



NORTHERN VIRGINIA TRANSPORTATION COMMISSION

Northern Virginia Transit and the Regional Gas Tax

Presentation to the
Senate Finance Transportation Subcommittee

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Wednesday, January 18, 2017

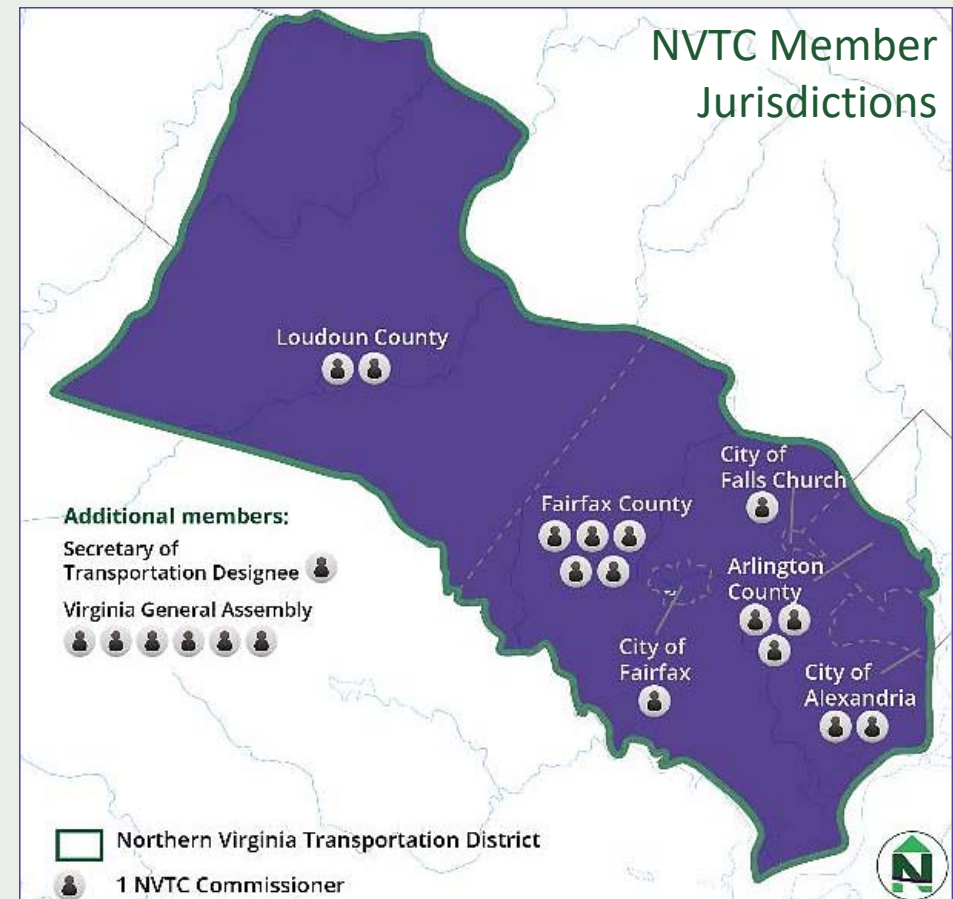
NVTC: The Voice of Transit in Northern Virginia



For over 50 years, NVTC has provided transit-focused:

- Financial and grants management
- Research and technical expertise
- Regional coordination and collaboration
- Regional forum for transit issues

In addition, NVTC has special roles as the **co-owner of VRE** and provides **funding and governance to WMATA.**



NVTC Jurisdictions' Transit Systems



NVTC: Co-Owner of the Virginia Railway Express



NVTC founded the Virginia Railway Express.

- NVTC and PRTC **jointly own all VRE assets**
- NVTC **holds complex agreements related to VRE** with federal, state and local governments; freight railroad; and Amtrak
- NVTC **manages state funding** for VRE (\$40 million in FY2017)
- NVTC and PRTC Commissioners **comprise the VRE Operations Board**



VRE is NVTC – legally and financially.

