



Visualize 2050 Planning and Programming Process

Financial Planning

Part 26 of 27



National Capital Region
Transportation Planning Board

December 2025

TABLE OF CONTENTS

OVERVIEW OF FINANCIAL PLANNING AND PROGRAMMING.....	3
About the Visualize 2050 Financial Plan	3
About the FY 2026-2029 Transportation Improvement Program	3
Zero-Based Budgeting.....	4
TPB’S ROLE AND KEY STAFF.....	4
Role of TPB Subcommittees.....	5
ROLE OF KEY PLANNING AGENCIES.....	5
PUBLIC ENGAGEMENT	6
HOW THE REGION OBTAINS FUNDING FOR TRANSPORTATION	6
Distribution of Transportation Funding	6
Ongoing Project Prioritization Efforts	6
DEVELOPING THE VISUALIZE 2050 FINANCIAL PLAN	7
Forecasting Revenues.....	7
Planning Expenditures	8
Project Development	8
A Closer Look at each State and WMATA	9
PROGRAMMING FUNDS IN THE TRANSPORTATION IMPROVEMENT PROGRAM.....	12
TPB’S ROLE IN THE PROJECT SELECTION PROCESS	14
Technical Inputs Solicitation.....	14
Specialized Priority Project Lists	14
Direct Project Selection	14
Project and Program Inputs Process	15
STATE TRANSPORTATION IMPROVEMENT PROGRAMS AND THE TIP.....	16
EXPLORING NEW FUNDING SOURCES	17
DMV <i>Moves</i> Explores Additional Funding.....	17
Consideration of Additional Transportation Revenues Through Congestion Pricing.....	18
Private Sector Funding Options.....	18

OVERVIEW OF FINANCIAL PLANNING AND PROGRAMMING

The financial component of the National Capital Region's transportation planning process involves programming funding in the short-term via the Transportation Improvement Program (TIP) and outlining reasonably anticipated revenues and expenditures longer-term in the Metropolitan Transportation Plan (MTP) financial plan. Per federal regulation 23 USC 450.324, the MTP, in this case, Visualize 2050, shall include a financial plan that demonstrates how the adopted transportation plan can be implemented, by estimating costs and revenue sources that are reasonably expected to be available to adequately operate and maintain the highway and public transportation system. In this manner, the scope and contents of the MTP are financially constrained. Likewise, the TIP, in this case, the FY 2026-2029 TIP, per 23 USC 450.326, must demonstrate how the activities included can financially be implemented and indicate resources from public and private sources that are reasonably expected to be made available to carry out those activities.

These financial planning and programming exercises occur simultaneously during the technical input's solicitation and coordination with member agencies on anticipated short- and long-term revenues. In short, both the TIP and the MTP financial plans must be fiscally constrained, demonstrating how the activities and investments described will be funded for implementation.

About the Visualize 2050 Financial Plan

The Visualize 2050 financial plan includes estimates of the project costs and the revenue amounts reasonably expected to be available to implement the projects as well as operate and maintain the existing transportation system in year-of-expenditure dollars between 2026 and 2050. It was prepared by the TPB member jurisdiction and agency staff, working with the TPB staff. The forecasts and the assumptions were reviewed by a working committee and subsequently reported to and reviewed by the TPB Technical Committee.

The financial plan includes revenue, and expenditure estimates for the regional rail and bus transit system operated by the Washington Metropolitan Area Transit Authority (WMATA) and funded by member jurisdictions. The expenditure and revenue estimates for the WMATA transit system were developed with inputs from both WMATA and its members. Similarly, the financial plan includes expenditure and revenue estimates that were developed and reviewed for the commuter rail services and the local transit services, including planned light rail and streetcar projects.

About the FY 2026-2029 Transportation Improvement Program

Whereas Visualize 2050 includes planned investments from 2026 through 2050, the TIP reflects the activities programmed for funding in the first four years of the plan, fiscal years 2026-2029. Planned funding obligations are provided for these activities that have already secured funding. Obligation amounts are outlined by year and by funding source in the TIP. Once other Visualize 2050 projects or services attain funding, they too will be included in the TIP before work begins.

