METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS METRO DEDICATED FUNDING UPDATE April 11, 2007

DISTRICT OF COLUMBIA

On April 21, 2006 the Council **unanimously passed B16-569**, "Washington Metropolitan Area Transit Authority Fund Act of 2006", dedicating one half of one percent of the existing District of Columbia retail sales tax to provide funding for WMATA, which is estimated to raise \$50 million annually. This funding is conditioned upon like adoption in Maryland, Virginia, and passage of H.R. 3496 or similar legislation by Congress.

MARYLAND

• SB 167 Sen. Kramer (D, Mont.): Altering the distribution of sales and use tax revenue; creating a Mass Transit Account within the Transportation Trust Fund; providing for the distribution of specified sales and use tax revenue to the Account at a rate of 5%; limiting the use of the Account to funding specified transit capital and operating expenses. The Maryland Administration is not supporting Sen. Kramer's proposal, in that it utilizes sources currently supporting the general fund, which has a projected shortfall. The Administration has stated, however, that it will explore other sources with the legislature. Status: Unfavorably reported out the Committee on Budget and Taxation 3/14. While no additional action is expected, it is possible that the legislature will reconvene in special session in the fall at which time this issue could be readdressed.

VIRGINIA

On April 4, 2007 the General Assembly passed HB 3202 "Transportation Funding Act of 2007," dedicating \$44.7 million a year for WMATA funding needs. In addition, the legislature authorized the use of \$3 billion for statewide transportation projects; 20% of which will be dedicated to the operating needs of WMATA.

FEDERAL

HR 401, National Capital Transportation Amendment Act of 2007. With support of the
entire National Capital Region's congressional delegation, Congressman Davis
reintroduced legislation authorizing \$1.5 billion dollars in federal funding for capital
improvements and maintenance needs of Metro to be incrementally distributed over 10
fiscal years. The legislation would require a non-federal match from dedicated state and
local funding sources. Status: Referred to the House Committee on Oversight
and Government Reform 1/11. This bill is still pending in the House,
discussions are ongoing for similar, potentially modified, introduction in the
Senate.