

Washington Metropolitan Area Transit Commission

Fifty-Second Annual Report

Fiscal Year 2012
July 1, 2011 through June 30, 2012



**Washington Metropolitan Area
Transit Commission
8701 Georgia Avenue, Suite 808
Silver Spring, MD 20910-3700**

December 14, 2012

To: The Honorable Robert F. McDonnell
Governor of Virginia

The Honorable Martin O'Malley
Governor of Maryland

The Honorable Vincent C. Gray
Mayor of the District of Columbia

This report has been prepared in accordance with Title II, Article XIV, Section 5, of the Washington Metropolitan Area Transit Regulation Compact, Pub. L. No. 101-505, § 1, 104 Stat. 1300 (1990), *amended by* Pub. L. No. 111-160, 124 Stat. 1124 (2010) (amending tit. I, art. III), (codified at VA. CODE ANN. §§ 56-529, 530; MD. CODE ANN., TRANSP. ARTICLE § 10-203; D.C. CODE ANN. § 9-1103.01), which provides:

The Commission shall make an annual report for each fiscal year ending June 30, to the Governor of Virginia and the Governor of Maryland, and to the Mayor of the District of Columbia as soon as practicable after June 30, but no later than the first day of January of each year, which may contain, in addition to a report of the work performed under this Act, other information and recommendations concerning passenger transportation within the Metropolitan District as the Commission considers advisable.

William S. Morrow, Jr.
Executive Director

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Commission Staff:

- William S. Morrow, Jr., Executive Director/General Counsel
- Jeffrey M. Lehmann, Assistant General Counsel
- Constantine Kolouas, IT Specialist
- Renee A. Bodden, Office Manager
- Christopher H. Aquino, Insurance Compliance Specialist
- LaTanya J. Peters, Receptionist

ABOUT THE COMMISSION

The Transit Commission has been licensing and regulating private-sector passenger carriers on a regional basis in the Washington Metropolitan Area since 1960 pursuant to the Washington Metropolitan Area Transit Regulation Compact, Pub. L.



Capital Transit Company Trolley - 1961

No. 86-794, § 1, 74 Stat. 1031 (1960), *as amended by* Pub. L. No. 87-767, 76 Stat. 764 (1962), Pub. L. No. 101-505, § 1, 104 Stat. 1300 (1990), *and* Pub. L. No. 111-160, 124 Stat. 1124 (2010)—an interstate agreement among the Commonwealth of Virginia, the State of Maryland, and the District of Columbia. Early in its history, the Commission primarily regulated mass transit bus and trolley operators.

That changed in 1973 when the Washington Metropolitan Area Transit Authority (WMATA) acquired the four mass transit bus companies operating in the area at that time. Today, carriers licensed by the Transit Commission include sightseeing, tour and charter bus operators; airport shuttle companies; wheelchair van operators (including those operating under the District of Columbia’s Medicaid program and WMATA’s MetroAccess program); and some sedan and limousine operators. The Commission also prescribes interstate taxicab rates for the Metropolitan Area.

In 1990, the signatories embraced economic deregulation in the Washington Metropolitan Area by amending the Compact to lower market entry barriers for carriers licensed by the Commission “while maintaining a regional approach to transportation and keeping those controls necessary for the security of the public.” This was accomplished chiefly by eliminating the need for hearings on applications for operating authority while preserving the Commission’s power to prescribe insurance and safety requirements.



MetroAccess Vehicles - 2005

The 1990 amendments have succeeded in opening the Metropolitan District to competition as intended. Over one thousand nine hundred applicants have been conditionally granted WMATC operating authority since 1990. By comparison, only one hundred seventy six carriers were granted WMATC operating authority in the Commission's first thirty years.

While the Commission's mandate has evolved over the years, the Commission has remained a steadfast guardian of the public interest and is poised to carry out its mission well into the twenty-first century.



