

**REPORT OF THE JOINT SUBCOMMITTEE TO  
STUDY GROWING TRANSIT NEEDS IN  
NORTHERN VIRGINIA**

**Joint Subcommittee to Study  
Growing Transit Needs in Northern  
Virginia 2024 Executive Summary  
(SJR 28, 2024)**

**TO THE GOVERNOR AND  
THE GENERAL ASSEMBLY OF VIRGINIA**



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# Joint Subcommittee to Study Growing Transit Needs in Northern Virginia

2024 Executive Summary

<https://studies.viriniageneralassembly.gov/studies/721>

Pursuant to the powers and duties authorized under SJ 28 (Ebbin, 2024 Regular Session), the Joint Subcommittee to Study Growing Transit Needs in Northern Virginia (the Joint Subcommittee) met four times during the 2024 interim with Senator Adam P. Ebbin, chair, and Delegate Mark D. Sickles, vice-chair, presiding.

The Joint Subcommittee does not intend to submit a report of its findings and recommendations for publication as a House or Senate document for the 2024 year.

Materials presented at the meeting are accessible through the meeting links on the [Joint Subcommittee's webpage](#) on the General Assembly's website. Full videos of each meeting are archived on the [Senate video streaming webpage](#) or on the [Northern Virginia Transit Commission's YouTube page](#).

Information presented at the meetings is summarized here.

### Membership

Senator Adam P. Ebbin, Chair

Delegate Mark D. Sickles, Vice-Chair

Senator Jennifer B. Boysko

Delegate Terry L. Austin

Senator Scott A. Surovell

Delegate Karrie K. Delaney

The Honorable W. Sheppard Miller III

Delegate Adele Y. McClure

The Honorable Walter Alcorn

Paul C. Smedberg

Kate Mattice





The following is a summary of the information presented at the Joint Subcommittee's meeting on July 15, 2024, in Richmond. Materials from this meeting can be found [here](#).

### **Adoption of Virtual Meeting Policy**

Nikhil Edward, Attorney with the Division of Legislative Services (DLS), provided an overview of [§ 2.2-3708.3](#) of the Virginia Freedom of Information Act (FOIA) in the Code of Virginia and explained the options available to the Joint Subcommittee with respect to the adoption of a virtual meeting policy. The Joint Subcommittee unanimously voted to adopt a virtual meeting policy that encompasses all of the allowable provisions under FOIA.

### **Presentation: Overview of SJ 28 (Ebbin, 2024 Regular Session)**

Stephen Kindermann, Lead Senior Attorney with DLS, provided an overview of SJ 28, which established the Joint Subcommittee and directed it to study long-term, sustainable, dedicated operations and capital funding and cost-containment controls and strategies to ensure that the Washington Metropolitan Area Transit Authority (WMATA), the Virginia Railway Express (VRE), and the public transit systems that serve the Northern Virginia Transportation Commission (NVTC) and Potomac and Rappahannock Transportation Commission transportation districts meet the growing needs of public transit in the Northern Virginia region.

Mr. Kindermann explained that SJ 28 also directed a technical working group consisting of representatives from across the transportation community to support the Joint Subcommittee by (i) examining the 10 revenue sources identified by [NVTC's Metro Operating Funding and Reform Working Group](#), (ii) proposing up to five additional revenue sources that would contribute funding for new dedicated operating and capital funding for Northern Virginia transit agencies that leverages and supplements existing state and local funding commitments, (iii) identifying projected revenue growth from each funding source, (iv) examining industry-wide cost-saving and cost-containment tools to ensure the long-term fiscal sustainability of heavy-rail transit operators, and (v) determining current projected annual cost growth for each transit system through at least 2037.

Finally, Mr. Kindermann noted that SJ 28 tasked the technical working group with evaluating, to the extent feasible, (a) future land use plans for high-capacity transit corridors in Northern Virginia to support transit ridership growth; (b) telework impacts on regional transit ridership; (c) appropriate local bus service usage; (d) WMATA's (1) long-term capital funding needs, (2) capital funding prioritization process, and (3) governance and structural issues that contribute to funding instability; (e) Virginia's appropriate share of jurisdictional subsidy (considering existing Metrorail stations and Metrobus stops); (f) other findings of [NVTC's Metro Operating Funding and Reform Working Group](#); and (g) WMATA funding, accountability, and reform recommendations from [NVTC's 2023 Annual Report on the Performance and Condition of WMATA](#).