The federally required TIP provides the schedule for the next four years for obligating federal, state, and local funds for state and local transportation projects. The TIP represents an agency's intent to construct or implement projects and identifies the anticipated flow of federal funds and matching state or local contributions. TIP projects and programs include those that will have active implementation work in the first four years of the plan such as roadway and transit expansion or maintenance projects, and operational programs.

Following the plan and TIP approval, as project development continues, there is often a need to make changes, particularly to the funding amounts and sources programmed in the TIP. The TPB's Amendments and Administrative Modifications process, included in the next part of this document, explains the process for making major and minor changes.

Zero-Based Budgeting

Fundamental to the development of Visualize 2050 and the FY 2026-2029 TIP was a 'zero-based budgeting' (ZBB) exercise. As part of Resolution R19-2021, the TPB directed its staff to apply the concept of ZBB to the next plan update where all projects, including those in the current plan, must be resubmitted for consideration into the update. The only exceptions to this were for projects currently under construction or currently funded with federal, state, regional, local, or private funds.

The ZBB approach was determined to help focus efforts on projects that were in a developmental stage where the TPB goals and priorities could be effectively used to influence the scope of projects, including dropping them from further consideration if they did not meet TPB goals. The intent of the ZBB approach is to develop a list of projects for implementation by the member agencies that would better advance the TPB's regional goals and other policy priorities, and that would better reflect the findings from various scenario studies conducted by the TPB.

The ZBB exercise consisted of the following major milestones:

- Public Comment Period on projects in Visualize 2045 from February - November 2023
- Submission of Regionally Significant projects for Air Quality (RSAQ) by December 31, 2023
- Public Comment Period on RSAQ projects in March 2024
- Submission of Non-Regionally Significant (NRS) projects for Air Quality by August 2, 2024
- Completion of all remaining ZBB activities including member review of project mapping, titles, total costs, and TIP financial inputs by May 9, 2025

The ZBB exercise enabled Visualize 2050 and FY 2026-2029 TIP to provide a realistic picture of the region's future projects and programs with updated cost information.

TPB'S ROLE AND KEY STAFF

The TPB prepares plans and programs that the federal government must approve for federal-aid transportation funds to flow to the region. The TPB must demonstrate that Visualize 2050 and the FY 2026-2029 TIP are financially constrained. This means that the region must show it can reasonably anticipate revenues to cover the projects, programs, and policies listed in these documents.

Beyond federal requirements, as needs and opportunities arise, the TPB conducts studies and coordination activities to explore and inform possible revenue streams and funding strategies. Primary TPB staff involved in financial planning and programming are listed in Table 26.1.

TABLE 26.1: KEY STAFF

TPB Staff	Title	Role
Kanti Srikanth	Executive Director	Staff Director for the Transportation Planning Board (TPB)
Eric Randall	Transportation Engineer	Lead
Lyn Erickson	Chief Program Director	Contributor
Cristina Finch	Principal Transportation Planner	Contributor
Andrew Austin	Transportation Planner	Contributor
Pierre Gaunaurd	Transportation Planner	Contributor
Leonardo Pineda	Transportation Planner	Contributor
Sara Brown	Transportation Planner	Contributor
Marc Moser	Transportation Planner	Contributor

Role of TPB Subcommittees

The TPB Technical Committee reviews the financial analysis in the plan and program as part of its review of the Visualize 2050 plan and the TIP. The TPB Steering Committee maintains the TIP following its initial adoption by the Board by approving NRS amendments. TIP amendments are described in the next part, Amendments and Administrative Modifications, of this document.

