ITEM 6-E December 6, 2018 PRTC Regular Meeting Res. No. 18-12-__

MOTION:	
SECOND:	
RE:	APPROVE THE 2019 VIRGINIA RAILWAY EXPRESS LEGISLATIVE AGENDA
ACTION:	
WHEREAS, the Virginia Railway Express (VRE) is an essential part of a regional transportation network for the Northern Virginia and DC Metropolitan region; and	
WHEREAS, VRE serves residents throughout the Commonwealth to provide a meaningful public transportation option; and	
WHEREAS, the Potomac and Rappahannock Transportation Commission has reviewed the VRE Operations Board recommendation and concurs; and	
WHEREAS , it is essential for VRE to educate and advocate for desired legislative/regulatory outcomes with members of Congress and their staff, with staff of federal entities, in the Virginia General Assembly, and with the governor and his administration; and	
WHEREAS, the VRE Operations Board recommends the following action.	
NOW, THEREFORE, BE IT RESOLVED that the Potomac and Rappahannock Transportation Commission does hereby approve the 2019 VRE Legislative Agenda and authorizes the VRE Chief Executive Officer to actively pursue the elements set forth in the 2019 VRE Legislative Agenda.	
Votes: Ayes: Nays: Abstain: Absent from Vo	
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Absent from Meeting

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State Legislative Issues:

Commuter Rail Operating and Capital (C-ROC) Fund/Dedicated Funding

- The creation of the C-ROC fund and annual \$15 million allocation of regional gas tax revenue was a clear acknowledgement of the critical role VRE plays in the regional transportation system and is an important first step in securing long term, dependable funding to maintain and increase commuter rail service.
- Staff is conducting an in-depth financial analysis that will inform how much additional funding is needed for VRE's financial security and which capital projects would best be considered for C-ROC funding in VRE's Capital Improvement Program.

Action:

- Communicate to key legislators, administration officials, and staff members our appreciation for the creation and funding of C-ROC along with explaining how C-ROC funding is likely to be used in the short term based on the financial analysis.
- Defend against any attempts to decrease the \$15 million annually allocated to C-ROC.

Future Transportation Funding

- The Commonwealth's Transit Capital Funding Program is facing a 40 percent decrease in revenues leaving an unfunded need of more than \$130 million annually in transit capital funding according to the Transit Capital Projects Revenue Advisory Board's recent report to the General Assembly. VRE relies on the Transit Capital Funding Program to match Federal funding for state-of-good-repair and expansion projects.
- VRE has developed a Financial Plan for implementation of its System Plan 2040 that identifies future capital and operating requirements needed to implement the plan. A key finding in the Financial Plan is the need for increased funding, even without any major expansion of service.
- VRE has developed a Financial Plan for implementation of its System Plan 2040, which is currently being
 updated, that identifies future capital and operating requirements needed to implement the plan. A key
 finding in the Financial Plan is the future need for increased funding, beyond the new \$15M in C-ROC,
 especially for any major expansion of service.
 - Note: the new financial analysis referenced above in State Legislative Issues is currently underway
 and will include updated assumptions and elements not present in the original analysis (e.g. C-ROC,
 SmartScale, I-66 Concessionaire funding, etc.) An updated Financial Plan will be available in the Fall
 allowing us to update the "needs" above.

Action:

- VRE will join other transit providers and stakeholders in seeking future sustainable funding sources to shore up the Commonwealth's Transit Capital Funding Program.
- Stress the necessity that the General Assembly identify and secure long-term, dependable, state-wide funding sources for future commuter rail operating and capital costs.
- Advocate for the creation of an informal working group of House Appropriations and Senate Finance staff to investigate possible revenue sources for future additional dedicated commuter rail funding.



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Long Bridge Corridor Project

- The expansion of the Long Bridge is critical not just to VRE's future, but to the long-term operation of freight and intercity passenger rail along the East Coast. VRE is working closely with other stakeholders including CSX, DRPT, DDOT, and federal agencies on this project.
- Preliminary design and environmental work on the Long Bridge Corridor project is nearing completion and work on final design, which is already partially funded, will soon begin.
- Federal funding for the construction phase of the project will be an essential component of a complete funding package. It is critical for stakeholders to formulate a management and funding plan for the construction and operation of an expanded Long Bridge corridor as part of any request for federal funding.