Taxi Queue at Ronald Reagan Washington National Airport

THE COMMISSIONERS

The Compact provides for the appointment of three Commissioners, one from each signatory. Originally, one member was appointed by the Governor of Virginia from the Virginia State Corporation Commission, one member was appointed by the Governor of Maryland from the Maryland Public Service Commission, and one member was appointed by the Mayor of the District of Columbia from the District of Columbia Public Service Commission. Those agencies were chosen because they were the signatory agencies licensing and regulating passenger carriers when the Transit Commission was first created in 1960. Today, because of subsequent governmental reorganizations, only the Maryland Public Service Commission still retains such jurisdiction.

In 2007, the Compact signatories began enacting and ratifying amendments to the Compact in order to realign Virginia's and the District's representation on the Transit Commission with the agencies in those jurisdictions currently charged with overseeing passenger carrier operations. The amendment process was completed in April 2010 with Congress's consent in Pub. L. No. 111-160, 124 Stat. 1124 (Apr. 26, 2010). The Virginia member is now appointed by Virginia's governor from the Virginia Department of Motor Vehicles, and the District of Columbia member is now appointed by the District's mayor from a District of Columbia agency with oversight of matters relating to the Commission.

The following WMATC Commissioners held office in FY2012 and/or at the time of this report.

Honorable Lawrence Brenner (Maryland) (Chairman)
(Term Began November 25, 2008)



Chairman Brenner joined WMATC in November 2008 as the member from the Public Service Commission of Maryland, to which he was appointed in April 2007. He was elected Chairman of WMATC in December 2009. Prior to his appointment to the Maryland PSC, he was Deputy Chief Administrative Law Judge for the Federal Energy Regulatory Commission (FERC) and a mediator in large complex cases.

Before his tenure at FERC, Chairman Brenner was a judge for the U.S. Department of Labor and the U.S. Nuclear Regulatory Commission (NRC). He was in private practice earlier and also had served in supervisory and attorney positions with the NRC. He is admitted to practice in Maryland, the District of Columbia and New York.

He is a past president of: the Mid-Atlantic Conference of Regulatory Utility Commissioners, a ten-state regional organization of state utility commissions (2010-2011); the Forum of U.S. Administrative Law Judges (2003-05); and the Federal Administrative Law Judges Conference (2002-03).

Chairman Brenner received his JD from the State University of New York at Buffalo in 1973 and his B.A. in Economics from Brooklyn College in 1967. He won the best brief award in the annual law school moot court competition. He was in the Army from 1968-1970, and saw duty in Vietnam.

Honorable Richard D. Holcomb (Virginia)
(Term Began July 21, 2010)



Richard D. Holcomb is the current WMATC member from the Commonwealth of Virginia. Commissioner Holcomb was appointed to WMATC on July 21, 2010, by Governor Robert F. McDonnell.

As Commissioner of the Virginia Department of Motor Vehicles, he manages a state agency with a budget of approximately \$200 million and a statewide workforce of more than 1,800 employees. In addition, he oversees the collection of

approximately \$2.2 billion dollars in revenue annually, which funds a significant portion of the state's new roads and highway construction and maintenance.

This is Commissioner Holcomb's second stint as head of DMV. Prior to his 2010 appointment by Governor Robert F. McDonnell, he was appointed DMV Commissioner in 1994 by Governor George F. Allen and reappointed by Governor James S. Gilmore in 1998. During his seven-year tenure at DMV, he revolutionized the agency to provide the ultimate in customer service, surpassing public and private sector service organizations. Under his leadership, Virginia became the first jurisdiction in the world to offer secure online driver's license renewals. Also, he led the consolidation of the state's disparate truck weigh and compliance operations under one agency to provide business-friendly, one-stop shopping for motor carriers.

