



NVTTC

Northern Virginia Transportation Commission

Chairman

Hon. Paul Ferguson

Vice Chairman

Hon. Gerald E. Connolly

Secretary/Treasurer

Hon. David F. Snyder

Commissioners:**City of Alexandria**

Hon. William D. Euille

Hon. Jay Fisette

Hon. Christopher Zimmerman

Fairfax County

Hon. Sharon Bulova

Hon. Gerald E. Connolly

Hon. Catherine Hudgins

Hon. Dana Kauffman

Hon. Elaine McConnell

City of Fairfax

Hon. Scott Silverthorne

City of Falls Church

Hon. David F. Snyder

Loudoun County

Hon. Eugene Delgaudio

**Virginia Department of Rail
and Public Transportation**

Karen Rae

Virginia General Assembly

Sen. Jeannemarie Devolites Davis

Sen. Mary Margaret Whipple

Del. David B. Albo

Del. Adam P. Ebbin

Del. Timothy D. Hugo

Del. Gary A. Reese

Executive Director

Richard K. Taube

April 18, 2005

Senator John Warner
United States Senate
225 Russell Senate Office Building
Washington, DC 20510-4601

Dear Senator Warner:

At its meeting of April 7, 2005, the Northern Virginia Transportation Commission considered a December, 2004 report from the Bureau of Transportation Statistics titled Federal Subsidies to Passenger Transportation. We found reason to dispute many of the principal findings of this report that have been widely communicated in Northern Virginia.

At a time when our regional transit system is struggling to identify a sustainable dedicated funding source, this report may mislead some citizens and we wanted to bring our concerns to your attention. Many of these are explicitly acknowledged by the authors of the report:

- 1) The authors report that transit is the most heavily federally subsidized form of transportation and that highway users actually paid more to the federal government than the federal government paid out for highways. But the fact is that the federal government is only one of many funding partners for each transportation mode. The portion of expenditures derived by each level of government from user fees varies greatly by mode and year. For example, in sharp contrast to the federal government, local governments typically derive only about six percent of their 27 percent share of highway expenditures from user fees. To suggest, based only on the federal perspective, that highways are unsubsidized is inaccurate.
- 2) Transit is generally used for relatively short trips while airlines are used for long trips. Choosing to express the subsidy outcome per 1000 passenger miles yields a much more favorable result for airlines versus public transit than

than if passenger trips were used instead.

- 3) Tallies of expenditures/subsidies for each mode may be inconsistent, since tax credits are considered federal expenditures for Amtrak but oil-related subsidies benefiting fuel-intensive modes, accelerated depreciation and other tax benefits for auto manufacturers and users are not counted against highways. Airline security and pension costs do not seem to be included either.
- 4) Of primary significance is the fact that U.S. DOT's own published methodology for computing costs and benefits of public transit was not used in this case. The methodology is described in: 1999 Status of The Nation's Highways, Bridges and Transit: Conditions and Performance--Report to Congress (2000). By considering gains from mobility (\$6.44 per trip), location efficiency (\$9.82) and congestion relief (\$3.07), public transit's net benefits far exceed costs of about \$7.10 per trip.

We wanted to bring our concerns to your attention so that you would be prepared to respond appropriately to your constituents. Please feel free to contact me with any questions.

Sincerely,

Paul Ferguson
Chairman

cc: Northern Virginia Congressional Delegation