The Joint Subcommittee proposed the following preliminary work plan for the 2024 interim meetings:

#### **July 15, 2024**

- Discussion of proposed interim work plan





- Department of Rail and Public Transportation (DRPT) presentation: "Public Transportation Funding in Virginia"
- NVTC presentation: "How Transit is Funded in Northern Virginia — Understanding the Region's Growing Transit Needs"

### September 26, 2024

- Transit agency long-term needs
- Cost containment strategies and opportunities
- Update from technical working group

### October 2024

- Projected revenue growth from existing transit funding sources
- Review of prior funding and reform studies and reports
- Initial discussion of potential new revenues
- Update from technical working group

### November 2024

- Examination of potential new revenues
- Final update and summary from technical working group
- Development of interim findings and recommendations

Senator Ebbin and Delegate Sickles asked the Joint Subcommittee to also track the work of the [\*DMVMoves\*](#) task force, which is looking at similar matters related to public transit. There was an additional suggestion that the Joint Subcommittee review the [\*NVTC's Regional Bus Agenda\*](#) in order to evaluate whether consolidation of the multiple bus systems serving the Northern Virginia area is feasible and advisable.

The members of the Joint Subcommittee discussed various topics for the Joint Subcommittee and the technical working group to consider and address in carrying out the Joint Subcommittee's mandate.

### **Presentation: Public Transportation Funding in Virginia**

*Zach Trogdon, Acting Director, DRPT*

Mr. Trogdon offered a snapshot of DRPT and the Commonwealth's public transportation funding system broadly. He then reviewed federal funds and grant programs involving the Federal Transit Administration and additional funding programs provided for congestion mitigation and air quality, toll revenues, SMART Scale projects, the interstate operating and enhancement program, WMATA's dedicated capital fund, and VRE funding from regional fuel taxes for operating and capital expenses.

He also provided a breakdown of fiscal year 2025 revenues and formulas related to the Commonwealth Mass Transit Fund and Making Efficient and Responsible Investments in Transit





(MERIT) program statewide operating and capital funding support for various Northern Virginia public transit providers. Mr. Trogdon also explained VRE funding at the state level from the Commonwealth Mass Transit Fund and commuter rail operating and capital funds and state funding for WMATA from recurring Virginia contributions for the Passenger Rail Investment and Improvement Act of 2008 (PRIIA) Match funding, direct Commonwealth Mass Transit Fund funding, and WMATA Capital Fund funding. Finally, he provided a six-year outlook for projected allocations from the Commonwealth Mass Transit Fund through 2030.

### **Presentation: How Transit is Funded in Northern Virginia — Understanding the Region's Growing Transit Needs**

*Allan Fye, Director of Programs and Policy, NVTC*

Mr. Fye presented background on NVTC and discussed why funding transit is an investment in the Commonwealth, the elements of a transit budget, how transit is funded in Northern Virginia, the growing needs of transit in a post-COVID-19 pandemic world, and NVTC's coordination role in the transit system.

He also discussed the differences between the operating budget and the capital budget for most transit agencies and how those moneys may be spent, as well as the complexities and considerations related to funding transit in Northern Virginia.

Mr. Fye highlighted the following key funding takeaways for the Joint Subcommittee to consider:

- Investing in Northern Virginia transit directly benefits the Commonwealth.
- Transit agencies are focused on maintaining existing service and infrastructure, but many funding programs focus on expansion and new service.
- Existing funding sources are not keeping pace with growing costs and needs.
- Rising costs to operate transit are driven by factors outside of transit agencies' control.
- Inflation has impacted virtually all industries and levels of government.
- Local fiscal tools are limited, and transit competes with other local priorities.
- Funding WMATA (a three-jurisdiction compact) is part of a larger regional conversation between Virginia, Maryland, the District of Columbia, and the federal government.
- Maintaining Northern Virginia's long-standing partnership with the Commonwealth will support transit's ongoing recovery from the COVID-19 pandemic and growth.

Finally, Mr. Fye discussed NVTC's coordination role with the Joint Subcommittee and its technical working group and its partnership more broadly with the Commonwealth, noting NVTC's near-term and long-term priorities for Metro funding, accountability, and reform recommendations from [\*NVTC's 2023 Annual Report on the Performance and Condition of WMATA\*](#).