Commissioner Holcomb also served as General Counsel and Senior Vice President for Law and Regulatory Affairs for the American Trucking Associations, the national trade association for the trucking industry. In this capacity, he managed the in-house staff of attorneys and outside counsel on an array of complex legal matters such as corporate compliance, tax, employment law, election law, patents, copyrights, trademarks and anti-trust. He advanced the association's interest through the court system, protected the association from legal action, and managed legal defense through the interpretation of legal documents, and advice to ATA leadership on legal and regulatory matters.

On Capitol Hill, Commissioner Holcomb served as Chief of Staff to Congressmen Craig T. James, D. French Slaughter, Jr., and John Linder. In addition, he served as Deputy General Counsel to the 1992 Bush-Quayle Committee, Legal Counsel to the National Republican Congressional Committee, and General Counsel to the Senate Judiciary Subcommittee on Security and Terrorism.

Commissioner Holcomb holds an undergraduate degree in political science from Hampden-Sydney College and a Juris Doctorate degree from the University of Richmond School of Law.

Honorable Terry L. Bellamy (District of Columbia) (Term Began May 1, 2012)



Terry L. Bellamy is the current WMATC member from the District of Columbia. Commissioner Bellamy was appointed to WMATC on May 1, 2012, by Mayor Vincent C. Gray.

Commissioner Bellamy is Director of the District Department of Transportation (DDOT), a position he has

held since July 2011. He is responsible for overseeing the daily operations of a department with an annual operating and capital budget of \$1 billion and over 900 employees. Mr. Bellamy previously held the position of Deputy Director of Operations and Associate Director of the Transportation Operations Administration within DDOT and has worked with the agency since March 2008. Before joining DDOT, Mr. Bellamy served as the Bureau Chief of Transportation, Engineering and Operations in Arlington County, Virginia, a position he held for eight years. Previously, Mr. Bellamy held leadership positions in both Fayetteville and Greensboro, North Carolina.

Mr. Bellamy has been recognized by ITE, APWA, APTA, NFPBA and other professional organizations for his work in transportation over the last thirty years.

Mr. Bellamy holds a Bachelor of Arts in Political Science from North Carolina A&T State University, a Masters of Urban Studies and Community and Regional Planning Design from Iowa State University, and an Executive Certificate from Penn State's Executive Management Program for Transportation and Highway Engineers. He also completed the Certified Public Managers Program through George Washington University and the Washington Council of Governments.

**Honorable Scott Kubly (District of Columbia)
(Term Ended July 18, 2011)**



Scott Kubly was the WMATC member from the District of Columbia from August 3, 2010, to July 18, 2011. Commissioner Kubly was appointed to WMATC by Mayor Adrian M. Fenty and served as a Commissioner on the District of Columbia Taxicab Commission and as Chief of Staff for District Department of Transportation (DDOT) Director Gabe Klein.

Commissioner Kubly joined DDOT in March 2009 and lead DDOT's Progressive Transportation Services Administration, which oversees the District's investment in the Washington Metropolitan Area Transit Authority (WMATA) and managed the District's Circulator Bus, Bike-sharing, and Streetcar services.

Prior to joining DDOT he worked in the Executive Office of the Mayor managing a team of budget analysts. Before joining the District, Commissioner Kubly worked for WMATA, leading the development of the 6-year, \$3.3B Metro Matters capital financial plan, identifying the long-term capital requirements of WMATA's dedicated funding, and formulating WMATA pricing policy.

Commissioner Kubly has an MBA from the Wharton School and a Master's in Community and Regional Planning from the University of Texas.

COMMISSION DEVELOPMENTS & ACCOMPLISHMENTS

FORMAL PROCEEDINGS

The Commission accepted 190 applications to obtain, transfer, amend, or terminate WMATC operating authority in FY2012. The Commission also initiated 128 investigations of carrier compliance with WMATC rules and regulations in FY2012.

In total, the Commission issued 435 orders in over 304 formal proceedings in FY2012, as compared to 428 orders in over 276 formal proceedings in FY2011.

CARRIER CERTIFICATES

The Commission issued 80 certificates of authority in FY2012, including three by reason of transfer and three by reason of amendment.