Action:

• Support and participate in the coalition of public and private stakeholders in the formulation of a management and funding plan for the expanded Long Bridge corridor.



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Federal Legislative and Regulatory Issues:

Federal Grant Programs

- Congress continues its support of Federal programs that fund transit capital investments, including commuter rail projects, through the Appropriations process.
- These discretionary programs include BUILD (formally TIGER) grants and Capital Investment Grants such as New Starts and Core Capacity.

Action:

• Work with USDOT, U.S. Congressional delegation, relevant U.S. Congressional Committees, and regional stakeholders to educate and secure Administration and Congressional support for discretionary grant applications submitted by VRE.

Surface Transportation Board (STB) Authority

- In August 2018, the STB issued its Decision in response to Chicago Metra's Petition filed in April 2018 confirming that the: 1) Board's jurisdiction extends to railroad properties previously owned by Chicago Union Station (CUS) and 2) Board may prescribe terms for Metra's use of CUS and mediate disputes concerning the use of CUS between Metra and the current owner of CUS, Amtrak. The Board, however, denied part of the Petition requesting current relief (in Metra's negotiations with Amtrak on a new lease/access agreement), determining that such an action would be premature. The Board, however, also stated it will provide guidance to the affected parties on issues that they should address in the event a similar petition is filed in the future.
- This ongoing matter could set precedent that would impact VRE's access agreements at Washington Union Station.

Action:

- VRE submitted a letter of support for Metra's petition.
- Educate Congress and the Administration on the imperative of preserving STB's jurisdiction over VRE, and other common carrier commuter railroads.
- Monitor industry, Congressional and Administration efforts affecting the ability of VRE, and similar commuter railroads, to seek relief from the STB when negotiating with Amtrak.

FAST Act Reauthorization

• The Fixing America's Surface Transportation Act (FAST Act), enacted in 2015, provides policies and funding levels for our nation's Federal-aid Highway (and Mass Transit) programs including passenger rail, highway safety, motor carrier safety, and hazardous materials programs. The FAST Act expires September 30, 2020.

Action:

• VRE will partner with other stakeholders to advocate for appropriate funding levels and policies to support commuter rail and mass transit.



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Watchlist: the following issues are being monitored for potential impacts to VRE.

Positive Train Control (PTC) Implementation

• The Surface Transportation Extension Act of 2015 provides railroads an extension until at least December 31, 2018, to implement PTC systems.

FAST Act Rulemaking

• On December 4, 2015, the FAST Act was signed into law which includes new policies and programs, and changes to existing programs, that require various agencies to go through the federal rule making process.

System Safety Program Final Rule

• Passenger rail service providers have until December 4, 2018 to develop and implement a system safety program. This deadline extension announced on November 29, 2017, was the fifth issued by the Federal Railroad Administration and it's possible there will be another. There is still not clear guidance on how to deal with aspects related to host/tenant relationships.

USDOT Rulemaking

• On August 15, 2017, the President signed an Executive Order on "Establishing Discipline and Accountability in the Environmental Review and Permitting Process for Infrastructure." VRE will track and comment on proposed guidance, rulemakings, or requests for comment from USDOT helping to advance regulatory reforms applicable to VRE's operations and Capital Improvement Program.

Amtrak On-Time-Performance

- The Passenger Rail Investment and Improvement Act (PRIIA) of 2008 Sections 207(a) and 213(a), intended to improve the on-time performance (OTP) of Amtrak passenger trains by allowing host freight railroads to be fined if found responsible for Amtrak delays.
- In service areas where host freight railroads have both Amtrak and commuter rail tenants, the host railroads could prioritize Amtrak trains over commuter rail trains to avoid fines. In doing so, commuter services like VRE face the possibility of substantial degradation of service due to these dispatching decisions.
- Rulemaking continues for PRIIA of 2008 Section 207(a), including who has the authority to set OTP metrics and enforcement of the regulation.

