

Legislative Priorities Archive 2018

Guiding Principles

- Achieving and maintaining a State of Good Repair.
- Using smarter project and service delivery methods to efficiently connect communities across the region with transit infrastructure and services.
- Ensuring flexibility and diversity of funding sources and financing options, including new dedicated regional transit funding, with the ability to leverage resources to make each available dollar go farther.
- Balanced and equitable investments across modes and areas of the Commonwealth.
- Fostering innovation and data-driven decision making, incorporating new technologies, and using robust methods to evaluate and prioritize investments.
- Integration of transportation and land-use policies, plans and projects that foster private investments and expand access to safe and reliable transit for more segments of the Hampton Roads region.
- Connecting more workers to jobs, customers to businesses, and access to educational, retail, medical, recreational, and other opportunities that support quality of life and thriving local and regional economies.

The Commission implements its day-to-day business as Hampton Roads Transit (HRT). Providing more than 14 million trips annually on bus, ferry, light rail, and paratransit, in addition to Transportation Demand Management (TDM) solutions through its TRAFFIX program, HRT's mission is to connect Hampton Roads through high quality, safe, efficient, and sustainable transportation services.

TDCHR 2018 LEGISLATIVE PRIORITIES

Statewide Transit Capital Funding

The TDCHR supports state funding to replace previous bond funding and meet statewide transit capital needs

The TDCHR supports state funds to replace state bond funding that will be exhausted in 2019. Based on a capital improvement program for 2019 through 2023, localities served by Hampton Roads Transit would need to identify an additional \$12 million annually just to meet basic state of good repair for buses if historical state funding were not available.

The General Assembly (HB 1359) established the Transit Capital Project Revenue Advisory Board in 2016 to examine state transit capital funding needs and identify potential solutions to meet these needs. Highlights of the board's findings include the following:

- The replacement of state bond funding would only maintain historical levels of investment.
- Bond funding that was approved in 2007, used primarily for transit state of good repair, will be exhausted at the end of FY 2018.
- Virginia's economy would lose \$410 million annually in economic activity if this funding is not replaced. These losses are just related to lost capital investments – there would be additional economic losses across Virginia as daily transit operations are impacted.
- With the end of this funding, there is a projected revenue shortfall within the Commonwealth averaging \$130 million annually over the next ten years starting in FY 2019.
- 80% of funds are typically used to meet basic state of good repair, like purchasing replacement buses, and the remaining 20% for minor enhancements and some expansion.
- Virginia needs steady and reliable revenues dedicated to the statewide transit state of good repair program.
- A combination of statewide and regional sources could be considered; however, use of any regional funds should only be for transit needs that improve service across the region, as determined at the regional level.

Regional Transit Governance And Oversight

The TDCHR supports adding Virginia General Assembly members representing the Hampton Roads area to the membership of the Commission's governing board. The TDCHR also supports gubernatorial appointees be made with consideration given to expertise and experience in transportation, public budgeting and finance, corporate communications, or other fields relevant to supporting effective governance and oversight.

The TDCHR governing board is currently composed of 13 members. This includes one local government appointee from each city council, one citizen from each jurisdiction in the district, appointed by the Governor, and a designee of the Commonwealth Transportation Board. There are no legislative members from the Virginia General Assembly included. This structure varies considerably from other major regional transportation entities (including the Northern Virginia Transportation Commission – six

legislators, the Potomac and Rappahannock Transportation District Commission – five legislators, the Hampton Roads Transportation Accountability Commission – five legislators, and the Northern Virginia Transportation Authority – three legislators). These General Assembly members have become an essential link between state policy makers and their region in dealing with transportation issues.

The TDCHR board membership formerly included one legislator from the House of Delegates and another from the Senate of Virginia, however this changed to the current form in 2012. Adding two General Assembly members to the TDCHR governing board would provide more parity in the composition of the board in comparison to similar transportation entities in Virginia. The TDCHR also recommends gubernatorial appointees be made with consideration given to expertise and experience in transportation, public budgeting and finance, corporate communications, or other fields relevant to supporting effective governance and oversight.

