

METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS
777 North Capitol Street, N.W.
Washington, D.C. 20002

RESOLUTION ACCEPTING AND ACTING ON
THE REPORT OF THE WMATA FUNDING PANEL

WHEREAS, a number of entities (including the U.S. Government Accountability Office, the Brookings Institution, the National Capital Region Transportation Planning Board, and the Northern Virginia Transportation Authority) have documented the financial difficulties faced by the Washington Metropolitan Area Transit Authority (“WMATA”), and have suggested or called for an independent analysis of the need for and potential creation of one or more dedicated revenue sources for WMATA; and

WHEREAS, on September 8, 2004, the Metropolitan Washington Council of Governments (“COG”), ultimately joined by the Greater Washington Board of Trade and the Federal City Council authorized the creation of a “blue ribbon” panel to verify and quantify WMATA’s current and future financial needs, to catalog and analyze potential alternative dedicated revenue sources for WMATA, and to make such findings, conclusions, and recommendations as the panel deems financially and legally workable and appropriate; and

WHEREAS, thirteen individuals, with extensive knowledge and experience in areas of transit, economics, public finance, and political science were named to the Panel on the Analysis of and Potential for Alternate dedicated Revenue Sources for WMATA (“Dedicated Revenue Panel’ or “Panel”) with a charge to review existing research and analyses, to develop its own research and investigation into the pros and cons of selected alternative dedicated revenue sources, and to report to the three sponsoring organizations on or about December 15, 2004; and

WHEREAS, the Panel was given independent professional staff to assist it in its responsibilities, in addition to the staffs of the three sponsoring organizations and WMATA, itself; and

WHEREAS, the Panel formally met seven times, and communicated substantially on a number of occasions, among itself, and with staff, and twice sought public comment, initially on the concepts of the questions presented by the sponsoring organizations, and ultimately, on the Panel’s draft report, adopted on December 14, 2004; and

WHEREAS, the Panel's final report, issued on January 6, 2005, finds, concludes, and recommends that:

- Maryland, Virginia, and the District of Columbia mutually implement a regional dedicated revenue source sufficient to address the projected shortfall for WMATA capital maintenance and system enhancement; and
- The preferable regional dedicated revenue source option is a regional sales tax (if a sales tax is not mutually acceptable to the three jurisdictions, other studied and recommended options for consideration include a regional payroll tax or parallel increases in property taxes); and
- Farebox revenues should continue at the current operating ratio of 57 percent; and
- The federal government should participate significantly in addressing the shortfall for capital maintenance and system enhancement; and
- The federal, state, and local funding of Metro Access, or paratransit, should be addressed separately from this financing effort.

NOW THEREFORE BE IT RESOLVED, BY THE BOARD OF DIRECTORS OF THE METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS THAT:

1. The Report of the Panel, and its efforts, findings, conclusions, and recommendations, are accepted with gratitude.
2. The Report of the Panel will be furnished to all participating COG jurisdictions, to the Governors and Legislatures of the State of Maryland and the Commonwealth of Virginia and the Mayor and Council of the District of Columbia, and to the U.S. Department of Transportation and the region's Congressional Delegation.
3. Participating COG jurisdictions are encouraged to evaluate the report and its recommendations and to consider making it part of their legislative packages for the 2005 sessions of the respective legislatures, either for action in 2005 or for appointment of legislative study commissions or other entities to examine and negotiate a mutual solution among the three compact jurisdictions.
4. The governors of Maryland and Virginia and the Mayor of the District of Columbia are encourage to meet and explore the Panel's specific funding alternatives, to embrace a revenue source for all three jurisdictions, and to urge its consideration by their respective legislatures.
5. Congress and the Administration are requested to acknowledge the reliance of the federal workforce on WMATA and take such additional action as necessary to ensure adequate and reliable federal support for the system, consistent with the Panel's recommendation.
6. COG members and staff should work with stakeholders to assist local, state and federal officials in understanding the nature of the WMATA funding requirements, the immediacy of the need, and the desirability of both a dedicated revenue source and adequate federal participation in ensuring appropriate levels of capital maintenance and system enhancement for the region's most important transportation investment.