
By: **Delegates Barkley, Feldman, Franchot, Gaines, Gutierrez, and Lawton**

Introduced and read first time: February 9, 2006

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Transportation - Mass Transit - Inspectors General and Governance of the**
3 **Washington Metropolitan Area Transit Authority**

4 FOR the purpose of establishing an Office of the Inspector General in the Maryland
5 Transit Administration; providing that the Inspector General is the head of the
6 Office; establishing the duties of the Inspector General of the Administration;
7 increasing the number of officers of the Washington Metropolitan Area Transit
8 Authority to include an inspector general; providing that the appointment, term
9 of service, removal, duties, and powers of the inspector general of the Authority
10 be in accordance with a certain federal Act; establishing the duties of the
11 inspector general of the Authority; requiring that certain payments of a
12 signatory of the Washington Metropolitan Area Transit Authority Compact be
13 from sources of funding that are earmarked and required to be used for certain
14 purposes; requiring signatories of the Compact to provide certain amounts of
15 funding from certain sources; requiring certain audits to be conducted by the
16 inspector general of the Authority or certain external auditors; providing that an
17 employee of the Office of the Inspector General of the Authority who refuses to
18 give certain assistance and information to the inspector general of the Authority
19 or certain auditors is subject to discharge under certain circumstances;
20 expanding the Board of Directors of the Authority to include a representative of
21 the United States government; adding the Administrator of General Services to
22 the entities that must receive certain plans or alterations for review and
23 comment under certain circumstances; defining certain terms; making certain
24 provisions of this Act subject to certain contingencies; and generally relating to
25 mass transit.

26 BY adding to
27 Article - Transportation
28 Section 7-209.1
29 Annotated Code of Maryland
30 (2001 Replacement Volume and 2005 Supplement)

31 BY repealing and reenacting, with amendments,
32 Article - Transportation

1 Section 10-204 Title III, Article III Section 5(a), 9, and 10(b), Article VI Section
2 15(a), Article VIII Section 26, and Article XVI Section 70
3 Annotated Code of Maryland
4 (2001 Replacement Volume and 2005 Supplement)

5 BY adding to
6 Article - Transportation
7 Section 10-204 Title III, Article VII Section 18(d)
8 Annotated Code of Maryland
9 (2001 Replacement Volume and 2005 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article - Transportation**

13 7-209.1.

14 (A) IN THIS SECTION, "OFFICE" MEANS THE OFFICE OF THE INSPECTOR
15 GENERAL.

16 (B) THERE IS AN OFFICE OF THE INSPECTOR GENERAL IN THE
17 ADMINISTRATION.

18 (C) THE HEAD OF THE OFFICE IS THE INSPECTOR GENERAL.

19 (D) THE INSPECTOR GENERAL SHALL:

20 (1) CONDUCT AND SUPERVISE AUDITS AND INVESTIGATIONS RELATING
21 TO ACTIVITIES OF THE ADMINISTRATION;

22 (2) PROMOTE EFFICIENCY, ECONOMY, AND EFFECTIVENESS IN THE
23 ACTIVITIES OF THE ADMINISTRATION;

24 (3) DETECT AND PREVENT FRAUD AND ABUSE IN THE ACTIVITIES OF
25 THE ADMINISTRATION; AND

26 (4) KEEP THE ADMINISTRATOR FULLY INFORMED ABOUT DEFICIENCIES
27 IN THE ACTIVITIES OF THE ADMINISTRATION AND THE NECESSITY FOR AND
28 PROGRESS OF CORRECTIVE ACTIONS.

29 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
30 read as follows:

Article - Transportation

1 10-204.

TITLE III

Article III

Organization and Area

2 9.

