NORTHERN VIRGINIA TRANSPORTATION AUTHORITY 2014 Legislative Program APPROVED: December 12, 2013

STATE

TRANSPORTATION FUNDING

The passage of HB 2313 was the result of bipartisan cooperation throughout the Commonwealth, as the Governor, General Assembly, localities and the business community worked vigilantly to enact a transportation funding package that provides substantial new resources in addressing statewide transportation needs that had long been underfunded. Of particular interest to Northern Virginia was the inclusion of a regional package generating \$300 million annually in increased Northern Virginia revenues. This funding is a significant step towards addressing the transportation needs of Northern Virginia, estimated in the TransAction 2040 Long-Range Transportation Plan at approximately \$950 million per year in additional funding. It is critical, that Northern Virginia continues to receive its fair share of statewide revenues, as required by HB 2313, and that any potential changes to the HB 2313 statewide revenues generate funds at least equal to the law as enacted.

NVTA initiated a bond validation proceeding related to the regional funds to test the validity of the bonds, processes, and authorizing statute. The Fairfax County Circuit Court ruled in NVTA's favor on all matters. It is imperative that no changes be made to the Northern Virginia portions of HB 2313 or to the code sections specifically related to NVTA, as it begins implementing these new funding provisions.

Additionally, ongoing coordination between Commonwealth and NVTA, other regional agencies, and local governments is essential as we all work to implement HB 2313's regional provisions. This is especially critical as VDOT continues work on the evaluation required by HB 599/SB 531 (2012), which will directly impact NVTA and its future actions.

Due to legislative changes in 2012, the Commonwealth Transportation Board now has the authority to allocate up to \$500 million to priority projects before funds are provided to the construction fund. Due to this provision, the secondary and urban construction programs will receive no new funds until 2017, despite the additional transportation revenues. This is especially alarming as localities have not received funds for this program since FY 2010. Further, this change gives the CTB significant authority in allocating statewide resources, resulting in funds being allocated to a few large projects, rather than funds being provided equitably to localities throughout the state through the normal funding formula. It is imperative that the region receives its share of the statewide funds. It is recommended that this set-aside be eliminated or modified to, at the very least, ensure equitable distribution of funds to each region.

During the 2013 Session, the General Assembly passed SB 1140, which changed the

methodology for distribution of new transit funding. NVTA is concerned about implementation decisions that go beyond the intent of the legislation; in particular, DRPT's method of counting Metrorail riders could negatively impact transit operating assistance for WMATA compact jurisdictions. Such calculations should be based on boardings and alightings at stations within the Commonwealth, rather than residency or other methodologies not based specifically on ridership. Additionally, NVTA is opposed to DRPT's decision to change the allocation of state funds for capital costs from the non-federal cost of a project to the total project cost. As several Northern Virginia transit systems do not receive federal funds, this change increases the local share our localities must pay while reducing the share for those other systems in the Commonwealth that provide far less local funding.

A modern, efficient, multimodal transportation system is essential to the Commonwealth, and is intrinsically tied to continued economic development and the ability to compete in a global economy. We must all work together to maintain and build the multimodal infrastructure that Virginia needs to remain an active and dynamic participant in a 21st Century economy. (Revises previous transportation funding position.)

WMATA FUNDING

The Commonwealth must work with the Federal Government to ensure that it, too, provides sufficient resources to address transportation needs. The Commonwealth is a valuable partner in ensuring that WMATA continues to move ahead with important safety and infrastructure capital improvements in its system. As part of the federal Passenger Rail Investment and Improvement Act (PRIIA) of 2008, WMATA received a 10-year, \$1.5 billion federal authorization to address urgent capital needs. The region matches these federal funds with \$50 million each annually from DC, MD and VA. The capital funding is used to support areas such as: meeting safety requirements of the NTSB, repairing aging rail track, investing in new rail cars, fixing broken escalators and elevators, rehabilitating decaying rail stations and platforms, modernizing the bus fleet and improving bus facilities. (Revises and reaffirms previous position.)

VRE TRACK ACCESS FEES

Since its inception, VRE has received money from the Commonwealth through the Equity Bonus Program for the track access fees. MAP-21 eliminated the Equity Bonus Program while keeping the level of program funding the same through the first two years of the law. If VRE is unable to resolve this potential funding shortfall then there will be significant budgetary ramifications which could include reductions in service, 58% jurisdiction increase in subsidies, and/or a 28% fare increase. NVTA supports the inclusion of VRE track access funding within the Commonwealth's transportation budget. If this does not occur then NVTA supports a separate appropriation through eligible federal pass through money for track access fees within its capital program. (Revises and reaffirms previous position.)

