

Testimony by: Laura Miller Brooks Director of Transportation and Infrastructure Federal City Council

WMATA (Washington Metropolitan Area Transit Authority) and WMSC (Washington Metrorail Safety Commission) Oversight Hearing, Committee on Transportation and the Environment Chairperson Charles Allen February 17th, 2023

Dear Chairperson Allen and the members of the Committee on Transportation and the Environment:

My name is Laura Miller Brooks, and I am the Director of Transportation and Infrastructure for the Federal City Council. On behalf of the Federal City Council (FC2), I thank you for the opportunity to provide testimony on the performance of the Washington Metropolitan Area Transit Authority (WMATA) and the Washington Metrorail Safety Commission (WMSC).

Founded in 1954, the FC2 feels both a sense of organizational ownership and pride for Metrorail and Metrobus, given our instrumental role in advocating for the creation of the WMATA compact and the original Metrorail system. The FC2 helped to secure dedicated capital funding from the federal government through the original passage and subsequent reauthorization of the Passenger Rail Investment and Improvement Act (PRIIA), and it led the MetroNow Coalition in 2018 to help obtain \$500 million annually in local, dedicated capital funding for WMATA. Over the course of the COVID crisis, the FC2 has focused on supporting federal investment for WMATA's continued operations, ensuring the safety of WMATA's employees and customers, and ensuring the District and greater Washington Region benefit from the historic investments in public transportation and passenger rail with the 8-year reauthorization of PRIIA in the Infrastructure Investment and Jobs Act (IIJA).

Every single time the FC2 has championed additional funding for WMATA, we have called for improved accountability through governance, operational and management reform. The funding has been forthcoming, but the governance and management reform has not. But today, now, we cannot support further additional funding unless the reform of Metro – its governance, oversight, and management – has first been undertaken.

Five years after the successful 2018 dedicated capital funding campaign, we have proof that funding alone cannot and will not change accountability. Given the FC2's focus on the District of Columbia's long-term success, we are keenly aware that our City's success is directly tied to WMATA's long-term success. But today, WMATA's success is far from guaranteed.

The scale and complexity of the challenges facing WMATA are far bigger than any of the challenges the FC2 has seen or helped solve over the past 50 years. WMATA has projected a FY 2025 budget deficit of \$738 million and a \$924 million deficit in FY 2029, even with the optimistic assumption that ridership



will hit 75 percent of pre-pandemic levels. Rail ridership is currently hovering around 40 percent, and Federal aid acting as a temporary stopgap will be exhausted in FY 2024.

With the emergence of new post-pandemic travel patterns and teleworking in the Washington Metropolitan region remaining substantially higher than pre-COVID levels, both WMATA and transit systems across the United States face a gradual recovery of transit ridership and revenue. As an organization that has been one of Metro's biggest champions for dedicated funding, we acknowledge that WMATA has never had dedicated operating revenue. Before the pandemic, the agency saw continued declines in farebox revenues, but WMATA and our region's elected leaders took no action to identify a new, sustainable operating model.

In addition, the extended period of reduced service on Metrorail due to the October 2021 Blue Line derailment and subsequent removal and gradual reintroduction of the 7000-series railcars from service has impeded both ridership and revenue recovery. The relationship between WMATA and WMSC around the return of the 7000-series has not been as productive in working towards a full return as the FC2 would have hoped to have seen.

Before the District of Columbia, Maryland, Virginia and the Federal government commit new dollars in fiscal relief for WMATA's operating crisis, Metro must adopt new, tangible and measurable commitments to better service and accountability. This will require some difficult choices, and new management at Metro presents an opportunity to reevaluate current processes and systems. The FC2 applauds the energy and attention to accountability, especially in the realm of safety, being provided by General Manager Randy Clarke and the executive leadership team at WMATA, but without the support of the WMATA Board, and our region's elected leaders, new management can only do so much. As such, here are the initiatives FC2 sees as priorities to ensure WMATA's accountability and long-term sustainability:

- 1) WMATA must be accountable for delivering safe, reliable service and effectively using funds.
 - a. WMATA must be transparent about the full extent of its operational problems. Our region's elected officials should ensure the WMATA Board is working to support General Manager Clarke's strategic planning and operational performance efforts, and the implementation of a culture of safety for WMATA's employees.
- 2) Funding reform should include governance reform to ensure the WMATA Board is accountable to WMATA only.
 - a. Today, WMATA's governance and funding structure incentivizes the WMATA Board members to be accountable to their local appointing jurisdictions, and then to WMATA as a business organization. This creates a direct conflict of interest because it incentivizes Board members to prioritize singular, local interests over what may be best for WMATA itself. Metrics to track performance and impact in those areas should be embedded in the annual budget and capital planning processes. And WMATA Board members should have the right incentives and resources in place to make sure they can make effective decisions.



- 3) WMATA and the region must work together to develop options for a new financial operating model for Metrorail and Metrobus.
 - a. Our region's elected officials, the Federal government, and public, private and nonprofit stakeholders must collaborate with WMATA to examine existing and potentially new revenues, the performance of expenditures, and opportunities to reform federal, state and/or Metro laws or policies around Metro budget and subsidies.
- 4) Regional consensus to address the impact of the Federal workforce
 - a. Prior to the pandemic, 40% of Metro's weekday peak ridership was comprised of federal employees. The FC2 urges President Biden and Congress to call for the full return to office for all Federal agencies. Until the bulk of the Federal workforce is back in the office, no projections for ridership and funding for WMATA's future can be taken seriously. WMATA and the region's elected officials must collaborate with the Biden Administration, Congress, and Federal agencies to address shortfalls in Federal ridership and annual SmartBenefits contributions from Federal employees.
- 5) WMSC and WMATA must work to rebuild customer confidence by continuing the return of the 7000-series railcars to service and increasing the reliability and frequency of rail service.
- 6) Continue to prioritize and innovate around Metrobus
 - a. Fifty years after Metrobus was integrated into WMATA's service, we are finally redesigning the region's bus network. The FC2 understands just how important bus riders are to our regional economy's health and how essential the bus is as a lifeline for our most vulnerable residents. The District Government and our region's elected leaders must continue to prioritize bus riders on our roadways, and in our local operating and capital budgets to maximize the impact of WMATA's Better Bus and regional Bus Network Redesign efforts.
- 7) Our region's elected leaders must continue to work with WMATA and Metro Police to improve the physical safety and security of employees and customers. The FC2 supports General Manager Clarke and Mayor Bowser's recent efforts to increase police presence at Metro stations.

There is no doubt in our minds that WMATA is worth additional public investment, and the FC2 will be the first in line to rally the regional business community around a new funding solution for WMATA. But before we line up, the FC2 believes the District of Columbia must see WMATA implement real, immediate operational reforms and take governance reform seriously as the foundation of a renewed, long-term commitment to making WMATA accountable for delivering safe, reliable, competitive, and high-quality public transportation for the next fifty years.



Finally, I want to thank the 12,000+ WMATA employees who have been the lifeline for our region's economy and our most vulnerable residents throughout the COVID crisis. Their commitment and service has not gone unnoticed by our region's business community. And thank you to the District of Columbia's representatives on the WMATA Board of Directors, Deputy Mayor Lucinda Babers, Dr. Tracy Hadden Loh, and Spring Worth, for their service to our City and region.

Thank you. I am happy to answer any questions you may have.

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