administrator of General Services was granted the authority to select the federal members. In December 2015, the federal Fixing America's Surface Transportation Act (FAST Act) was signed into law. Among other things, the FAST Act requires the federal members of WMATA's board to be appointed by the U.S. Secretary of Transportation instead of by the U.S. Administrator of General Services. MDOT advises that the bill is needed to comply with the recent change in federal law.

---

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Department of Transportation, Department of Legislative Services

**Fiscal Note History:** First Reader - February 17, 2016  
min/lgc

---

Analysis by: Richard L. Duncan

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510

## ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

**TITLE OF BILL:** Washington Metropolitan Area Transit Authority Compact – Federal Board of Directors Members – Appointing Authority

**BILL NUMBER:** HB 503

**PREPARED BY:** Maryland Department of Transportation

### PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

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