



COMMONWEALTH of VIRGINIA

Office of the Governor

Shannon Valentine
Secretary of Transportation

September 13, 2018

The Honorable Charles W. Carrico
Chairman, Senate Transportation Committee
Post Office Box 1100
Galax, Virginia 24333

The Honorable David E. Yancey
Chairman, House Transportation Committee
Post Office Box 1163
Newport News, Virginia 23601

Dear Chairman Carrico and Chairman Yancey:

House Bill 2136 and Senate Bill 1251, from the 2017 General Assembly session, require the Secretary of Transportation to provide a quarterly update on Virginia's efforts to work with its counterparts in Maryland and the District of Columbia on "revising the Washington Metropolitan Area Transit Authority Compact of 1966 and implementing other reforms necessary to ensure the near-term and long-term viability of the Washington Area Metropolitan Transit Authority (WMATA)." This letter serves as the update for the quarter ending March 31, 2018.

The 2018 General Assembly passed HB 1539/SB 856 to provide \$154 million in additional dedicated capital funding for WMATA. This figure comprises Virginia's proportional share of the total \$500 million needed to fully meet the capital needs of the agency as expressed by its General Manager, Paul Weidefeld. This dollar amount was validated by a 2017 General Assembly-mandated study led by former USDOT Secretary Ray LaHood. Both the Maryland General Assembly and the District of Columbia City Council have passed spending bills to provide their respective proportional shares of the \$500 million. Contingent on WMATA receiving this new funding from Virginia, HB 1539/SB 856 requires implementation of other reforms necessary to ensure the near-term and long-term viability of WMATA.

Specifically, these reforms include:

- Maryland and the District of Columbia providing their proportional shares of \$500 million.
- The Northern Virginia Transportation Commission (NVTC) certifying receipt of the WMATA annual budget, independent financial audit, its National Transit Data annual profile, and audit reports.

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- NVTC reporting annually by November 1st to the General Assembly and the Governor on WMATA's performance and condition.

The Commonwealth Transportation Board is also empowered with specific WMATA accountability measures, including:

- Authority to withhold 35% of existing funding to WMATA if the agency's operating expenses increase by more than three percent annually.
- Authority to withhold 20% of WMATA's funding if alternates to the WMATA Board participate at a Board meeting when principal directors are present.
- Authority to withhold 20% of existing WMATA funding if the agency does not adopt a capital improvement program covering the next six fiscal years and if it does not adopt a strategic plan within the next three years. WMATA must hold a public hearing in Northern Virginia prior to adoption.

Additionally, HB 1539/SB 856 establishes the Metro Reform Commission, which is comprised of two appointees by the Speaker of the House and two appointees by the Senate Rules Committee, to make recommendations on reforms to the National Capital Area Interest Arbitration Standards Act. (Additionally, bidders, offers, contractors, and subcontractors do not have to enter agreement with labor organizations if the WMATA project is located solely in Virginia.) Governor Northam signed these bills on May 18, 2018.

Governor Northam and I remain committed to working with our counterparts in those jurisdictions towards ensuring that WMATA is a safe and reliable system for the thousands of Virginians who use it daily.

With warmest regards,



Shannon Valentine

cc: The Honorable Mark L. Keam, Virginia House of Delegates