February 21, 2022

Senator George L. Barker  
Pocahontas Building, Room E619  
900 East Main Street  
Richmond, Virginia 23219

Senator Janet D. Howell  
Pocahontas Building, Room E509  
900 East Main Street  
Richmond, Virginia 23219

Senator Richard L. Saslaw  
Pocahontas Building, Room E602  
900 East Main Street  
Richmond, Virginia 23219

RE: Replacement of Transportation Funds Under SB 451

Dear Senator:

Thank you for your many years of advocating for transit funding in Northern Virginia and across the Commonwealth. We write to urge you to continue working to identify a replacement dedicated revenue source to address the anticipated ongoing loss of $135 million/year in transportation funding that would result if SB 451 is enacted. This bill would eliminate the retail sales and use tax for food purchased for human consumption and essential personal hygiene products; the loss of this permanent source of funding would have a significant and recurring negative impact on Virginia’s public roadways and transit systems.

The Commonwealth receives 20% of its transportation revenues from the retail sales and use tax for food and hygiene products. In addition to funds for highway repaving and maintenance, these revenues also directly fund the operations and maintenance of public transit systems across the Commonwealth, including the operations of Northern Virginia’s bus systems (Fairfax Connector, CUE, DASH, ART, Loudoun County Transit and OmniRide), our commuter rail system (VRE) and is an important portion of Virginia’s contributions to WMATA for Metrorail, Metrobus and Metroaccess.

Some have argued that the remaining federal recovery act funds, the new infrastructure package and state surplus dollars will cover any losses resulting from the elimination of the grocery tax. Unfortunately, the recovery act funds are one-time funds and the funding provided in the federal infrastructure package is appropriated primarily for capital projects; it cannot be used for transit operations or to address VDOT’s backlog of secondary road maintenance and mowing needs. Furthermore, eliminating the grocery tax will create a permanent deficit in funds that are key to operating our transit systems and ensuring Virginia’s roadways are maintained in a manner that is safe for drivers.
Prior to 2020, our transit systems and roadways were already facing a daunting challenge to maintain them in a state of good repair. Years of deferred maintenance and operational constraints resulted in serious safety challenges for both our transit systems and roadways. The omnibus transportation bill - and it’s shoring up of the Commonwealth Transportation Fund - gave a promise of reliable and sustainable transportation funding that would continue to allow our roadways and transit systems to support continued economic growth in Virginia.

Eliminating $135 million/year in funding breaks that promise, taking us a step back in our ability to operate and maintain our transportation network, and poses a long-term threat to the growth of Virginia’s economy.

As you continue negotiations to finalize SB 451, we urge you to continue to seek a sustainable and permanent replacement to the grocery tax revenues to ensure that our Commonwealth Transportation Fund - and the roadway and transit services that it supports - can continue to thrive.

We appreciate your continued work on behalf of the residents and businesses in Northern Virginia. Please contact me or NVTC’s executive director, Kate Mattice, at 571-457-9523 or katemattice@novatransit.org if we can be of any further assistance.

Sincerely,

Canek Aguirre
NVTC Chair