

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 funding for WMATA of at least \$150 million annually as previously authorized by Congress. In recognition of the federal role on the WMATA Board, federal appropriations should continue to ensure the safety and reliability of the region's transit system, on which a large portion of the federal workforce depends.
3. Make available funding for Metro Access from other relevant federal programs, such as those of the U.S. Department of Housing and Human Development and the U.S. Department of Health and Social Services.
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) 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 loans 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. Make permanent the existing tax-free monthly transit benefits of at least \$230 (to match the benefits currently available for parking). 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.

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. Provide further federal funding and other incentives to encourage alternative methods of commuting, including telework, bicycles, walking, vanpools as well as public transit.



2012 LEGISLATIVE AGENDA



State Legislative Action Items

The Transit Funding Crisis

Here are the essential facts:

- Transit is very well used in Northern Virginia with 145 million annual transit passenger trips (75% of Virginia's total transit ridership)

The benefits to the region and entire Commonwealth are enormous. They include:

- Annual congestion relief valued at about \$1 billion;
- Metro alone reduces one million car trips per day;
- Energy savings approaching \$10,000 annually per driver or 40 million gallons of gas saved annually for the Washington, DC region;
- Cleaner air and reduced greenhouse gas emissions including 200 tons of volatile organic compounds and 0.5 million tons of CO₂ avoided in this region each year, with environmental savings valued at \$9.5 million annually;
- Access to jobs and "green" jobs in the transit industry;
- Transit oriented development boosting economic values and hence state and local tax revenues;
- Metro has \$235 billion of real estate value around its system and provides access to two million jobs (54%);
- Mobility for senior citizens and persons with disabilities.

- Currently over \$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: NVTA's TransAction 2030 Plan);
- This leaves a gap of over \$200 million annually in Northern Virginia extending into the future;
- The Commonwealth has consistently failed to meet its own statutory target of covering 95% of eligible transit costs throughout the entire state. In FY 2011, the commonwealth fell \$166 million short.
- Congress has not reauthorized federal transit assistance programs. The American Public Transportation Association estimates that Virginia alone could lose \$100 million annually under a plan introduced to the U.S. House of Representatives.

As the transit funding crisis is getting worse, the Commonwealth must enact major new revenue sources for public transit during the 2012 General Assembly session, with these sources being stable, reliable, proven and permanent, in order to maintain a state of good repair and enhance capacity to promote job growth.

The following options for statewide and regional revenue sources should be considered:

1. New statewide revenue sources for public transit should be enacted. They should at least keep pace with inflation and should 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. NVTC's 2.1% motor fuels tax on distributors should be increased to at least 4.2%. The expected annual yield would increase from \$43.8 million in FY 2011 to more than \$87.6 million. This tax is dedicated to WMATA in five of NVTC's jurisdictions. WMATA faces a continuing financial crisis. Its Capital Needs Inventory for the next decade totals \$13.3 billion with emphasis on maintaining a state of good repair and responding to federal safety recommendations.
3. The Commonwealth should impose other new regional taxes and fees for public transit, including restoring previously authorized funds for the Northern Virginia Transportation Authority (HB 3202 in 2007 created several new regional revenue sources with significant funds reserved for WMATA and VRE).
4. Any new statewide 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.
5. 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. New state priorities should not be funded at the expense of local priorities contained in approved regional plans.
6. If federal transit assistance programs benefiting primarily WMATA are cut back, the Commonwealth must make up the difference in order to preserve existing transit services, since local funding sources are dependent on property tax revenues that remain seriously depressed.
7. Provide funding to facilitate needed transit and other transportation improvements to relieve congestion at BRAC-mandated facilities.

State Legislative Action Items

WMATA Governance and Regional Coordination

8. NVTC supports favorable changes in the WMATA Compact and other legislative actions developed collaboratively with a voice for local governments and WMATA Board members. Such changes should enhance the improvements already implemented by the WMATA Board in a manner that ensures appropriate representation of local governments on the WMATA Board.

9. NVTC opposes efforts to consolidate separate agencies facilitating Northern Virginia's successful transit services where such consolidation would not result in significant savings and will cause serious unintended consequences.



10. Decisions on governance of local transit systems should be determined through agreements among the parties, not by legislation. Important considerations in determining effective governance of local transit systems include provision of sustainable funding by those jurisdictions represented on the board and direct access to local decision-makers by customers and tax payers.

10. As state-mandated transit studies of various corridors are considered, established regional and local priorities should be incorporated.

Improved Efficiency

12. NVTC supports a proposed shift to the Department of Motor Vehicles from the Department of Taxation in administering the motor fuels tax collected in NVTC's and PRTC's districts. This would be accomplished in two phases. First, in 2012 legislation TAX and DMV would be required to report on a transition plan and second, in the 2013 General Assembly session, the plan would be approved and implementation could begin July 1, 2013. The 2012 legislation should include revisions to the existing statute to provide penalties for misallocation of revenues among jurisdictions. Also, a re-examination of the existing three-year statute of limitations should be performed (currently some audits may not be completed within the three-year limit) and if necessary, modifications should be included in the 2012 legislation.

13. Amend the Virginia Public Investment Act to permit transit systems to buy and sell exchange traded fuel futures contracts to reduce costs and provide a reserve for any fuel budget shortfalls.

Safety

14. 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

VRE and other Rail-Related Legislative Actions

15. Amend the Virginia Code to further cap liability for commuter rail operations by including third party claims and terrorism.

16. 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.

17. Amend the Virginia Code to allow VRE to receive interest on the Insurance Trust Fund. While past practice allowed VRE to receive interest from these funds, an Executive Order last session changed the policy. The proceeds are now given to the Commonwealth despite the fact that the Insurance Trust Fund was established and is replenished with local funds.

18. Amend the Virginia Code to increase maximum fines for repeat offenders traveling on VRE trains with an invalid or fraudulent ticket.

19. Amend the Virginia Code to allow VRE to recoup a portion of the fines imposed on fare evasion cases. Currently, when a conductor is required to attend court, VRE must pay for their appearance in court as well as for another conductor to be on the train. Cumulatively, this puts the financial burden for prosecution on VRE while all fines are directed to the Commonwealth Literary Fund.

20. Amend Chapter 774 of the Virginia Code to eliminate the annual index increase in the aggregate awardable liability claim a rail passenger can make per incident. Under the current Code, the threshold (now \$100,000) will be increased each year based on the percentage of change in the medical care component of the Consumer Price Index (as published by the Bureau of Labor Statistics). The first increase is set to take place in January 2012. The existing statute could increase the current \$250 million liability insurance threshold imposed by the Class 1 freight railroads.

21. 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.

22. Where freight railroads are the beneficiaries of state investments, they should be required to agree to cooperate with publicly provided passenger rail services on equitable terms.





NVTC's 2012 STATE AND FEDERAL LEGISLATIVE AGENDA

Approved: December 1, 2011



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STATE LEGISLATIVE ACTION ITEMS

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