

# Metropolitan Washington Council *of* Governments

## Dedicated Funding for Metro Fact Sheet

July 8, 2009

Like every other transit system in the world, Metro requires public financial support to close the gap between passenger revenues and costs. Despite the fact that Metro is one of the most traveled transit systems in the United States—over 1.5 million trips per day—it is the largest system without a dedicated source of funding.

### Chronology

#### 2004

The WMATA Board approved a funding scheme called “Metro Matters” which committed \$3.3 billion over six years from state and local governments to purchase new buses and rail cars and fund basic infrastructure investments. But even at the time it was clear that Metro Matters was a stop-gap solution: the funding agreement expires in FY2010.

#### Fall 2004

COG, with the support of the Greater Washington Board of Trade, and the Federal City Council co-sponsored a Blue Ribbon Panel to examine the funding issues of the Washington Metropolitan Area Transit Authority and recommend alternative sources of funding for Metro.

#### January 2005

Blue Ribbon Panel’s report identified an average annual shortfall of \$330 million through 2015. It recommended that 50% be covered through new federal funding and 50% through state/local dedicated funding.

#### May 2006

GAO report estimates Metro’s shortfall may be greater than projected by the Blue Ribbon Panel and examined mechanisms related to dedicated sources of funding.

### Action

#### Federal

During the 109th Congress, U.S. Representative Tom Davis (R-Va), with support from the entire area delegation, introduced legislation that authorized \$1.5 billion in federal funds to WMATA over ten years. The legislation required a non-federal match from dedicated state and local funding sources, an amendment to the WMATA Compact to include federal representation on the Board of Directors and the creation of an Inspector General. The legislation passed the House, but stalled in the Senate.

In October 2008, the 110th Congress adopted HR 2095 (PL 110-432) the “Federal Rail Safety Improvements” which includes a provision for the capital and preventative maintenance projects for WMATA similar to that introduced by Mr. Davis.

#### State

On April 21, 2006, the Council of the District of Columbia passed Bill 16-569 (WMATA Fund Act of 2006) which was contingent upon enactment by Congress and passage of similar legislation by State of Maryland and the Commonwealth of Virginia.

Both Maryland and Virginia, have committed to match federal funds (upon appropriation) off the top of their respective transportation trust funds.

Additionally, each of the three “states” has adopted identical compact amendment legislation, necessary to quality for the federal funding.