

# Washington Metropolitan Area Transit Commission

Fifty-Fifth  
Annual Report  
Fiscal Year 2015  
July 1, 2014 through June 30, 2015



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

December 21, 2015

To: The Honorable Terence R. McAuliffe  
Governor of Virginia

The Honorable Lawrence J. Hogan, Jr.  
Governor of Maryland

The Honorable Muriel Bowser  
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 § 33.2-3000 (2015) (*see* 2014 Va. Acts c. 805 at 224); MD. TRANSP. CODE ANN. § 10-203 (2015); D.C. CODE § 9-1103.01 (2015)), 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
- Jeffrey M. Lehmann, General Counsel
- Constantine H. Kolouas, IT Specialist
- Renee A. Bodden, Office Manager
- Christopher H. Aquino, Motor Carrier Safety Specialist
- Shanelle N. Hayes, Receptionist/Administrative Assistant

## 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 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.



**Taxi Queue at Ronald Reagan Washington National Airport**

The 1990 amendments have succeeded in opening the Metropolitan District to competition as intended. Over two thousand six 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.

## **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 FY2015 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.

During FY2015, he was President of the Organization of PJM States, Inc., comprised of 14 mid-Atlantic and eastern Midwest state utility commissions that have at least part of their electricity system within the PJM, Inc. Regional Transmission Organization. He is a past president of: the Mid-Atlantic Conference of Regulatory Utility Commissioners, a 10-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, and reappointed on May 23, 2014, by Governor Terry McAuliffe.

In his capacity as Commissioner of the Virginia Department of Motor Vehicles (VADMV), he manages a state agency with a budget of approximately \$215 million and a statewide workforce of about 2,000 employees. 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.

Commissioner Holcomb also serves as the Governor's Highway Safety Representative. In addition, he is chairman of the Virginia Motor Vehicle Dealer Board and serves as vice chair of the American Association of Motor Vehicle Administrators International Board of Directors.

This is Commissioner Holcomb's second stint as the head of VADMV, which serves more than eight million customers each year and provides an impressive selection of service options to the citizens of the Commonwealth. Prior to his 2010 appointment by Governor McDonnell, Commissioner Holcomb was appointed VADMV Commissioner in 1994 by Governor George F. Allen and reappointed by Governor James S. Gilmore in 1998.

During his initial seven-year tenure at VADMV, Commissioner Holcomb revolutionized the agency to provide the ultimate in customer service, surpassing public and private sector service organizations. Under his leadership, Virginia became the first state in the world to offer secure online driver's license renewals.

During his most recent term as Commissioner, he has launched the robust DMV 2 Go program. Five customer service centers on wheels provide all VADMV transactions at convenient locations such as military bases, corporate and government complexes, and senior communities.

Commissioner Holcomb also believes that our dedicated military members who have given so much for our nation deserve every effort we can make to provide opportunities for their futures. He conceived the Troops to TrucksSM initiative, which provides testing, training, and potential career opportunities for military members after service. This outreach effort, recognized by the White House, is a collaboration between VADMV, Virginia military installations, and private transportation industry groups. The program helps provide employment opportunities to our military as truck or bus drivers, or in other transportation-related jobs after service.

Commissioner Holcomb is a former 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 interests through the court system, protected the association from legal action, managed legal defense through the interpretation of legal documents, and advised ATA leadership on legal and regulatory matters.

Commissioner Holcomb has 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 U.S. 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. He is also a graduate of Virginia Commonwealth University's Virginia Executive Institute.



**Honorable Matthew T. Brown (District of Columbia)  
(May 2, 2014 to January 2, 2015)**

Matthew T. Brown was the WMATC member from the District of Columbia from May 2, 2014, to January 2, 2015.

Appointed to WMATC by Mayor Vincent Gray, Commissioner Brown was Director of the District Department of Transportation (DDOT) from May 2014 to January 2015. As DDOT Director, he oversaw about 900 employees in the construction and operation of the District's transportation system, including 1,100 miles of streets, 241 bridges, 1,600 miles of sidewalks, 453 miles of alleys, and 144,000 trees adjacent to city streets. He also presided over operation of the Circulator bus system and the District's successful bike share program, enforcement of public space laws and regulations, and inspection of all construction work in public space.

Before joining DDOT as the Deputy Director for Resource Allocation, he served as the Managing Director of the Washington Metropolitan Area Transit Authority's (WMATA's) Office of Management and Budget Services and as a project manager with Public Financial Management. Prior to that, he oversaw public budgetary and finance issues in New York City and Milwaukee. He received an M.P.A. in Budget and Public Finance from The George Washington University and a B.A. in Political Science from Texas Wesleyan University.

At DDOT, his priorities included advancing large-scale projects like the DC Streetcar initiative, the South Capitol Street Corridor Project (including replacement of the Frederick Douglass Bridge), and the Power Line Undergrounding Program, and continuing the improvement of the District's multi-modal transit options by expanding the DC Circulator system and the city's bike lane network.

Commissioner Brown also served as an Alternate Director on the WMATA Board of Directors and as an Alternate Member of the DC Water Board of Directors.





**Honorable Leif A. Dormsjo (District of Columbia)  
(Term Began January 2, 2015)**

Leif A. Dormsjo is the current WMATC member from the District of Columbia. Commissioner Dormsjo was appointed to WMATC on May 18, 2015, by Mayor Muriel Bowser, effective *nunc pro tunc* as of January 2, 2015.