7 (a) The officers of the Authority, none of whom shall be members of the board,
8 shall consist of a general manager, a secretary, a treasurer, a comptroller [and], a
9 general counsel, AND AN INSPECTOR GENERAL and such other officers as the board
10 may provide. Except for the office of general manager [and], comptroller, AND
11 INSPECTOR GENERAL, the board may consolidate any of such other offices in one
12 person. All such officers shall be appointed and may be removed by the board, shall
13 serve at the pleasure of the board and shall perform such duties and functions as the
14 board shall specify, EXCEPT THAT THE APPOINTMENT, TERM OF SERVICE, REMOVAL,
15 DUTIES, AND POWERS OF THE INSPECTOR GENERAL SHALL BE IN ACCORDANCE
16 WITH § 3 OF THE FEDERAL NATIONAL CAPITAL TRANSPORTATION AMENDMENTS ACT
17 OF 2005, AS AMENDED. The board shall fix and determine the compensation to be paid
18 to all officers and, except for the general manager who shall be a full-time employee,
19 all other officers may be hired on a full-time or part-time basis and may be
20 compensated on a salary or fee basis, as the board may determine. All employees and
21 such officers as the board may designate shall be appointed and removed by the
22 general manager under such rules of procedure and standards as the board may
23 determine, EXCEPT THAT THE APPOINTMENT AND REMOVAL OF THE INSPECTOR
24 GENERAL SHALL BE IN ACCORDANCE WITH § 3 OF THE FEDERAL NATIONAL CAPITAL
25 TRANSPORTATION AMENDMENTS ACT OF 2005, AS AMENDED.

26 (b) The general manager shall be the chief administrative officer of the
27 Authority and, subject to policy direction by the board, shall be responsible for all
28 activities of the Authority.

29 (c) The treasurer shall be the custodian of the funds of the Authority, shall
30 keep an account of all receipts and disbursements and shall make payments only
31 upon warrants duly and regularly signed by the chairman or vice-chairman of the
32 board, or other person authorized by the board to do so, and by the secretary or
33 general manager; provided, however, that the board may provide that warrants not
34 exceeding such amounts or for such purposes as may from time to time be specified by
35 the board may be signed by the general manager or by persons designated by him.

36 (d) THE INSPECTOR GENERAL SHALL BE THE HEAD OF THE OFFICE OF THE
37 INSPECTOR GENERAL, AN INDEPENDENT AND OBJECTIVE UNIT OF THE AUTHORITY
38 THAT:

1 (1) CONDUCTS AND SUPERVISES AUDITS AND INVESTIGATIONS
2 RELATING TO ACTIVITIES OF THE AUTHORITY;

3 (2) PROMOTES ECONOMY, EFFICIENCY, AND EFFECTIVENESS IN
4 ACTIVITIES OF THE AUTHORITY;

5 (3) DETECTS AND PREVENTS FRAUD AND ABUSE IN ACTIVITIES OF THE
6 AUTHORITY; AND

7 (4) KEEPS THE BOARD FULLY AND CURRENTLY INFORMED ABOUT
8 DEFICIENCIES IN ACTIVITIES OF THE AUTHORITY, AS WELL AS THE NECESSITY FOR
9 AND PROGRESS OF CORRECTIVE ACTION. THE APPOINTMENT, TERM OF SERVICE,
10 REMOVAL, DUTIES, AND POWERS OF THE INSPECTOR GENERAL SHALL BE IN
11 ACCORDANCE WITH § 3 OF THE FEDERAL NATIONAL CAPITAL TRANSPORTATION
12 AMENDMENTS ACT OF 2005, AS AMENDED. TO THE EXTENT THAT ANY OFFICE OR
13 ENTITY IN THE AUTHORITY CARRIED OUT ANY OF THE DUTIES AND
14 RESPONSIBILITIES ASSIGNED TO THE INSPECTOR GENERAL UNDER THIS
15 PARAGRAPH PRIOR TO THE APPOINTMENT OF THE FIRST INSPECTOR GENERAL, THE
16 FUNCTIONS OF THOSE OFFICES OR ENTITIES SHALL BE TRANSFERRED TO THE
17 OFFICE OF THE INSPECTOR GENERAL ON THE APPOINTMENT OF THE FIRST
18 INSPECTOR GENERAL.

19 (E) An oath of office in the form set out in § 5(b) of this article shall be taken,
20 subscribed and filed with the board by all appointed officers.

21 [(e)] (F) Each director, officer and employee specified by the board shall give
22 such bond in such form and amount as the board may require, the premium for which
23 shall be paid by the Authority.

24 10.

25 (b) [Any] EXCEPT AS OTHERWISE PROVIDED IN THIS PARAGRAPH, ANY
26 director, officer or employee who shall willfully violate any provision of this section
27 shall, in the discretion of the board, forfeit his office or employment. THE INSPECTOR
28 GENERAL MAY BE REMOVED ONLY IN ACCORDANCE WITH § 3 OF THE NATIONAL
29 CAPITAL TRANSPORTATION AMENDMENTS ACT OF 2005, AS AMENDED.