ROLE OF KEY PLANNING AGENCIES

The financial plan's revenue and expenditure estimates were developed cooperatively by the departments of transportation (DOTs) of the District of Columbia, Maryland, and Virginia along with the local jurisdictions and transit agencies of the National Capital Region with assistance from TPB staff. Financial planning follows a two-pronged approach. At a strategic or overall planning level, planning agencies develop aggregate, long-term revenue and expenditure estimates through the horizon year of the regional transportation plan, 2050 for Visualize 2050. At a project and program level, agencies develop costs and funding sources for each project or program for those that have received funding and are being or will be implemented in the four-year TIP timeframe or are submitted for inclusion in the MTP for projects with future implementation dates and reasonably anticipated funding. TPB staff then assist planning agencies in reconciling the overall aggregate

estimates with the sum of the individual projects and programs to ensure financial constraint is demonstrated. Key planning agencies involved in financial planning and programming include TPB member agencies. More information about how these agencies contributed to financial planning and programming is provided in the following sections.

PUBLIC ENGAGEMENT

During Visualize 2050's development, the TPB held three public comment periods. Between February 2023 and November 2023, the public had the opportunity to provide input on the ZBB effort as agencies re-examined projects from Visualize 2045 and submitted projects for Visualize 2050. Agencies then considered this input during the project submission process. The second comment period took place throughout March 2024 with the focus on gathering feedback on the expenditures of anticipated revenue, specifically related to projects significant for the air quality conformity analysis.

Lastly, in late 2025, the public commented on the draft plan, which communicated the financial plan, including the anticipated revenues and expenditures in the form of a project and program list. The draft FY 2026-2029 Transportation Improvement Program was also available for public comment on planned obligations in the short-term. A TIP Forum, held during this last comment period in November 2025, allowed community members to learn more about the TIP and the upcoming transportation activities that will be funded during this timeframe.

HOW THE REGION OBTAINS FUNDING FOR TRANSPORTATION

Funding for transportation comes from multiple federal, state, local, toll, private and transit sources, with future revenue forecasts based on a complex set of assumptions regarding expected growth of each source over time. Historically, the major source of public revenues for transportation has been motor vehicle fuel taxes, though this proportion has decreased over time. Other significant sources of revenues for transportation are taxes on vehicle sales and registration, transfers from general tax revenues, tolls, transit fares, and property taxes, all of which are used to fund transportation at the different levels of government.

Distribution of Transportation Funding

Some sources of funds are based on formulas for distribution whereby the federal, state, or other level of government distributes or receives funding based on population, highway lane-miles, or other factors. Some funds are also allocated through competitive or discretionary funding programs through which proposed projects are ranked or graded based on various criteria, and the best-ranked projects receive funding. Multiple federal grants programs operate this way, as does the SMART SCALE system in Virginia. Finally, some funds are collected directly, including state motor fuel taxes, tolls, and transit fares, and are used by the cognizant transportation agency.

Ongoing Project Prioritization Efforts

While the TPB does not take part in project selection and project prioritization, the agencies submitting their projects have processes in place to make those determinations.

The District of Columbia (DDOT) notes in its long-range plan, moveDC, that its selection and prioritization process help to prioritize resource allocation and guiding decision-making, providing a standard framework for how to assess and select projects against organizational goals, and ensuring investments are in line with DDOT's mission and mayoral priorities.

Maryland (MDOT) requests annual prioritization letters from localities in the state. Additionally, during the development of Visualize 2050, MDOT began testing a project prioritization tool that in the future will score capital expansion projects using goals and measures.

The Virginia (VDOT) uses the SMART SCALE tool to select and prioritize projects in alignment with its long-range transportation plan, VTrans, to ensure the best use of its transportation funds. The tool scores projects based on several factors including safety, congestion mitigation, accessibility, environmental quality, economic development, and land use.

WMATA notes that their capital projects are prioritized based on their alignment with their strategic investments of safety, security, and reliability.

The agency efforts listed above are only part of the ways that they prioritize their project submissions for Visualize 2050. Projects are also selected using local comprehensive plans, neighborhood plans, project studies, and through public involvement activities.

