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## SENATE JOINT RESOLUTION NO. 28

Offered January 10, 2024

*Directing the Joint Legislative Audit and Review Commission to study long-term, sustainable, dedicated funding and cost-containment controls and strategies to ensure the Washington Metropolitan Area Transit Authority, Virginia Railway Express, and all Northern Virginia transit systems meet the growing needs of public transit in the region. Report.*

Patrons—Ebbin, Boysko, Carroll Foy, Favola, Lucas, Marsden, McPike, Pekarsky, Perry, Reeves, Roem, Salim, Stuart, Subramanyam and Surovell; Delegates: Austin, Cohen, Cole, Delaney, Henson, Herring, Hope, Keys-Gamarra, Krizek, Lopez, Maldonado, Martinez, McClure, Mundon King, Reaser, Seibold, Shin, Sickles, Simon, Srinivasan, Thomas and Watts

Referred to Committee on Rules

WHEREAS, Northern Virginia is served by a network of public transit providers that move more than 1.5 million people each week; and

WHEREAS, the Northern Virginia Transportation Commission (NVTC) found that Northern Virginia's transit network generates \$1.5 billion in income and sales tax that goes to the Commonwealth's general fund each year; and

WHEREAS, the Washington Metropolitan Area Transit Authority (WMATA) is the backbone of Northern Virginia's transit system and plays a critical role in the Commonwealth's transportation network and economic growth; and

WHEREAS, the Virginia Railway Express (VRE) provides important commuter rail services that provide access from communities along Interstate 66 and Interstate 95 to the center of the District of Columbia, providing capacity to eliminate at least one highway lane from Interstate 95; and

WHEREAS, the Commonwealth's multibillion dollar investment in Transforming Rail in Virginia enables VRE's and Amtrak Virginia's long-term growth and success; and

WHEREAS, the Northern Virginia Transportation Commission (NVTC) and Potomac and Rappahannock Transportation Commission (PRTC) play important funding, coordination, and governance roles for transit agencies operating within their districts; and

WHEREAS, the COVID-19 pandemic upended the financial operating model of all transit agencies across the United States, including those that serve Northern Virginia, through inflation and reduced ridership; and

WHEREAS, federal pandemic aid, which has supported transit systems across the region since 2020, has already been exhausted or will be exhausted in the coming years; and

WHEREAS, in June 2023, WMATA projected a FY 2025 operating budget gap of \$750 million that would grow to \$1.2 billion by FY 2035; and

WHEREAS, in June 2023, WMATA projected that dedicated capital funding bond capacity would be exhausted by FY 2029 or earlier, which would constrain the capacity of WMATA's capital program; and

WHEREAS, the existing three percent cap on the annual growth in Virginia's operating assistance to WMATA has been a useful tool to help control costs but has resulted in some unintended consequences that need to be addressed ; and

WHEREAS, it is in the public interest to ensure that ongoing vital investments in transit are managed in an accountable and transparent way and that every effort is made to ensure reasonable and effective cost-control measures are in place; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Joint Legislative Audit and Review Commission be directed to study long-term, sustainable, dedicated funding and cost-containment controls and strategies to ensure the Washington Metropolitan Area Transit Authority, Virginia Railway Express, and all Northern Virginia transit systems meet the growing needs of public transit in the region.

In conducting its study, the Joint Legislative Audit and Review Commission shall establish a technical working group consisting of NVTC, PRTC, VRE, WMATA, and the Department of Rail and Public Transportation (DRPT) to further examine the 10 revenue sources identified in NVTC's Metro Operating Funding and Reform Working Group and to propose up to five additional revenue sources that would contribute to a fund for new dedicated operating and/or capital funding for Northern Virginia transit agencies that leverages, and exists in addition to, current state and local funding commitments. The technical working group shall examine industry-wide cost-saving and cost-containment tools to ensure the long-term fiscal sustainability of transit operators.

To the extent feasible, the Joint Legislative Audit and Review Commission shall incorporate in its study the technical work completed as part of NVTC's Metro Operating Funding and Reform Working

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56 Group effort and incorporate the WMATA Funding Accountability, and Reform Recommendations from  
57 NVTC's 2023 Annual Report on the Performance and Condition of WMATA.

58 Technical Assistance shall be provided to the Joint Legislative Audit and Review Commission by the  
59 NVTC, PRTC, WMATA, VRE, and DRPT and all other transit agencies operating in these  
60 transportation districts. All agencies of the Commonwealth shall provide assistance to the Joint  
61 Legislative Audit and Review Commission for this study, upon request.

62 The Joint Legislative Audit and Review Commission shall submit to the Governor and General  
63 Assembly an interim report containing an executive summary of its activity and work no later than  
64 December 1, 2024, and a final report containing an executive summary of its activities and  
65 recommendations no later than August 1, 2025. The executive summaries and reports shall be submitted  
66 as provided in the procedures of the Division of Legislative Automated Systems for the processing of  
67 legislative documents and reports and shall be posted on the General Assembly's website.