The following is a summary of the information presented at the Joint Subcommittee's meeting on September 26, 2024, in Arlington. Materials from this meeting can be found [here](#).

### **Report from the Chair of the Technical Working Group**

*Allan Fye, Director of Programs and Policy, NVTC*

Mr. Fye offered a brief overview of the work started by the technical working group at its September 10 meeting, including general issues, overarching patterns in transit, and the importance of examples of peer transit systems, the complexities of transportation funding in Virginia, and working with regional partners.

### **Presentations: Transit Agency Short-Term and Long-Term Needs**

*Northern Virginia Bus Agencies*

*Allan Fye, Director of Programs and Policy, NVTC*

Mr. Fye gave an overview of the various bus agencies that operate in Northern Virginia, including Alexandria Transit Company's DASH, Arlington Transit (ART), the City of Fairfax's CUE, Fairfax County's Fairfax Connector, and Loudoun County Transit. He also discussed the general transit needs in Northern Virginia with respect to bus service and gave an overview of the projected expenses, operating and capital needs, and cost-saving and efficiency strategies for local bus service providers.

*OmniRide/Potomac and Rappahannock Transportation Commission (PRTC)*

*Phil Parella, Jr., Chief Financial Officer, PRTC*

Mr. Parella provided an overview of OmniRide's services and a breakdown of its funding sources and discussed its projected funding needs through FY 2030.

*Virginia Railway Express (VRE)*

*Mark Schofield, Chief Financial Officer, VRE*

Mr. Schofield gave an overview of VRE's current major projects, FY 2025 operating expenses and revenues, and projected capital improvement program data. He also spoke about the Commuter Rail Operating and Capital (CROC) Fund, state funding, jurisdictional support, and the status of pandemic relief funding and provided an outline of VRE's future operating and capital needs.

*Washington Metropolitan Area Transit Authority (WMATA), Including Cost Containment Strategies and Opportunities*

*Tom Webster, Executive Vice President and Chief Planning and Performance Officer, WMATA*

*Yetunde Olumide, Executive Vice President and Chief Financial Officer, WMATA*

Mr. Webster and Ms. Olumide provided a summary of WMATA's operating budget and capital sources and uses and addressed administrative efficiency and the actions that WMATA has taken to reduce expenses and grow revenue. They also highlighted lowered crime statistics, fare evasion reduction efforts, and the state of good repair progress. Their presentation provided an analysis of WMATA's structural operating and capital program deficits as well as an overview of its overdue capital needs and of sustaining safety and state of good repair programs. Mr. Webster and Ms. Olumide also addressed the work of the [DMVMoves](#) task force, including two of the



potential transit system and funding scenarios related to service and state of good repair that the task force is considering.

### **Presentation: Financial and Performance Trends for WMATA and the Region's Transit Systems**

*Michael C. Sargent, Deputy Secretary of Transportation, Office of the Governor*

Mr. Sargent analyzed ridership trends, financial performance, and other challenges for WMATA and transit in Northern Virginia, including financial suitability, residential and job density, and remote work.

### **Presentation: Overview of the Virginia 3% Cap — Cost Containment Discussion from NVTC Annual Reports on the Performance and Condition of WMATA**

*Andrew D'huyvetter, Senior Program Manager, NVTC*

Mr. D'huyvetter gave a brief overview of cost containment strategies and recommendations from the *NVTC's 2023 Annual Report on the Performance and Condition of WMATA* and select strategies and recommendations from prior years' reports. He also spoke about the history, current status and findings, and recommended next steps related to WMATA's cost containment strategies and three percent operating cap, explained the unintended consequences of the three percent operating cap, and compared the fiscal cliffs of WMATA, VRE, OmniRide, and NVTC local operators.

### **Presentation: Peer Transit Funding**

*Andrew D'huyvetter, Senior Program Manager, NVTC*

Mr. D'huyvetter presented information on the operating budgets and dedicated funding profiles of peer transit agencies, including those in St. Louis, the San Francisco Bay Area, Atlanta, Boston, and Chicago. He presented NVTC's findings from their comparative analysis of WMATA and its peer transit systems and discussed the next steps in NVTC's work with stakeholders to propose a definition of dedicated funding for transit agencies in Northern Virginia.