DEVELOPING THE VISUALIZE 2050 FINANCIAL PLAN

Overall revenue and expenditure data for the financial plan were developed and synthesized DDOT, MDOT, VDOT, WMATA and other transit agencies, and by the local jurisdictions. DDOT provided all District of Columbia estimates. MDOT coordinated all the local jurisdiction and state inputs in Maryland and VDOT coordinated all the local jurisdiction and transit agency inputs in Virginia. WMATA provided forecasts of capital and operating expenditures for its regional Metrobus, Metrorail, and MetroAccess services, which were coordinated with the jurisdictions and agencies that fund those services.

Subsequently, as agencies select projects and programs for the TIP and Visualize 2050, the funding for and costs of those projects and programs are compared to the overall financial resources available. TPB staff review the projects and programs selected and assist the funding agency staff in reconciling overall projects with the sum of project and program costs to ensure reasonability and financial constraint.

The Visualize 2050 financial analysis covers both expenditures and revenues for a 25-year period from 2026 to 2050. Agencies used the Visualize 2045 National Capital Region Transportation Plan, the FY 2023-2026 TIP, and their latest capital investment programs and six-year improvement proposals as a starting point for expenditures and made appropriate adjustments to extend their forecasts for the 25-year period. Revenues were forecast based on historic funding trends and anticipated changes in federal, state, and local revenues. TPB staff distributed template spreadsheets to each agency and jurisdiction for their use in preparing the estimates of revenues and expenditures. Agencies that wished to utilize their own existing spreadsheets or models could do so and reported the information back to staff using the common spreadsheet format. In cases where agencies were unable to provide revenue and cost information, TPB staff conducted additional analysis to develop reasonable financial forecasts.

Forecasting Revenues

As per federal regulations, transportation revenue and expenditure estimates are shown in year-of-expenditure (YOE) dollars. Year-of-expenditure dollars were derived by applying an inflation factor to estimates in current dollars; future year dollars are therefore worth less than current year dollars in terms of their buying power.

For the near-term years, agencies already have estimated inflation rates and have converted their estimates of revenues and expenditures to YOE dollars, as part of their work to update their respective capital improvements programs. For the longer term, if agencies do not have their own long-term inflation rates, TPB staff recommended that year of expenditure dollars be calculated

using a long-term inflation rate of 2.4 percent, which is the most recent long-term inflation rate predicted in the forecast of the Congressional Budget Office.¹ Accordingly, a dollar in the year 2050 is anticipated to have purchasing power equivalent to \$0.57 in 2026; or conversely, a project that would cost \$10 million in year 2026 is anticipated to cost \$17.7 million in year 2050.

Revenues are broken down into five source categories (federal, state, local, private/other, and fares/tolls) and grouped under the three “state” level jurisdictions (District of Columbia, Suburban Maryland, and Northern Virginia) and a fourth “non-jurisdictional regional” level. The overall category of private/other is comprised of a variety of sources, including local jurisdiction general funds, anticipated private sector contributions, and general bonds issued by WMATA.

Regional “non-jurisdictional” revenues for WMATA include transit fares, federal grants, and other non-jurisdictional sources such as advertising and special event service revenues. Transit fare revenues for WMATA and the local transit systems include revenues from planned services. Revenue projections do not include projections of new sources that are not yet legislatively enabled but do assume a continuation of current sources including any that were recently established.

Planning Expenditures

Expenditures are derived from the investment details provided by sponsor agencies during their submission of technical inputs. For Visualize 2050, TPB staff first reviewed the RSAQ investments to gauge the reasonableness of the funding sources and total cost estimates. Next, staff reviewed the total cost estimates for NRS investments.

Projects were separated into three major categories: operations & maintenance, state of good repair, and system expansion. Expenditures were further categorized among four modes: highway, local transit, commuter rail, and WMATA support.

