

WMATA DEDICATED FUNDING UPDATE

March 2018

(as of 3/22/2018)

Chuck Bean
Executive Director

Transportation Planning Board
March 23, 2018

COG's Metro Initiative

- 2015** State of the Region Infrastructure Report
- 2016** COG and Board of Trade Metro Summit Series
 - Established the Chief Administrative Officers Metro Technical Panel
- 2017** Established the Metro Strategy Group
 - COG Board adopted Statement of Principles on Metro
 - COG Board adopted Resolution on Long-Term Dedicated Funding for Metro
- 2018** First time DC, Maryland and Virginia all file legislation to establish dedicated funding for Metro



Metro Legislation – Virginia

Virginia regular session ended on March 10, 2018

Metro Legislation Passed by General Assembly

- 1) Motor vehicle fuels; sales tax in certain regions of the Commonwealth (SB896/HB768) - approved March 8, 2018
- 2) Commonwealth Transit Capital Bond Act of 2018 (SB856/HB1539) - approved March 10, 2018



Metro Legislation – Virginia

Motor vehicle fuels; sales tax in certain regions of the Commonwealth (SB896/HB768)

- Estimated to generate \$22.3 million a year
- Establishes a floor on the 2.1 percent sales tax imposed on motor vehicle fuels sold in Northern Virginia and Hampton Roads by requiring that the average distributor price upon which the tax is based be no less than the statewide average wholesale price on February 20, 2013.

Metro Legislation – Virginia

Commonwealth Transit Capital Bond Act of 2018 (SB856/HB1539)

- Estimated to generate the balance of the \$154M
 - Northern Virginia Transportation District Fund
 - Revenue from the existing Motor Vehicle Rental Tax
 - Existing NVRTA revenues or local dollars (WMATA jurisdictions in Northern Virginia)
 - Existing 2% regional Transient Occupancy Tax (TOT)
 - Existing \$0.15/\$100 Grantor's Tax
- Limits WMATA board to 8 participating members
- Virginia board appointees should have transportation expertise
- Requires adoption of a 6-year capital improvement program and a strategic plan
- Requires a 3 percent annual growth cap on operating budget
- Contingent on DC and MD enacting legislation

Metro Legislation – Virginia

Next Steps

- April 9 – Governor must sign, veto, or propose amendments to bills
- April 18 – Reconvened Session for General Assembly to discuss any proposed amendments or vetoes

Metro Legislation – Maryland

Maryland regular session ends on April 9, 2018.

Metro Legislation in General Assembly

- Maryland Metro/Transit Funding Act (SB0277/HB0372)
- Maryland Metro Board Member Act (SB0279/HB0370)
- Maryland Oversight Enhancement Act (SB0894/HB1089)

Metro Legislation – Maryland (as of 3/22/2018)

Maryland Metro/Transit Funding Act (SB0277/HB0372)

- Establishes \$150 million a year of dedicated funding
 - Appropriated from the Maryland Transportation Trust Fund
- WMATA must submit annual financial and performance reports
- Contingent on Virginia and Maryland each enacting legislation to provide annual dedicated funding of at least \$150 million

- Approved by the House on March 8
- Hearing scheduled in the Senate Budget and Taxation Committee on March 29.

Metro Legislation – Maryland (as of 3/22/2018)

Maryland Metro Board Member Act (SB0279/HB0370)

- Changes MD’s board appointees to be the Secretary of Transportation (or designee) and alternating appointment by Governor from Montgomery and PGC
- Encourages Compact signatories to discuss for following reforms:
 - Reduce size of WMATA Board of Directors
 - Improve the independent investigation and oversight of the Authority
 - Prohibit elected officials from serving on the Board
 - Remove the veto authority
 - Require that board members have transportation expertise
 - Provide equitable compensation for board members
 - Enhance transparency
 - Improve stakeholder input
- Amended bills approved by the Senate and House on March 15; currently in committees in the opposite chamber.

Metro Legislation – Maryland (as of 3/22/2018)

Maryland Oversight Enhancement Act (SB0894/HB1089)

- Establishes requirements to strengthen the office of the inspector general including funding of at least 0.05% of the WMATA annual operating budget
- Passed by the House on March 19, sent to Senate Finance Committee

Metro Legislation – Maryland

Next Steps

- April 9 - MD regular session ends
- May 28 - MD Governor must sign or veto bills

Metro Legislation – District of Columbia

(as of 3/22/2018)

Washington Metropolitan Area Transit Authority Dedicated Funding Act of 2017 (B22-0568)

- Establishes a dedicated funding source for Metro by raising the sales tax

Mayor Bowser's FY2019 Proposed Budget and Financial Plan

- Proposes \$178.5 million a year of dedicated funding
 - 55 percent from existing funds
 - 45 percent in new revenues
 - 2 cent increase in the Commercial Real Estate Tax
 - 0.25 percentage point increase in the Sales Tax
 - 3.75 percentage point increase on the gross receipts of for-hire vehicles
- March to May - Following the budget proposal the Council will convene hearings and work sessions on the budget
- May 29 – Final Council consideration of the FY19 budget.

Dates of Importance

- April 9** – MD regular session ends
- April 9** – VA Governor must sign, veto, or propose amendments to bills
- April 11** – [VA Special Session on budget begins]
- April 18** – VA Reconvened Session
- May 28** – MD Governor must sign or veto bills
- May 29** - Budget out of the Council of the District of Columbia

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