

NVTC Urges Action to Establish Sustainable and Dedicated Funding for WMATA



Where things stand

In order to provide safe and reliable service, WMATA needs \$15.5 billion over the next 10 years for capital improvements. Metrorail, a \$40 billion asset, is suffering due to years of deferred maintenance.

WMATA is the backbone of the region's transportation network. Metrorail and Metrobus provide more than 131 million trips in Virginia each year. More than 500,000 jobs in Northern Virginia are within a quarter mile of a Metrorail station or Metrobus stop. Metrorail's Silver Line has attracted more than \$18 billion in real estate investment.

WMATA provides economic benefits to the entire Commonwealth

Metrorail and VRE support economic activity that generates more than \$600 million in sales and income taxes each year that flow to the Commonwealth of Virginia. That is a more than 250 percent return on the Commonwealth's investment in these transit systems.

What is necessary to restore WMATA as a world class transit system?

Failure to invest in WMATA threatens the economic vitality of both Northern Virginia and the Commonwealth. As such, NVTC supports legislative and administrative actions that:

- Create a multi-year, stable and bondable revenue source to allow WMATA to address critical safety and state of good repair projects;
- Ensure the Commonwealth continues to support its local jurisdictions' share of WMATA capital and operating costs using funds that provide the most flexibility for financing;
- Continue the Commonwealth's match of any federal funding for WMATA, through the Passenger Rail Investment and Improvement Act or similar authorization;
- Maintain the current capital allocation formula to ensure that Virginia's financial commitments to WMATA are consistent with Virginia's ridership, stations and population;
- Develop and expand opportunities for the use of innovative financing to support WMATA.

NVTC endorses specific governance and operational reforms for WMATA



What reforms could boost WMATA's success?

NVTC endorses organizational and operational reforms to restore WMATA to a world class transit system. NVTC supports legislative and administrative actions that:

- Ensure the WMATA Board represents the local funding jurisdictions and includes elected and non-elected officials with a range of professional backgrounds;
- Provide full voting authority for all members and streamline the WMATA Board committee structure to reduce bureaucracy;
- Require the WMATA Board to continually review its policies regarding conflicts of interests and fiduciary interests to maintain its principled approach to decision making;
- Eliminate the jurisdictional veto as it impedes regional cooperation.

NVTC also supports actions that provide the WMATA General Manager/CEO and Board with greater authority to make operational decisions and utilize tools, such as competitive contracting of targeted functions, to improve the system's cost-effectiveness without jeopardizing safety. NVTC also supports actions that allow WMATA to maintain funding discipline for labor costs through collective bargaining or subsequent arbitration.