Each agency and jurisdiction were requested to provide year-by-year forecasts of their transportation revenues and expenditures through 2050. When necessary, the TPB staff converted expenditure dollar estimates between current and future years, for forecasts submitted by agencies that were not converted by the agencies themselves.

Project Development

Due to the nature of being a multi-state MPO, project selection and prioritization are left to the state DOTs and transit agencies at the TPB. Before submitting their projects for inclusion in the Visualize 2050 plan, as previously described, the sponsor agencies each have their own processes they undertake for project identification, selection, prioritization, and ultimately their development.

During the submission process, the TPB asked sponsor agencies to document how their projects align with federal planning factors, which are related to TPB goals and whether the project is an application of one of TPB’s priority strategies to achieve such goals.

As part of the Visualize 2050 update process, soon after TPB’s approval of the technical inputs solicitation and initiation of the first public comment period in February 2023, the TPB hosted three virtual facilitated listening sessions, one with each state and their respective agencies, in March 2023 to support the project input process for Visualize 2050. A recap of the meetings was provided to the TPB at their April 19, 2023 meeting.² The meeting materials can be found below:

¹ Congressional Budget Office (June 2019). *2019 Long Term Budget Outlook (Table A-2, page 54)*. <https://www.cbo.gov/system/files/2019-06/55331-LTBO-2.pdf>

² National Capital Region Transportation Planning Board Meeting (April 19, 2023). *Item 9 – Listening Session Materials Shared*. <https://www.mwcog.org/events/2023/4/19/transportation-planning-board/>

- Facilitated Listening Session – District of Columbia
<https://www.mwcog.org/events/2023/3/27/facilitated-listening-session-district-of-columbia/>
- Facilitated Listening Session – Maryland
<https://www.mwcog.org/events/2023/3/30/facilitated-listening-session-maryland/>
- Facilitated Listening Session – Virginia
<https://www.mwcog.org/events/2023/3/29/facilitated-listening-session-virginia/>

Additionally, agencies provided presentations to the TPB Access for All Advisory Committee on their project selection processes. Links to the meeting pages with meeting materials can be found below:

- District of Columbia – <https://www.mwcog.org/events/2023/6/26/access-for-all-advisory-committee/>
- Maryland, Virginia, and WMATA – <https://www.mwcog.org/events/2023/9/18/access-for-all-advisory-committee/>

A Closer Look at each State and WMATA

More details are provided below on the financial planning activities for Visualize 2050 for the District of Columbia, Maryland, Virginia, and WMATA.

District of Columbia

Over the near term, the District of Columbia’s revenues forecasts rely on budget projections. For this financial analysis, DDOT used the approved 2023 budget and 2023-2028 Capital Improvement Plan. For the revenue forecast beyond 2028, DDOT assumed future escalations at the rate of general inflation.

DDOT developed projected revenues for highway, local transit, and WMATA needs, both capital and operating. The District’s Highway Trust Fund revenue projections are anticipated to be available to match federal funds; these projected revenues to match federal funds represent about 17 percent of highway funds.

District of Columbia revenues available for WMATA and local transit – DC Streetcar and paratransit programs – include funds programmed for WMATA State of Good Repair capital investments. Revenues are projected into the future with a 2.4 percent annual growth rate due to the costs of upgrading aging systems and District policy statements that commit to funding transit capital projects and transit State of Good Repair.

For private and other revenues, there are assumptions of private spending for several projects in the MTP that will result in improved regional transportation infrastructure.

For expenditures, DDOT projects highway spending on significant capital projects from planned spending in the 2023-2028 Capital Improvement Plan with ongoing expenditures projected for significant projects based on past trends.

DDOT’s forecasts for WMATA transit expenditures are based on estimates provided by WMATA through the financial plan process and by assumptions made for WMATA operating subsidies and capital needs by the region. This includes dedicated capital funding of \$178 million a year and \$50 million a year in match from the District for the extension of PRIIA through 2050.