The following is a summary of the information presented at the Joint Subcommittee's meeting on October 17, 2024, in Arlington. Materials from this meeting can be found [here](#).

### **Report from the Chair of the Technical Working Group**

*Allan Fye, Director of Programs and Policy, NVTC*

Mr. Fye offered a brief overview of the work started by the technical working group at its October 10 meeting, which included an initial overview of the presentations heard at the meeting. He also noted that NVTC staff is tracking the requests for information from the Joint Subcommittee's members to be addressed going forward.

### **Presentation: Land Use and Transit in Northern Virginia to Support Ridership Growth**

*Ann McGrane, Senior Program Manager, NVTC*

Ms. McGrane provided information on land use issues as they relate to transit in Northern Virginia, including (i) an overview of transit policies and goals from different localities within the region; (ii) examples of transit-oriented development over time in Metrorail, Virginia Rail Express, and regional bus services; (iii) an explanation of High-Capacity Transit Station Areas (HCTs), which is a planning concept established by the Metropolitan Washington Council of Governments (MWCOG), and MWCOG Cooperative Forecasts; and (iv) an analysis of the outcomes related to coordinating transportation and land use.

### **Presentation: Cost Comparisons: Northern Virginia and the Commonwealth**

*Ann McGrane, Senior Program Manager, NVTC*

Ms. McGrane discussed the rise in transit operating costs, the impact of such rising costs on all modes of transportation and infrastructure, a comparison of the cost of living between Northern Virginia and other regions of the country, and a breakdown of starting wages versus living wages in Northern Virginia. She offered the following key takeaways from the information presented: (i) operating costs are increasing across the transportation industry, but such increase is not unique to transit and (ii) Northern Virginia's high cost of living makes it necessary for transit systems to provide a competitive wage in order to recruit and retain transit personnel.

### **Presentation: Overview of 10 Revenue Sources from NVTC's Metro Operating Funding and Reform Working Group Report**

*Andrew D'huyvetter, Senior Program Manager, NVTC*

Mr. D'huyvetter gave a brief overview and explanation of data related to each of the 10 revenue sources identified in NVTC's research in the [Metro Operating Funding and Reform Working Group Report](#), including four existing Northern Virginia transportation funding sources, three existing statewide transportation funding sources, and three potential new sources for transit funding. He also provided summaries of findings from the [Metro Operating Funding and Reform Working Group Report](#) and recommended next steps and major considerations.



### **Presentation: Technical Working Group Task — Identify Up to Five Additional Revenue Sources**

*Allan Fye, Director of Programs and Policy, NVTC*

Mr. Fye discussed the technical working group's examination of the 10 revenue sources identified in NVTC's *Metro Operating Funding and Reform Working Group Report*, explained additional revenue sources that the technical working group identified for further examination, and outlined the next steps for the technical working group's work.





The following is a summary of the information presented at the Joint Subcommittee's meeting on November 12, 2024, in Arlington. Materials from this meeting can be found [here](#).

### **Report from the Chair of the Technical Working Group**

*Andrew D'huyvetter, Director of Programs and Policy, NVTC*

Mr. D'huyvetter offered a brief overview of the work started by the technical working group at its October 29 meeting, which included a discussion of potential new revenue sources that would contribute to a fund or set of funds for new dedicated operating or capital funding, or both, for Northern Virginia transit agencies and the proposed 2025 work plan.

### **Report from the DMVMoves Task Force Co-Chair**

*Paul Smedberg, Board Vice-Chair, Principal Director-VA, WMATA*

Mr. Smedberg provided an update on the *DMVMoves Task Force*, including two of its work groups that have been investigating areas for coordinating transit efforts and analyzing WMATA's capital budget and will be conducting an analysis of the WMATA operating budget and funding models. He said that the next meeting of the DMVMoves Task Force is scheduled for December 2, 2024.

### **Five Additional Revenue Sources for Further Analysis**

Mr. D'huyvetter offered a brief overview of the following potential revenue sources that may be selected as the five additional revenue sources that would contribute to a fund or set of funds for new dedicated operating or capital funding, or both, for Northern Virginia transit agencies that are required by SJ 28 (Ebbin, 2024), as well as the technical working group's recommendations for such additional revenue sources:

A regional highway use fee (HUF);

A regional income tax;

A statewide and regional retail delivery fee;

Tolling on Interstate 66 inside the Capital Beltway outside of peak period and peak direction<sup>1</sup>;  
and

A regional motor vehicle rental tax.