The Commission revoked 45 certificates of authority in FY2012. Most were revoked for willful failure to comply with the Commission's insurance requirements. The Commission terminated another 25 certificates of authority in FY2012 upon request by the carriers. The Commission reinstated five certificates of authority in FY2012.

The number of carriers holding a certificate of authority at the close of FY2012 stood at 394—up from 385 at the close of FY2011, and more than four times the 97 that held authority at the end of FY1990, before the barriers to entry were lowered beginning in 1991.

The number of vehicles reported to WMATC in FY2012 stood at 5,065 as of June 30, 2012. This compares to 4,595 vehicles operated under WMATC authority as of June 30, 2011.

OTHER

Commission staff processed three informal complaints against WMATC carriers in FY2012. This compares to 18 such complaints in FY2011.

Commission staff processed 24 interstate taxicab complaints in FY2012. This compares to 23 such complaints in FY2011. Seven resulted in a full refund. Twelve

were referred to other agencies. One was closed for lack of follow-up by the complainant.

Commission staff also initiated 14 informal investigations in FY2012, which typically involve minor or technical violations committed by WMATC carriers. This compares to 39 informal investigations initiated in FY2011.

Senior staff participated in Regional Taxicab Regulators task force meetings in FY2012 to help promote cooperation among local taxicab officials and aid enforcement throughout the Metropolitan Area. The task force is affiliated with the Metropolitan Washington Council of Governments and meets regularly every three months.

WEBSITE

The Commission's website may be viewed at www.wmatc.gov. The website provides information about the Commission, the Commissioners, and pending proceedings. The Compact and Commission rules, regulations, orders, forms, and answers to frequently asked questions may be searched and downloaded directly from the website.

The website offers the public the means of estimating taxicab fares for interstate trips within the Washington Metropolitan Area. Basic information on carriers with WMATC operating authority—including carrier status, insurance information, and rate and vehicle summaries—is also available. In addition, the public may file informal complaints through the website, and most carrier insurance filings are made through the website.

Carriers may pay fees and make routine filings through the Commission's website. The Commission is nearing completion of a project that would enable the public to apply for WMATC authority through the website, as well.

FINANCIAL INFORMATION

BUDGET

The Commission receives appropriations from the three Compact signatories: Virginia, Maryland, and the District of Columbia. The Commission allocates its expenses among the signatories in the proportion that the population of each signatory within the Metropolitan District bears to the total population of the Metropolitan District, based on the most recent census data available at the time the budget is proposed. Comparative budget numbers for FY2011 and FY2012 are as follows.

Total Budget

	<u>FY2011</u>	<u>FY2012</u>
Salaries	\$500,000	\$510,000
Benefits	140,000	150,000
Rent	75,000	76,250
Other	<u>55,000</u>	<u>59,000</u>
Total	<u>\$770,000</u>	<u>\$795,250</u>

Allocated Budget

	<u>FY2011</u>	<u>FY2012</u>
DC	\$120,967	\$123,980
MD	362,054	373,290
VA	<u>286,979</u>	<u>297,980</u>
Total	<u>\$770,000</u>	<u>\$795,250</u>

REVENUE

The Commission does not retain any of the fees and forfeitures it collects. All such revenue is returned to the signatories in the same proportions as those used for allocating expenses. The Commission collected \$128,425 in fee and forfeiture revenue in FY2012, all of which has been returned to the signatories. This compares to \$117,635 collected and returned from FY2011. After adjusting for fees and forfeitures, the net FY2011 and FY2012 allocated budgets, before return of unexpended appropriations, are as follows:

Net Allocated Budget

	<u>FY2011</u>	<u>FY2012</u>
DC	\$102,487	\$103,959
MD	306,742	313,007
VA	<u>243,136</u>	<u>249,859</u>
Total	<u>\$652,365</u>	<u>\$666,825</u>