Maryland

Highway expenditures in Maryland are made by both MDOT and by the local jurisdictions. Transit in Maryland is funded and operated either directly by MDOT (which includes the Maryland Transit Administration), which provides WMATA’s funding, and which operates the commuter rail and

commuter bus service, or by the local jurisdictions themselves. Charles, Frederick, Montgomery and Prince George's Counties each fund and operate their own local transit services, with some state assistance.

The revenue numbers for Suburban Maryland reflect estimates for MDOT funding, including by the State Highway Administration, the Maryland Transportation Authority and the Maryland Transit Administration, and from the four counties in the TPB's planning area: Charles County, Frederick County, Montgomery County, and Prince George's County.

MDOT bases its overall revenue projections on the state's Consolidated Transportation Program (CTP) budget for the next few years, extrapolation of past trends, and assumptions about future increases for out years (2030-2050). For years 2030-2050, the numbers from MDOT imply an annual increase of approximately 5.0 percent in real terms for state funds, while federal fund projections are based on an average growth rate of 3.0 percent for highway and 2.33 percent for transit program funds. Long-term federal contributions continue to decrease from past financial assumptions. MDOT projections for WMATA include dedicated funding of \$167 million a year as well as matching funds \$50 million a year for continuation of funding for PRIIA through 2050.

Maryland jurisdictions also base their overall revenue projections on budget estimates over the next few years, extrapolation of past trends, and assumptions about future increases for more distant years

On the expenditure side, MDOT data and data from the four Suburban Maryland jurisdictions. MDOT and jurisdictions typically match their expenditures to the forecasted revenues available for each year.

Virginia

Most of the funding to construct, operate and maintain highways in Virginia is provided by the state, with significant funding for highway and transit also provided through regional revenues allocated by the Northern Virginia Transportation Authority (NVTA) and by the Northern Virginia Transportation Commission (NVTC), as well as local jurisdiction and private funding. Cities and towns as well as Arlington County have the responsibility to maintain and operate the roadway system with funding allocated to them by the state as well as local funding. Transit in Virginia is provided by WMATA, by the local jurisdictions, the Potomac and Rappahannock Transportation Commission (PRTC), and Virginia Railway Express (VRE), with the Virginia Department of Rail and Public Transportation (DRPT) providing state funding support.

Northern Virginia estimates of revenues and expenditures were developed cooperatively by VDOT, DRPT, NVTA, NVTC, local jurisdictions, and transit agencies. VDOT and DRPT developed estimates of federal and state revenues that would be available both statewide and to the Northern Virginia region. VDOT worked with local jurisdictions to identify their additional highway and transit funding needs, taking into account the state revenues available for highways and transit. VDOT and the jurisdictions also reviewed the WMATA financial projections.

VDOT coordinated the effort and provided revenue and expenditure information for the state, federal, and local jurisdiction data. Four different categories of projects and programs were evaluated: Highways/Bike & Pedestrian, Local Transit, Commuter Rail (VRE), and WMATA Virginia allocations, both operating and capital. For each, the revenues by source (federal, state, local, private/other, and fares/tolls) and expenditures by category (operations, state of good repair, and expansion) were identified. This data was used to complete the financial plan's summary table.

Northern Virginia revenues are derived from multiple federal, state, local, toll, private and transit sources, and future forecasts are based on a complex set of assumptions regarding expected escalations of each source. The six-year estimate of state revenues is based on the FY 2024-2029 Six-Year Financial Plan (SYFP) as well as the Six-Year Improvement Program (SYIP) adopted by the

Commonwealth Transportation Board (CTB) in June 2023. The official forecast of state revenues is prepared by the Department of Taxation. The state revenues include Motor Vehicle Sales and Use Tax, Motor Vehicle Fuels Tax, Licenses Fees, and State Sales and Use Tax. The average total state revenue growth for FY 2024-2029 is forecast at 2.67 percent. In the long term, state revenues are expected to grow by 2.2 percent annually, with a 2.0 percent annual growth in federal revenues.

