



Moving our region forward, together.

Read-Ahead Materials:
History of the Region's Previous Efforts to Address
Transit's Structural Issues

History of the Region's Efforts to Address Transit's Structural Issues

Public transportation in the Washington DC metropolitan region is provided by 14 transit agencies operating rail and/or bus service over fixed routes. Additional paratransit service for special needs customers is provided both by some of these agencies and by other providers, public, non-profit, and contracted. Funding the range of transit services as well as ensuring operational efficiency and good customer service is a constant challenge for the region's governments, including the District of Columbia, Maryland, Virginia, and local jurisdictions.

Washington Metropolitan Area Transit Authority (WMATA) is the region's major transit provider, typically carrying some eighty-five percent of transit trips made in the region, of which over half are typically carried on Metrorail. The funding, operational, and governance challenges of WMATA have been taken up many times in the over fifty years since it began transit service.

Summary of WMATA Reports and Recommendations

The numerous studies and reports conducted to address challenges at WMATA have consistently highlighted the critical role of WMATA in the region, the unique and problematic nature of its funding structure, and the urgent need for reliable, dedicated revenue sources. They have recommended various changes in governance and new funding mechanisms and emphasized the importance of regional cooperation and federal involvement in ensuring WMATA's long-term financial health and operational effectiveness. Key findings and recommendations have included:

- WMATA faces a nearly unique funding environment among US transit agencies, characterized by a lack of significant dedicated revenue sources.
- The current funding structure is problematic, leading to over-reliance on annually appropriated support and making the agency vulnerable to recurring financial crises.
- The Compact jurisdictions (Maryland, Virginia, and the District of Columbia) have been encouraged to work together to create and implement a single regional dedicated revenue source to ensure long-term sustainability and growth.
- The federal government has been asked to participate in addressing the shortfall for capital maintenance and system enhancement, given Metro's critical role in federal operations and the substantial benefits it provides.
- The region has been asked to consider revenue generating mechanisms for WMATA, such as gasoline taxes, sales tax, congestion charges, parking taxes, land-value capture, payroll taxes, ad valorem property taxes, and special real property assessments.

While these findings and recommendations have focused on WMATA, many of them are applicable at a smaller scale to the other transit providers in the region, especially in the post-pandemic environment. Ideally, a regional effort to provide revenue for transit would help meet the challenges all the providers are facing. Additionally, improving operational integration could increase customer satisfaction and transit ridership. Regional coordination in identifying and advancing these opportunities is part of the DMVMoves effort.

2024

- Northern Virginia Transportation Commission (NVTC) published the latest of its [Annual Reports on the Performance and Condition of WMATA](#) (2018 – 2023)
- NVTC published [NVTC Metro Operating Funding and Reform Working Group Report](#) that reviewed Virginia funding of Metro, Focus on operating costs and revenues; considered capital needs, and analyzed 10 revenue sources.

2023

- [COG Chief Administrative Officers Workgroup on WMATA Cost Structure - Interim Report](#) reviewed costs and funding and recommended re-baselining subsidy, other cost, service, and funding changes
- TPB commissioned a white paper on national transit funding to inform decision-makers on the financial situation faces by major transit agencies across the country. National Transit Funding, [White Paper \(pdf\)](#) and [Slide Deck \(pdf\)](#).

2018

- [TPB Regional Bus Service Provision Study](#) examined the operating costs of the region's transit agencies and recommended actions for regional coordination and integration.

2017

- [Secretary LaHood Report](#) to the Commonwealth of Virginia found WMATA's management effective and operating costs comparable with peers, recommended changes to the Board, improved capital program spending, recommended dedicated capital funding and right-sizing service
- [COG Technical Panel Report on Metro Funding](#) Itemized need for capital funding and recommended dedicated funding, including a regional sales tax

2016

- COG and the Board of Trade sponsored two "Metro at 40" Forums (2016) which discussed challenges and opportunities for WMATA. [Link to first forum](#) and [link to second forum](#).

2011

- The GAO completed a report on board governance: [Washington Metro Could Benefit from Clarified Board Roles and Responsibilities, Improved Strategic Planning](#)

2010

- [Moving Metro Forward: Report of the Joint WMATA Governance Review Task Force](#) recommended governance commission of Governors and Mayor to oversee WMATA Board.
- [WMATA Riders' Advisory Council Report on Governance](#) based on the above report, suggested more elected officials on board, development of standards, and a focus on policy

2006

- [The Great Society Subway](#) by Zachary Schrag outlined how Metro came to be and specifically the financial elements in Chapter 7.
- Metro's 30th anniversary, the federal government followed the trend and commissioned [a study by the General Accountability Office](#) (GAO) to understand the issues with providing a dedicated funding sources locally.

2005

- The Metropolitan Washington Council of Governments, Federal City Council, and Greater Washington Board of Trade published the [findings of the Metro Funding Panel](#), which recommended a Compact-wide increase in the sales tax of one half of one percent (0.50%).

2004

- [Metro Matters](#) (pdf), a \$3.3B funding agreement to address capital needs, was approved and the Brookings Institution authored [Deficits by Design](#), which called attention to the annual funding crises brought about by its "problematic revenue base."

1997

- Regional [Mobility Panel](#) directed by Congress reviewed bus system, funding formulas, and coordination and led to current WMATA Regional and Non-regional bus service and funding structure

1986

- The Federal City Council [completed a study](#) that raised concerns about long-term maintenance costs of Metro, the impacts on the jurisdictions, and the tradeoffs between building out the [Adopted Regional System](#) and investing in maintenance.

1979

- The Government Accountability Office (GAO) published [Issues Being Faced by WMATA](#) and raised the need for a dedicated revenue source.