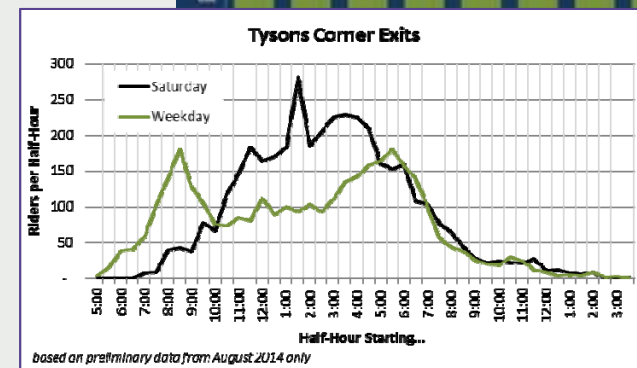
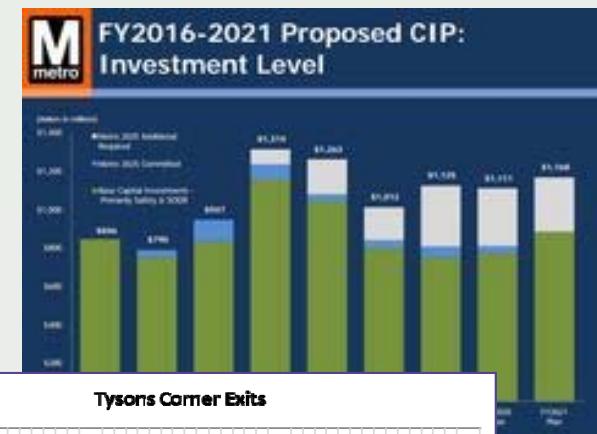
Northern Virginia's Voice and Funding Body for WMATA



NVTC appoints the Virginia members of the WMATA Board and is a **forum** for in-depth discussions on WMATA.

NVTC is the central body that administers Virginia funds for WMATA.

- Administers **\$200 million/year** in regional and state funds for WMATA
- **Submits and manages all DPRT grants** for WMATA operating and capital
- Monitors and allocates **Regional Gas Tax** revenues to WMATA
- **Reports WMATA ridership** and performance to DPRT



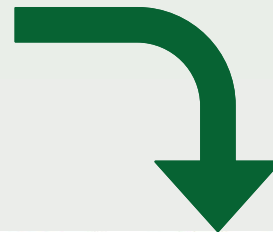
Northern Virginia's Regional Gas Tax: How It Works (NVTC Jurisdictions)



1. The 2.1 % tax is levied on gas sold in Northern Virginia (imposed on the sales price of fuel to retail dealers).



2. The tax is collected by the Commonwealth and remitted to NVTC. NVTC holds the funds in trust for member jurisdictions to use.



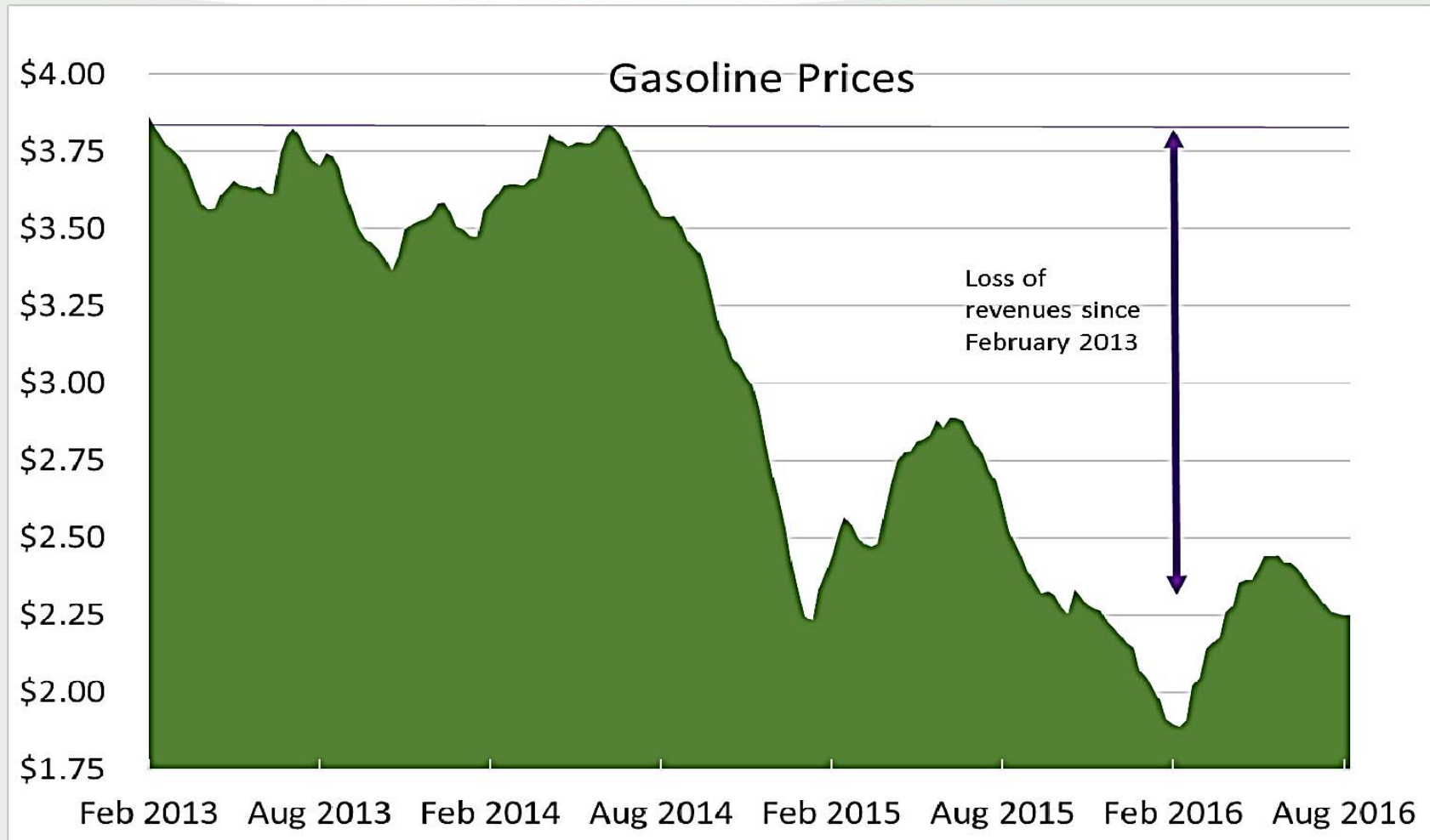
Arlington County, City of Alexandria, City of Falls Church, City of Fairfax, Fairfax County, (Loudoun County upon completion of Silver Line)