He has served as Director of the District Department of Transportation (DDOT) since the beginning of 2015. Mayor Bowser nominated him in early January, and he was confirmed by the Council of the District of Columbia in March.

Besides serving as DDOT Director, Commissioner Dormsjo also serves on the Board of Directors of the Washington Metropolitan Area Transit Authority.

Commissioner Dormsjo previously served as Deputy Secretary of the Maryland Department of Transportation (MDOT) from 2012 to 2015. In this capacity, he oversaw a \$4.8 billion annual budget as the Chief Operating Officer for the 10,000-employee department comprising the Baltimore/Washington International Thurgood Marshall Airport, the Port of Baltimore, the Maryland Motor Vehicle Administration, the Maryland Transit Administration, and the Maryland State Highway Administration.

Prior to that, he served as Senior Advisor to the Maryland Transportation Secretary. In that role, he focused on advancing real estate, infrastructure and transit-oriented development projects. He led MDOT's public-private partnership program, overseeing the Seagirt Marine Terminal, I-95 Travel Plazas, and Purple Line Light Rail projects.

Commissioner Dormsjo served as the Secretary's Chief of Staff from 2007 to 2010. He has significant experience in public-sector management, having served as the Chief of Staff for the Baltimore Department of Transportation as well as the Deputy Director of the CitiStat Program in the Baltimore Mayor's Office.

He received a bachelor's degree from Wesleyan University and a master's degree in public policy from Harvard University's Kennedy School of Government, with a concentration in transportation policy and urban affairs. During his graduate school study, he was selected to work with the Boston Public School System as a Rappaport Public Service Fellow. Early in his career, he interned with United States Senator Bill Bradley.

## **DEVELOPMENTS & ACCOMPLISHMENTS**

### **FORMAL PROCEEDINGS**

The Commission accepted 317 applications to obtain, transfer, amend, or terminate WMATC operating authority in FY2015, down from the 438 accepted in FY2014. The Commission also initiated 219 formal investigations of carrier compliance with WMATC rules and regulations in FY2015, up from 162 in FY2014.

In total, the Commission issued 825 orders in 536 formal proceedings in FY2015, as compared to 843 orders in more than 600 formal proceedings in FY2014.

### **INFORMAL PROCEEDINGS**

Commission staff processed 10 informal complaints against WMATC carriers in FY2015. This compares to 11 such complaints in FY2014. Commission staff processed 12 interstate taxicab complaints in FY2015. This compares to 6 such complaints in FY2014.

Commission staff also initiated 14 informal investigations in FY2015, which typically involve minor or technical violations committed by WMATC carriers. This compares to 15 informal investigations initiated in FY2014.

### **CARRIER CERTIFICATES & VEHICLES**

The Commission issued 154 certificates of authority in FY2015, including one by reason of transfer and five by reason of amendment. This compares to 217 issued in FY2014. The Commission revoked 111 certificates of authority in FY2015. Most were revoked for willful failure to comply with the Commission's insurance requirements. The Commission terminated another 35 certificates of authority in FY2015 upon request by the carriers.

The Commission reinstated 10 certificates of authority in FY2015. The number of carriers holding a certificate of authority at the close of FY2015 stood at 660—up from 648 at the close of FY2014, and more than six 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 FY2015 stood at 6,008 as of June 30, 2015. This compares to 5,898 vehicles operated under WMATC authority as of June 30, 2014.

## **OTHER**

Senior staff participated in Regional Taxicab Regulators task force meetings in FY2015 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 quarterly. The Commission's general counsel served as chair during most of FY2015.

In addition, mutual Commission cooperation with the Virginia Department of Motor Vehicles, the Maryland Public Service Commission, the District of Columbia Department of Motor Vehicles, and the District of Columbia Taxicab Commission has enhanced Compact enforcement throughout the Washington Metropolitan Area.

## **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 FY2014 and FY2015 are as follows.

	<b>Total Budget</b>	
	<u>FY2014</u>	<u>FY2015</u>
Salaries	\$517,000	\$524,000
Benefits	150,000	151,000
Rent	80,000	83,000
Other	50,000	46,750
Total	<u>\$797,000</u>	<u>\$804,750</u>

	<b>Allocated Budget</b>	
	<u>FY2014</u>	<u>FY2015</u>
DC	\$123,933	\$125,943
MD	373,076	375,577
VA	299,991	303,230
Total	<u>\$797,000</u>	<u>\$804,750</u>

## REVENUE

The Commission does not retain any of the fees, forfeitures, and other non-appropriations revenue that it collects. All such revenue is returned to the signatories according to the proportions used for allocating expenses. For FY2015, the Commission received \$224,358 in non-appropriations revenue for return to the signatories. This compares to \$227,834 in non-appropriations revenue returned for FY2014. After adjusting for the return of non-appropriated revenue, the net FY2014 and FY2015 allocated budgets, before return of unexpended appropriations, are as follows:

	<b>Net Allocated Budget</b>	
	<u>FY2014</u>	<u>FY2015</u>
DC	\$88,505	\$90,831
MD	266,427	270,869
VA	214,234	218,692
Total	<u>\$569,166</u>	<u>\$580,392</u>

