

APPENDIX E

NVTC 2010 LEGISLATIVE AGENDA

Approved: December 2, 2010

STATE LEGISLATIVE ACTION ITEMS

Transit Funding Crisis

Here are the essential facts:

- Transit is very well used in Northern Virginia: 143 million transit passenger trips were taken in FY 2010 (75% of Virginia's total transit ridership);
- Currently about \$700 million annually is spent on Northern Virginia's transit for capital and operations by customers and federal, state and local governments;
- Well over \$900 million annually is needed (source: NVRTA's TransAction 2030 Plan).
- This leaves a gap of over \$200 million annually in Northern Virginia extending into the future;
- The Commonwealth of Virginia has a statutory target of covering 95% of eligible transit costs throughout the entire state, but falls \$166 million short (as of FY 2011).
- State transit assistance is declining while funding needs are growing: Statewide transit operating costs grew to \$573 million in FY 2011 from \$505 million in FY 2009 while state aid fell to \$102 million from \$115 million.

Accordingly, there is a transit funding crisis that is getting worse. The Commonwealth must enact major new revenue sources for public transit during the 2011 General Assembly session, with these sources being stable, reliable, proven and permanent.

1. **New revenue sources for public transit should be enacted that keep pace with inflation and do not decline as automobiles are driven less and become more fuel efficient.** Examples include: sales taxes (one percent yields \$1 billion statewide), indexed motor fuels taxes (10-cents generates almost \$500 million); vehicle miles traveled fees, state/regional income taxes and tolls and congestion pricing. One-time revenue sources are welcome but they are not sufficient to resolve the ongoing transit funding crisis; immediate, continuous and sustainable funding is essential.

2. **Any new revenue measures for transportation, energy conservation, air quality or climate protection should dedicate an appropriate portion to public transit** because transit is an effective means to achieve the goals of such legislation. Transit currently receives only 14.7% of Transportation Trust Fund revenues while 34% of the Commonwealth's most recent bond issue was devoted to transit.
3. **Existing state transit funding sources should be protected from encroachment, either through diversion of revenues from the Transportation Trust Fund to non-transportation uses or from new intercity passenger rail initiatives.**
4. The commonwealth has a statutory responsibility to fund transportation. Therefore, **any new regional fees for public transit, including restoring previously authorized funds (HB 3202 of 2007) for the Northern Virginia Transportation Authority, should be imposed primarily by the state.**
5. **NVTC's 2.1% motor fuels tax on distributors should be increased to at least 4.2%.** The expected annual yield would increase from \$35 million in FY 2010 to more than \$70 million. This tax is dedicated to WMATA in five of NVTC's jurisdictions. WMATA faces a continuing financial crisis.
6. **With the increased federal emphasis on intercity passenger and high-speed rail, Virginia should establish a new funding source** to fully match federal grants, to integrate service with existing local and regional transit providers, and to ensure that existing transit funds are not diminished (including the federal funds devoted each year by the CTB to VRE's track leases). **Virginia's existing Rail Enhancement Program should be made available to fund the operating expenses of eligible regional and intercity passenger rail services that have benefits commensurate with costs. Where freight railroads are the beneficiaries of these public investments, they should be required to agree to cooperate with publicly provided passenger rail services on equitable terms.**
7. **Provide immediate funding to facilitate needed transit and other transportation improvements to relieve congestion at BRAC-mandated facilities.**

Safety and Improvements

8. Safety in accessing transit should be enhanced by **enacting legislation to require motorists to stop for pedestrians in marked crosswalks at unsignalized intersections where posted speeds are 35 mph or less and at unsignalized crosswalks in front of schools.**

Other Legislative Actions

9. **Amend the Virginia Code to further cap liability for commuter rail operations by including third party claims and terrorism.**
10. **Allow VRE, at its discretion, to utilize an independent third party or the Division of Risk Management to manage VRE's liability insurance plan and trust fund.**
11. **Enact legislation to authorize NVTC to choose to provide equal per diem payments to its board members who are elected officials, including the option to provide no per diem payments.** Currently, NVTC is required by state law to pay General Assembly members \$200 per meeting and other elected officials \$50 per meeting.