3. The WMATA Compact jurisdictions are required to use the tax for Metro subsidies



Local Metro Obligations are supported by NOVA Regional Gas Tax

Unlike State Gas Tax, Regional Gas Tax Does Not have Protections



Regional Gas Tax receipts have decreased by 40 percent.

FY2016 Regional Gas Tax Revenue Loss Exceeded \$35 million



<i>FY 2016 (In thousands)</i>		Actual Collections	Lost Revenue
NVTC	City of Alexandria	\$ 2,174.0	\$ 1,288.3
	Arlington County	2,599.1	1,620.7
	Fairfax County	16,822.0	10,230.7
	City of Fairfax	1,105.2	750.3
	City of Falls Church	329.7	202.4
	Loudoun County	7,087.8	4,543.1
	Total NVTC	\$ 30,117.8	\$ 18,635.5
PRTC	City of Fredericksburg	\$ 1,362.1	\$ 1,243.5
	City of Manassas	801.4	681.3
	City of Manassas Park	547.5	487.7
	Prince William County	9,712.5	8,141.8
	Spotsylvania County	3,491.4	3,240.1
	Stafford County	2,987.2	2,602.9
	Total PRTC	\$ 18,902.1	\$ 16,397.3
Total Northern Virginia		\$ 49,019.9	\$ 35,032.8

Gas Tax Revenue Loss Affects Local Jurisdictions' Bottom Line



- NVTC Jurisdictions Lost \$18.6 million
 - WMATA Commitments Remain
 - Localities had to use other funding to support WMATA funding responsibilities
- PRTC Jurisdictions Lost \$16.4 million
 - VRE Commitments remain
 - PRTC localities use their NOVA regional gas tax to pay their VRE subsidies.
 - PRTC commuter and local bus services affected
 - Forced to reduce commuter and local bus services by 13 percent and increase fares by 5 percent

Summary: NVTC and the Gas Tax



NVTC is the Transit Commission for Northern Virginia

- Ownership and governance responsibilities
- Administer of transit grants and funding
- Regional coordinator of transit efforts
- Manager of Regional Gas Tax for Metro

Regional Gas Tax does not have same protections as State Gas tax

- Affected NVTC with losses over \$18 million (FY16)
- Affected PRTC with losses over \$16 million (FY 16)
- Funding needs to be diverted from other sources to meet commitments



NORTHERN VIRGINIA TRANSPORTATION COMMISSION

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