SECONDARY ROAD DEVOLUTION/LOCAL MAINTENANCE PROGRAMS

NVTA opposes any legislation that would require the transfer of secondary road construction and maintenance responsibilities to counties, especially if these efforts are not accompanied with corresponding revenue enhancements. While there are

insufficient resources to adequately meet the maintenance and improvement needs of secondary roads within the Commonwealth, the solution to this problem is not to simply transfer these responsibilities to local governments that have neither the resources nor the expertise to fulfill them. Further, NVTA also opposes any legislative or regulatory moratorium on the transfer of newly constructed secondary roads to VDOT for the purposes of ongoing maintenance.

Additionally, NVTA is opposed to changes to maintenance allocation formulas detrimental to localities maintaining their own roads. Urban Construction Funds are already far below what is needed and localities must already find other ways to fund new construction initiatives. Changing current formulas or requiring additional counties to maintain their roads could lead to a reduction in Urban Construction and Maintenance Funds, placing a huge extra burden on these localities. (Reaffirms previous position.)

EQUAL TAXING AUTHORITY FOR COUNTIES, CITIES AND TOWNS

NVTA supports granting counties the authority cities and towns currently have to enact local excise taxes, including the cigarette tax, admissions tax and meals tax. Doing so would allow counties to raise additional revenues for transportation projects. (*Reaffirms previous position.*)

BASE REALIGNMENT AND CLOSURE (BRAC) RECOMMENDATIONS

NVTA supports the inclusion of sufficient funding to ensure significant fiscal resources to address the enormous planning and transportation issues associated with the Base Realignment and Closure Commission recommendations. This is particularly critical because the BRAC relocations have occurred and Northern Virginia localities are facing significant shortfalls in the capacity of current infrastructure to support the additional military and civilian jobs. (Reaffirms previous position.)

PEDESTRIAN AND TRANSIT SAFETY

Safe access to transit facilities can be improved through infrastructure improvements and better traffic safety laws. NVTA supports revisions to Virginia's existing pedestrian legislation to clarify the responsibilities of drivers and pedestrians in order to reduce the number of pedestrian injuries and fatalities that occur each year. In particular, NVTA supports legislation that would require motorists to stop for pedestrians in crosswalks at unsignalized intersections on roads where the speed is 35 mph or less and at unsignalized crosswalks in front of schools. This issue is of special importance for pedestrians with physical or sensory disabilities, who are at particular risk of injury when crossing streets. Further, strong safety records depend on strong safety practices and training. NVTA supports training programs for transit systems, pedestrians and bicyclists. (Revises and reaffirms previous position.)

MAXIMIZING USE OF EXISTING FACILITIES

High performance, high capacity transit requires smart usage of existing road facilities. Localities in cooperation with the Commonwealth (DRPT and VDOT) should ensure that urban design standards for transportation system components allow for the efficient movement of vehicles; accommodate safe pedestrian and bicyclist movement; and encourage user-friendly access to transit. More flexibility in the design of transit

infrastructure and facilities that enhance safety should be provided. Additionally, localities, with cooperation of the Commonwealth, should identify existing facilities that can be flexed or used by transit vehicles on an as-needed or scheduled basis in order to maximize the efficient use of roadways to expand capacity. Examples are:

- The conversion of shoulders for bus use during peak rush hour with safety practices and improved infrastructure - will improve service and expand capacity on important corridors.
- Express bus, commuter bus, and bus rapid transit as well as light rail and streetcar; and
- Expanded use of buses in HOT lanes. (New position.)

CHAPTER 729 PLANNING

Land use provisions included in legislation during the 2012 Session changed transportation planning requirements for jurisdictions. Specifically, the Virginia Department of Transportation (VDOT) and the Commonwealth Transportation Board (CTB) can decide whether local transportation plans are consistent with their current priorities. If they decided this is not the case, they are able to withhold funding for transportation projects in counties. While the NVTA is appreciative of efforts to better coordinate local and state transportation planning, the Authority is concerned that these provisions essentially transfer the responsibility for land use planning from local governments to the Commonwealth. Land use and zoning are fundamental local responsibilities and these provisions can override the work done by our local governments and our residents, property owners and the local business communities on land use and transportation plans. (Reaffirms previous position.)

TRANSPORTATION COORDINATION AND REGIONAL STUDIES

NVTA believes it is critical for ongoing coordination between the Authority and the Commonwealth. Additionally, it is vital that the Commonwealth involve local and regional officials in any studies or audits related to funding, planning, operations, organizational structure and processes related to agencies in the Transportation Secretariat. This is essential as VDOT continues work on the evaluation created by HB 599 (2012), which will directly impact NVTA and its future actions. Further, NVTA recommends that the Code of Virginia be amended to specify that transportation studies related to facilities wholly within one VDOT construction district, should be managed by that construction district rather than the VDOT Central Office. Regional VDOT staff is better equipped to address the concern of the affected citizens and local governments. (Revises and reaffirms previous position.)