Floor On Regional Gas Taxes

The TDCHR supports a price floor on regional gas tax collections.

The TDCHR supports an amendment to Virginia Code § 58.1-2295 which would establish a protective floor price for the 2.1 percent regional wholesale price per gallon gas tax, much as was done for the statewide fuels tax in §58.1-2217. A floor concept provides a more stable, dedicated revenue source that is needed for long-term financing of regional projects in Hampton Roads and Northern Virginia. It is estimated that the establishment of a floor would generate approximately \$20 million or more per year for the region.

Regional Transit Funding

The TDCHR supports dedicated regional funding for public transit in Hampton Roads.

The TDCHR supports dedicated regional funding for public transit in Hampton Roads without a reduction in funding for other transportation modes. New regional funding will enable the region to develop a fully integrated and inter-connected regional transit system by:

- Fixing what's broken or missing in the current system.
- Making targeted improvements that more effectively connect major employment, retail, education, medical, and tourism destinations across city boundaries resulting in a true regional transit system.
- Including new oversight, prioritization, and accountability provisions.

Hampton Roads is a global gateway for commerce that is vitally important to Virginia's economy. Transit plays an important role regionally, supporting more than 20,300 jobs and \$548 million annually in employment income, as well as \$93 million in consumer spending across Hampton Roads. The lack of a regional funding structure has resulted in a system of localized transit routes rather than a fully integrated and optimized regional transit system. A metropolitan area of 1.7 million people must have a truly regional transit system if it is to grow and compete in the global marketplace.

Federal Capital Investment Grant (cig) Program Funding

The TDCHR supports Congress protecting and expanding the federal Capital Investment Grant Program.

The TDCHR supports Congress protecting and expanding federal Capital Investment Grant Program (New Starts/Small Starts) funding to meet demand. The federal fixed-guideway transit funding program is particularly important as Hampton Roads looks to possible extensions of systems that provide a regional benefit such as The Tide light rail system, Bus Rapid Transit on the Peninsula, or similar services.

Federal Bus And Bus Facilities Program Funding

The TDCHR supports increased federal funding for the Bus and Bus Facilities program.

The TDCHR supports increased federal funding for the Bus and Bus Facilities program. Specifically, there is need for \$2.85 billion additional investment to the FTA Bus and Bus Facilities program. The TDCHR recognizes that buses are the backbone of transit service and continues to advocate for sufficient and sustainable funding for bus and bus facilities. Under MAP-21, bus funding was reduced by 57 percent. Overall, bus and bus facilities moved from 21 percent to just 9 percent of the federal transit program, even though buses carry more than 50 percent of all transit riders in America. The FAST Act included some increased bus and bus facilities funding; however, by 2020 authorized funding for bus transit programs will still be 15 percent lower than it was in 2011 and will represent only 14 percent of total federal funding for transit.

Cuts to this program between 2009 and 2015 have resulted in an almost 40 percent increase in the number of transit buses nationwide operating past their useful life. This is a significant issue in Hampton Roads, where approximately 35 percent of the bus fleet is 12 years of age or older, and the average fleet age of 10.5 years far exceeds the

industry standard 7 years average age. Many of these buses have more than 500,000 to 900,000 miles, which makes them prone to breakdowns and costly maintenance.

The \$2.85 billion will fill the gap in funds diverted from the Bus and Bus Facilities program between 2013 and 2020. This funding will help transit agencies across the nation reach a state of good repair and operate safe, efficient and reliable systems. It will also quickly boost economic activity. Bus purchase orders are sitting on the shelf and can be generated in a matter of days, not months. Modernizing the nation's transit fleet will create thousands of good paying U.S. manufacturing jobs, increase access to work and commercial centers, and help address the backlog of aging bus fleets and facilities like the ones we have in Hampton Roads.