30 Article VII

31 Financing

32 18.

33 (D) PAYMENTS ON A COMMITMENT OF A SIGNATORY SHALL BE FROM
34 SOURCES OF FUNDING THAT ARE EARMARKED AND REQUIRED TO BE USED
35 EXCLUSIVELY FOR PAYMENTS TO THE AUTHORITY UNDER THE LAW OF THAT
36 SIGNATORY.

1 Article VIII

2 Budget

3 26.

4 Subject to such review and approval as may be required by their budgetary or
5 other applicable processes, the federal government, the government of the District of
6 Columbia, the Washington Suburban Transit District and the component
7 governments of the Northern Virginia Transportation District shall include in their
8 respective budgets next to be adopted and appropriate or otherwise provide the
9 amounts certified to each of them as set forth in the budgets. EACH SIGNATORY
10 SHALL PROVIDE THE AMOUNT CERTIFIED TO THE SIGNATORY, AS SET FORTH IN
11 BUDGETS, FROM SOURCES OF FUNDING THAT ARE EARMARKED AND REQUIRED TO
12 BE USED EXCLUSIVELY FOR PAYMENTS TO THE AUTHORITY UNDER THE LAW OF
13 THAT SIGNATORY.

14 Article XVI

15 General Provisions

16 70.

17 (a) As soon as practical after the closing of the fiscal year, an audit shall be
18 made of the financial accounts of the Authority. The audit shall be made by [qualified
19 certified public accountants selected by the board] THE INSPECTOR GENERAL EITHER
20 DIRECTLY OR THROUGH A CONTRACT WITH AN INDEPENDENT EXTERNAL AUDITOR,
21 SELECTED BY THE INSPECTOR GENERAL, who shall have no personal interest direct
22 or indirect in the financial affairs of the Authority or any of its officers or employees.
23 The report of audit shall be prepared in accordance with generally accepted auditing
24 principles and shall be filed with the chairman and other officers as the board shall
25 direct. Copies of the report shall be distributed to each director, to the Congress, to the
26 Mayor and Council of the District of Columbia, to the Governors of Virginia and
27 Maryland, to the Washington Suburban Transit Commission, to the Northern
28 Virginia Transportation Commission, TO THE ADMINISTRATOR OF GENERAL
29 SERVICES, and to the governing bodies of the political subdivisions located within the
30 zone which are parties to commitments for participation in the financing of the
31 Authority and shall be made available for public distribution.

32 (b) The financial transactions of the board shall be subject to audit by the
33 United States General Accounting Office in accordance with the principles and
34 procedures applicable to commercial corporate transactions and under such rules and
35 regulations as may be prescribed by the Comptroller General of the United States.
36 The audit shall be conducted at the place or places where the accounts of the board
37 are kept.

38 (c) Any director, officer or employee who shall refuse to give all required
39 assistance and information to the [accountants selected by the board] INSPECTOR
40 GENERAL OR TO EXTERNAL AUDITORS SELECTED BY THE INSPECTOR GENERAL or

1 who shall refuse to submit to them for examination such books, documents, records,
 2 files, accounts, papers, things or property as may be requested shall, EXCEPT AS
 3 OTHERWISE PROVIDED IN THIS PARAGRAPH, in the discretion of the board, forfeit his
 4 office. ANY EMPLOYEE OF THE OFFICE OF THE INSPECTOR GENERAL WHO REFUSES
 5 TO GIVE ALL REQUIRED ASSISTANCE AND INFORMATION TO THE INSPECTOR
 6 GENERAL OR EXTERNAL AUDITORS SELECTED BY THE INSPECTOR GENERAL OR WHO
 7 REFUSES TO SUBMIT, TO THE INSPECTOR GENERAL OR EXTERNAL AUDITORS
 8 SELECTED BY THE INSPECTOR GENERAL FOR EXAMINATION, THE BOOKS,
 9 DOCUMENTS, RECORDS, FILES, ACCOUNTS, PAPERS, THINGS OR PROPERTY, AS
 10 REQUESTED, SHALL, IN THE DISCRETION OF THE INSPECTOR GENERAL, BE SUBJECT
 11 TO DISCHARGE.

