WMATA Annual Reporting Requirements

Commonwealth Transportation Board

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September 15, 2026

DRPT
VIRGINIA DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION



WMATA FY26 Annual Reporting Briefing

- No action by CTB on WMATA FY26 Annual Reporting at September meeting
- CTB will take action at the October meeting to certify whether WMATA is in compliance with the annual reporting requirements

Background

Legislative and Policy Context

- Code of Virginia allocates 46.5% of the Commonwealth Mass Transit Fund (CMTF) ($258.6M in FY27) to the Northern Virginia Transportation Commission (NVTC) to help localities meet their annual WMATA subsidy payments
- Chapter 854 and 856 of the 2018 Virginia Acts of Assembly:
  - Established a separate WMATA Capital Fund to provide Virginia's agreed upon share of regional dedicated capital funding to WMATA ($154.5 million annually)
  - Requires CTB to withhold a portion of the CMTF allocation to NVTC for WMATA if funding requirements are not met
- To implement the law, CTB adopted "Policy and Guidelines for Implementation of Governance and Funding Reforms for WMATA"
  - Enacted in 2018 and last amended in September 2023
  - Reviewed in 2025 with no CTB action because of then-pending SJ28 and DMVMoves work
  - Required to be reviewed at least every two years

Certification Process

WMATA provides required documentation/notification of compliance by CTB policy deadlines for the following Code requirements:

- (1) Board Governance
- (2) Capital Improvement Plan
- (3) Strategic Plan
- (4) 3% cap on annual growth in total Virginia Operating Assistance
- (5) Submission of Budget and Annual CTB Update

DRPT reviews for compliance

Office of Attorney General provides concurrence

CTB certifies compliance

FY2026 Compliance Assessment

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(1) WMATA Board Governance

Section 33.2-1526.1(L)

Legislative Requirement	CTB Policy Requirement	Consequences of Non-Compliance (Code of Virginia)	DRPT Findings and Recommendation
• Alternate directors shall not participate or take action at an official WMATA Board meeting or Committee meeting unless they are serving in absence of a primary director • WMATA Board must adopt bylaws that would prohibit such participation by alternate directors	WMATA shall provide notification asserting compliance by July 1 but immediately notify CTB if there is a violation	CTB shall withhold 20% of CMTF WMATA allocation if found to be non-compliant	• WMATA has met the requirements of the statute and Board policy • **No enforcement action is recommended**

(2) WMATA Capital Improvement Plan

Section 33.2-1526.1(M)

Legislative Requirement	CTB Policy Requirement	Consequences of Non-Compliance (Code of Virginia)	DRPT Findings and Recommendation
• WMATA must annually adopt a capital improvement program that covers the current and next five fiscal years • WMATA must hold an in-person public hearing in Northern Virginia	WMATA shall provide notification asserting compliance by July 1 but immediately notify CTB if there is a violation	CTB shall withhold 20% of CMTF WMATA allocation if found to be non-compliant	• WMATA adopted capital improvement program on April 23, 2026 • WMATA held a hybrid public hearing on the CIP on February 3, 2026, in Arlington • **Requirements met; No enforcement action is recommended**

(3) WMATA Strategic Plan

Section 33.2-1526.1(M)

Legislative Requirement	CTB Policy Requirement	Consequences of Non-Compliance (Code of Virginia)	DRPT Findings and Recommendation
WMATA must adopt or update within the preceding 36 months a strategic plan and hold an in-person public hearing on the strategic plan in Northern Virginia, covering specific topics	WMATA shall provide notification asserting compliance by July 1	CTB shall withhold 20% of CMTF WMATA allocation if found to be non-compliant	• First Strategic Plan per this requirement was adopted on February 23, 2023 • Public hearing on Update held on October 30, 2025, in Arlington, Virginia • WMATA Board adopted update Dec. 11, 2025 that included required topics • **Requirements met; No enforcement action is recommended**

(4) 3% Cap on Growth in Operating Assistance

Section 33.2-1526.1(K)

Legislative Requirement	CTB Policy Requirement	Consequences of Non-Compliance (Code of Virginia)	DRPT Findings and Recommendation
Total Virginia operating subsidy in current approved WMATA budget increased by no more than 3% over the prior year approved budget. Exclusions: • Any service, equipment, or facility that is required by any applicable law, rule or regulation • Any capital project approved by the WMATA Board • Any payment/obligation resulting from a legal dispute or proceeding • Any service increases approved by the WMATA Board	WMATA shall provide notification documenting compliance by July 1	CTB shall withhold 35% of CMTF WMATA allocation if found to be non-compliant	• Virginia's operating subsidy increased 1.6% between FY26 and FY27, meeting 3% cap requirement • **Requirements met; No enforcement action is recommended**

(5) Submission of Budget and Annual CTB Update

Section 33.2-1526.1(N)

Legislative Requirement	CTB Policy Requirement	Consequences of Non-Compliance (Code of Virginia)	DRPT Findings and Recommendation
• By April 1, WMATA must submit a detailed proposed operating budget and capital expenditures, including information on expenditures, indebtedness, pensions and other liabilities, and other information as prescribed by the Board • Virginia's Principal Members of the WMATA Board and the WMATA General Manager must annually address the CTB	Budget submission shall include audited financial statements	CTB shall withhold 20% of state WMATA allocation if found to be non-compliant	• Virginia WMATA Board appointees and WMATA General Manager Randy Clarke addressed the CTB on October 14, 2025, and May 12, 2026 • WMATA submitted documentation by April 1, 2026 • **Requirements met; No enforcement action is recommended**

Next Steps

September Workshop

- FY26 compliance determination overview
- Consideration of revision to CTB Guidelines for FY27 and beyond

October Action Meeting

- Certify FY26 compliance
- Update CTB Guidelines for FY27 and beyond

Before June 2027

- WMATA GM/Board presentation to CTB

Questions?

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