

WMATA and Statewide Mass Transit Legislation HB 1319 (Sullivan)/SB 856 (Saslaw)

Fairfax County Legislative Committee
January 19, 2018

Northern Virginia Funding

- **HB 1319/SB 856** provide funding for both the Washington Metropolitan Area Transit Authority (WMATA) and the Virginia Railway Express (VRE) through a variety of methods.
- The bills create a price floor for the regional gas tax (for both Northern Virginia and Hampton Roads), matching the price floor for the statewide gas tax, with such additional funds being provided to WMATA for capital improvements (support for the gas tax floor is included in the County's Legislative Program). This should generate about \$17 million per year for the region.
- The bills increase two of the regional revenue sources provided to the Northern Virginia Transportation Authority (NVRTA) by the 2013 General Assembly (GA) – the regional congestion relief fee (grantor's tax) would increase from \$0.15 to \$0.25 for each \$100 of value of property sold and the Transient Occupancy Tax would increase from two percent to three percent.
 - Funds provided from the additional NVRTA taxes would generate approximately \$50 million per year in additional regional revenues.
- **HB 1319/SB 856** allocate 35 percent of all NVRTA funds (including existing NVRTA funding and the additional new revenues) to WMATA capital needs and five percent to VRE capital and operating needs, resulting in a total of approximately \$145 million in funding for WMATA and \$19 million for VRE per year.
- Regional funding for new projects would be reduced as follows:
 - The "70%" regional funds would be reduced to 42 percent of the revenues received by the region.
 - The "30%" local funds would be reduced to 18 percent of funds received by the region.
- **HB 1319/SB 856** require localities in Planning District 8 to maintain the current level of local transportation funding in the future, using the average of FY 2015-2018 funding levels.
- Further, the bill requires the jurisdictions to continue to provide the same amount of funding to WMATA (for NVRTC jurisdictions) and VRE (for PRTC jurisdictions) that they averaged between FY 2015 and 2018.

(over)

WMATA Reform

- **HB 1319/SB 856** require the new revenues to be contingent on Maryland and the District of Columbia providing their share of funding.
- NVTC would no longer be required to appoint a WMATA Board member from its membership.
- NVTC would only make one appointment to the WMATA Board (unless the size of the Board grows larger than five members) and that appointee could not be an elected official.

Statewide Transit Funding

- **HB 1319/SB 856** authorize the Commonwealth Transportation Board (CTB) to issue \$110 million in Capital Projects Revenue Bonds per year for five years.
- The bills require the development and implementation of a statewide project-specific prioritization process, based on Asset Management criteria for State of Good Repair Projects and Smart Scale-like criteria for major expansion projects (such a process would have to be in place by July 1, 2020).
- **HB 1319/SB 856** also restructure the Commonwealth Mass Transit account so WMATA would receive a percentage of funds directly – WMATA would not be eligible for any of the remaining funding.

Staff Recommended Fairfax County Position on HB 1319/SB 856

- Support for WMATA dedicated funding and governance reforms is in the County's legislative program; County will work with stakeholders to address concerns with the bills.