12 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
 13 read as follows:

14 **Article - Transportation**

15 10-204.

16 TITLE III

17 Article III

18 Organization and Area

19 5.

20 (a) The Authority shall be governed by a Board of [six] SEVEN Directors
 21 consisting of two Directors for each signatory AND ONE FOR THE UNITED STATES
 22 GOVERNMENT. For Virginia, the Directors shall be appointed by the Northern
 23 Virginia Transportation Commission; for the District of Columbia, by the Council of
 24 the District of Columbia; [and] for Maryland, by the Washington Suburban Transit
 25 Commission; AND FOR THE UNITED STATES GOVERNMENT, BY THE ADMINISTRATOR
 26 OF GENERAL SERVICES. For Virginia and Maryland, the Directors shall be appointed
 27 from among the members of the appointing body, except as otherwise provided herein,
 28 and shall serve for a term coincident with their term on the appointing body. A
 29 Director FOR A SIGNATORY may be removed or suspended from office only as provided
 30 by the law of the signatory from which he was appointed. The appointing authorities
 31 shall also appoint an alternate for each Director, who may act only in the absence of
 32 the Director for whom he has been appointed an alternate, except that, in the case of
 33 the District of Columbia where only one Director and his alternate are present, such
 34 alternate may act on behalf of the absent Director. Each alternate shall serve at the
 35 pleasure of the appointing authority. In the event of a vacancy in the Office of Director
 36 or alternate, it shall be filled in the same manner as an original appointment.

1 Article VI

2 Planning

3 15.

4 (a) Before a mass transit plan is adopted, altered, revised or amended, the
5 Board shall transmit such proposed plan, alteration, revision or amendment for
6 comment to the following and to such other agencies as the Board shall determine:

7 (1) The Mayor and Council of the District of Columbia, the Northern
8 Virginia Transportation Commission and the Washington Suburban Transit
9 Commission;

10 (2) The governing bodies of the counties and cities embraced within the
11 zone;

12 (3) The transportation agencies of the Signatories;

13 (4) The Washington Metropolitan Area Transit Commission;

14 (5) The Washington Metropolitan Council of Governments;

15 (6) The National Capital Planning Commission;

16 (7) The National Capital Regional Planning Council;

17 (8) The Maryland-National Capital Park and Planning Commission;

18 (9) The Northern Virginia Regional Planning and Economic
19 Development Commission;

20 (10) The Maryland Office of Planning; [and]

21 (11) THE ADMINISTRATOR OF GENERAL SERVICES; AND

22 (12) The private transit companies operating in the zone and the labor
23 unions representing the employees of such companies and employees of contractors
24 providing service under operating contracts.

25 SECTION 4. AND BE IT FURTHER ENACTED, That Sections 2 and 3 of this
26 Act may not take effect until a similar Act is enacted by the Commonwealth of
27 Virginia and the District of Columbia; that the Commonwealth of Virginia and the
28 District of Columbia are requested to concur in this Act of the General Assembly of
29 Maryland by the enactment of a similar Act; that the Department of Legislative
30 Services shall notify the appropriate officials of the Commonwealth of Virginia and
31 the District of Columbia of the enactment of this Act; and that upon the concurrence
32 in this Act by the Commonwealth of Virginia and the District of Columbia, the
33 Governor of the State of Maryland shall issue a proclamation declaring Sections 2 and

1 3 of this Act valid and effective and shall forward a copy of the proclamation to the
2 Director of the Department of Legislative Services.

3 SECTION 5. AND BE IT FURTHER ENACTED, That Section 3 of this Act is
4 contingent on the United States government providing \$150,000,000 in funding for
5 the Washington Metropolitan Area Transit Authority in a fiscal year. If the United
6 States government does not provide \$150,000,000 in funding in a fiscal year by
7 October 1, 2011, with no further action required by the General Assembly, Section 3 of
8 this Act shall be null and void. If the Washington Metropolitan Area Transit Authority
9 receives \$150,000,000 in funding from the United States government in a fiscal year,
10 the Authority shall advise the Department of Legislative Services, 90 State Circle,
11 Annapolis, Maryland 21401.

12 SECTION 6. AND BE IT FURTHER ENACTED, That, subject to Sections 4 and
13 5 of this Act, this Act shall take effect October 1, 2006.