FEDERAL LEGISLATIVE ACTION ITEMS

Immediate and Ongoing Funding

1. As part of the process to restructure federal transportation programs and authorize multi-year funding, **provide immediate and ongoing funding for important Northern Virginia transit projects.**
2. **Continue to appropriate new funding for WMATA of at least \$150 million annually as previously authorized by Congress.** Such appropriations are needed to justify the new federal WMATA Board members.
3. **Make available funding for Metro Access from other relevant federal programs (e.g. HUD, HHS).**
4. **Include significant funding for transit as a critical strategy in any new spending measures that seek to conserve energy, enhance clean air, mitigate climate change, provide access to jobs, stimulate the economy and respond to emergencies and disasters.**
5. **Provide immediate funding to facilitate needed transit and other transportation improvements to relieve congestion at BRAC-mandated facilities.**

Authorization of Improved Transportation Policies and Programs

6. The current multi-year authorization of federal surface transportation programs (SAFETEA-LU) has expired at the end of FY 2009. Many organizations have offered detailed recommendations for a major restructuring rather than fine-tuning existing programs, including the National Surface Transportation Policy and Revenue Commission in its Transportation for Tomorrow report and the Miller Center's Well Within Reach: America's New Transportation Agenda, among many other pertinent reports and recommendations. Among the primary reasons for this view are shortfalls in gasoline tax revenues flowing to the Highway Trust Fund, proliferation of separate programs with complex eligibility criteria and rampant earmarking, all without a unifying policy focus.

NVTC supports the policy principles adopted by the National Capital Region Transportation Planning Board and those of the American Public Transportation Association and the Northern Virginia Transportation Authority among others. Among the revisions with greatest benefit to NVTC's members are:

- **The level of federal investment in U.S. transportation infrastructure, including maintenance of the existing system and expansion, must increase significantly.**
- Recognizing that federal fixed per gallon taxes on motor fuels are no longer reliable sources of funding, **new methods must be identified that will grow along with the need to maintain existing facilities and support improvements and system expansions.** Temporary transfers of General Funds or raiding the Transit Trust Fund are not worthwhile strategies to resolve this long-term structural imbalance.
- **Fees for highway use that vary with numbers of auto occupants, types of vehicle miles driven and times and places driven should be used to reduce congestion as well as providing revenues.** New technologies make such variable pricing feasible.
- **Leverage available federal funds with national infrastructure banks and bonding programs.**
- **Simplified, consolidated and streamlined federal transportation programs should be created with uniform, rigorous and comprehensive benefit/cost analyses across all modes, consideration of energy efficiency and environmental protection, inclusion of safety and security, and reduced federal review time.**
- **Urban mobility (and hence support for public transit) should be recognized as a vital federal responsibility, in cooperation with states, local governments and regional agencies through intergovernmental partnerships, with greater decision-making authority for metropolitan areas and local governments.**

Equitable Tax Incentives for Transit Users

7. **In order to maintain increased tax-free monthly transit benefits of at least \$230 (to match the benefits currently available for parking), remove the sunset provision that requires a reduction at the end of 2010 to \$120. Index the transit benefits to inflation.**

Rail Related Actions

8. **Additional federal funding should be provided to commuter rail systems to meet new federal Positive Train Control unfunded mandates contained in the U.S. Rail Safety Act of 2008.**
9. **Amend the current liability cap of \$200 million to include third party claims.** VRE's freight rail partners are demanding coverage of \$500 million.

Promote Green Commuting

10. **Allow governments to leverage private capital to create and expand vanpools by making vanpool passenger fare revenue an eligible source for local match of federal grants.**
11. **In addition to the above actions, provide further federal funding and other incentives to encourage alternative methods of commuting, including telework, bicycles, walking, vanpools as well as public transit.**