The Joint Subcommittee voted to adopt the five additional revenue sources and consider looking into the additional revenue sources of a land value tax and split-rate tax during the 2025 interim.

The Joint Subcommittee discussed seeking funding during the 2025 Session for performing additional policy research on a land value tax, split-rate tax, and parking spot fee and tax structures.

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<sup>1</sup> For this recommended additional revenue source, there was discussion of potential legal and constitutional concerns, similar to those addressed in *Elizabeth River Crossings OpCo, LLC v. Meeks*, 749 S.E.2d 176 (2013), that will be reviewed during the 2025 interim.





### **Presentation: Facing the Cliff: The Pandemic's Lasting Impact**

*Danny Plaughter, Executive Director, Virginia Transit Association*

Mr. Plaughter gave a brief overview of state transportation funding and an explanation of the challenges related to transit operating funding and transit capital funding.

### **Presentation: Travel in the National Capital Region — Telework Impacts on Transit**

*Tim Canan, Planning Data and Research Program Director, Metropolitan Washington Council of Governments (MWCOG)*

Mr. Canan gave an overview of MWCOG's *State of the Commute Surveys Report*, with a focus on the differences between the results of the 2019 and 2022 State of the Commute surveys. He discussed travel volume trends in the region along with long-term forecasts of population and employment growth and the accompanying travel growth through 2045.

### **Presentation: Post-Pandemic Transit Trends**

*Sophie Spiliotopoulos, Program Manager, NVTC*

Ms. Spiliotopoulos presented national and state transit trends, as well as transit trends in Northern Virginia and the Washington, D.C., metropolitan area. She discussed transit ridership in the outer suburbs of Washington, D.C., and the overall increases in transit ridership that have surpassed 2019 levels of transit ridership. Ms. Spiliotopoulos highlighted the changes that have been made to the area's transit service in an effort to address different ridership patterns and the upcoming changes that will result from the completion of the Long Bridge Project, including Virginia Railway Express reverse trips, and *WMATA's 2025 Better Bus Network*.

### **Joint Subcommittee Work Plan for 2025**

Mr. D'huyvetter provided a brief overview of the Joint Subcommittee's proposed work plan for 2025, and the Joint Subcommittee voted to adopt the work plan.

### **Next Meeting**

This was the last meeting of the Joint Subcommittee in 2024. The next meeting of the Joint Subcommittee will occur in 2025 and will be scheduled at a later date.



### **SJ28 2025 Work Plan**

#### Meeting 5 (March/April 2025) – Existing Funding Structure

- Update from Technical Working Group
  - Summary of work completed in 2024
  - Status update on follow-up questions and Joint Subcommittee tasks
  - Review of qualitative evaluation matrix criteria
- DMVMoves Update
- Revenue structure framework discussion
  - Examination of existing transit funding structures
  - Revenue structure recommendation from NVTC Metro Operating Funding and Reform Working Group Report

#### Meeting 6 (June 2025) – Reviewing New Revenue Estimates

- Update from Technical Working Group
- DMVMoves Update
- Review and discussion of new revenue estimates for all 15 identified sources
  - Projected revenue growth from each funding source identified
  - Results of qualitative evaluation matrix
- Examination of industry-wide cost savings and containment tools to ensure long-term sustainability of heavy-rail transit operators
- Revenue framework considerations and discussion

#### Meeting 7 (September 2025) – Transit Agency Long-Term Needs

- Update from Technical Working Group
- DMVMoves update
- Peer cost comparisons
- Appropriate use of local bus services
- Transit agency long-term needs and projected annual cost growth for each transit system through at least 2037
- Joint Subcommittee discussion on preliminary recommendations

#### Meeting 8 (November 2025) – Adopting Recommendations

- Final update and summary from technical working group
  - Close out of follow-up questions and Joint Subcommittee tasks
- Development of Final Findings and Recommendations

*Proposed meeting dates are subject to change*





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For more information, see the [\*Joint Subcommittee's website\*](#) or contact the Division of Legislative Services staff:

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