FEDERAL

SURFACE TRANSPORTATION PROGRAM REAUTHORIZATION

In July 2012, Congress passed a two-year transportation reauthorization bill, Moving Ahead for Progress in the 21st Century (MAP-21). This bill provides \$120 billion for federal transportation programs from July 2012 – September 2014. The bill does not direct funding towards specific projects. The U.S. Department of Transportation

(USDOT) is currently developing rules for many of the programs, in consultation with state departments of transportation, Metropolitan Planning Organizations (MPOs) and other stakeholders.

As discussions on the rulemaking and possible future legislation continue, NVTA believes that a number of significant issues should be considered, including:

- The level of federal investment in the nation's transportation infrastructure, including both maintenance of the existing system and expansion, must increase significantly;
- The distribution of funding within the Federal Surface Transportation Program must be simplified and the number of funding programs streamlined.
- The time required to complete the federal review process of significant new transportation projects must be reduced, and the approval process must be consistent across all modal administrations. In addition, federal implementation regulations should be streamlined;
- To recognize the uniqueness of metropolitan areas, greater decision-making authority for determining how transportation funding is spent should be given to local governments and regional agencies, such as the Northern Virginia Transportation Authority;
- Energy efficiency and environmental protection must be addressed in the development of transportation projects; however environmental reviews should be conducted within specified timeframes, so that a project's environmental impacts can be identified and adequately addressed; and
- Safety and security must continue to be an important focus of transportation projects.

(Revises and reaffirms previous position.)

DEDICATED FUNDING FOR WMATA

WMATA is the only major transit provider in the country without a permanent dedicated revenue source for a significant part of their revenue base. Congress passed legislation that authorizes \$1.5 billion for WMATA over ten years, if the region adopts a dedicated funding source(s) and provides an additional \$1.5 billion to match the federal funds. All three signatory jurisdictions have passed the compact amendments required to receive the federal funding, and the non-Federal matches are in place. This authorization must continue to be accompanied by annual appropriations. (Revises and reaffirms previous position.)

FUNDING FOR THE VIRGINIA RAILWAY EXPRESS

NVTA supports the Virginia Railway Express efforts to secure federal funding for the following capital projects: high capacity railcars, positive train control, train storage of rail equipment, station parking expansion, platform extensions and additions, and expansion of commuter rail service. (Updates previous position.)

LIMITS ON COMMUTER RAIL RELATED LIABILITY

NVTA calls upon Congress to approve legislation to broaden the applicability of existing statutory language in 49 USC, 28301 related to commuter rail related liability. The

language should be amended to reflect the existing liability standard of a \$250 million annual aggregate limit while broadening the cap beyond passenger rail related claims for property damage, bodily injury or death so that they apply to all claims brought by third parties. (Reaffirms previous position.)

FUNDING FOR TRANSPORTATION EMERGENCY PREPAREDNESS

NVTA calls upon Congress to provide increased security funding to local and regional transportation agencies in the metropolitan Washington area. (Reaffirms previous position.)

FUNDING FOR THE METROPOLITAN AREA TRANSPORTATION OPERATIONS COORDINATION (MATOC) PROGRAM

NVTA calls upon Congress to provide increased funding to transportation agencies in the metropolitan Washington area to continue funding for MATOC's operations. (Reaffirms previous position.)

COMMUTER PARITY

NVTA supports legislation that would permanently create parity between the level of tax-free transit benefits employers can provide to employees for transit and for parking benefits, as a way to make transit service more attractive to commuters who currently drive alone. In addition, NVTA supports legislation to permanently extend the current transit benefit to all branches of the federal government. (Revises and reaffirms previous position.)

MARKETPLACE FAIRNESS ACT

NVTA supports passage of the Marketplace Fairness Act, as it will directly impact our region's road capacity and transit needs. The Commonwealth of Virginia's recently passed transportation funding bill, HB 2313, depends on federal passage of the Marketplace Fairness Act. Should Congress enact the legislation, the Commonwealth can begin collecting these taxes. Over half of the revenues generated from these sales taxes will be allocated to the Commonwealth's Transportation Trust Fund (construction and transit), with the remainder being provided for local needs and public education. If the Marketplace Fairness Act is not enacted by January 1, 2015, the Commonwealth's gas tax will increase by 1.6% per gallon, but these funds will be primarily toward road maintenance. (New position.)