Regional and local revenues include the dedicated NVTAs. The NVTAs are made up of a portion of the sales tax in Northern Virginia, a transit occupancy tax, and a grantors tax. A portion of the NVTAs will go directly to WMATA under recent legislation, while the major portion of the NVTAs is allocated by the NVTAs through a competitive process; both are treated as local revenues in the financial analysis.

Expenditures include data from VDOT and the Northern Virginia agencies and jurisdictions. The expenditure data for the near term are derived from the latest annual budget and the six-year program data along with estimates in the TIP.

State funding for WMATA includes \$154 million in dedicated capital funding as well as \$50 million annually for matching the Passenger Rail Investment and Improvement Act (PRIIA) state of good repair funds, both annually through 2050. Much of WMATA's operating funding from Virginia as well as some capital funding comes from the local jurisdictions.

VRE costs are based on the approved state improvement program through 2020, with assumed growth of 2.5 percent growth in later years, while fares are expected to grow by three percent annually. Other local transit providers in Northern Virginia have their revenues and costs projected as well.

WMATA

WMATA's financial estimates were prepared based on WMATA's *FY2023 – FY2029 Capital Improvement Program* (CIP) and FY 2023 Budget, as well as a *10-Year Capital Plan*. The capital plan and CIP rely upon the dedicated funding committed by jurisdictions which are part of WMATA's Compact to maintain a continued state of good repair (SGR) as well as some funding to meet capacity expansion and new needs.

WMATA Operations Revenues and Expenditures

Forecasts for future operations and maintenance expenditures are limited by the three percent subsidy cap imposed by the enabling legislation for jurisdictional dedicated funding. Consistent with discussions with and assumptions by TPB and local, state, and regional partners, WMATA ridership and revenue forecasts assumed a "back-to-normal" status matching pre-COVID levels.

Metrobus subsidies are allocated to the local jurisdictions based on policies and a formula adopted by the WMATA Board of Directors. Costs for MetroAccess are assigned based on the rider's jurisdiction of residence.

WMATA Capital Revenues and Expenditures

The WMATA capital revenues forecast projected anticipated funding sources from the federal, state, and local governments including an extension of PRIIA and federal formula funds with matches at current funding levels, along with a contribution of dedicated funding of \$500 million annually from the District, Maryland, and Virginia.

Capital expenditures were based on WMATA's Capital Needs Inventory (CNI) through 2033. For future years the analysis assumed a two percent inflation rate for state of good repair. Additional modest capital funds are targets for system modernization and some capacity expansion and new needs to meet anticipated growth in ridership through 2050.

PROGRAMMING FUNDS IN THE TRANSPORTATION IMPROVEMENT PROGRAM

As mentioned earlier, the TIP for the National Capital Region is a four-year financial planning document that lays out the priority transportation investments that the agencies in the District of Columbia and the surrounding Maryland and Virginia counties plan to implement or begin implementing over the next four years. Essentially, it represents the implementation of the first four years of the MTP. The funding programmed in the TIP is developed from state and regional planning and programming activities that parallel those described in the last section.

The TPB develops the TIP in coordination with its member implementing agencies. While each state's process features their own variations, they all follow a similar model and share several key features, as illustrated in Figure 26.1 below. Each starts with the financial data from the capital and operational revenues and expenditures described previously. From that the agencies develop an annual budget and a six-year improvement program (SYIP).

FIGURE 26.1: PROCESS OF SIX-YEAR PROGRAMMING



The SYIP development process almost always includes public review and finishes with legislative approval. At the conclusion of the budgeting and programming process in each state, the projects are submitted to the TPB for inclusion in the regional TIP either as a part of its first adoption or by formal amendment.

District of Columbia

Every year, the mayor submits the draft Capital Improvements Plan (CIP) to the Council of the District of Columbia for approval. The CIP is a six-year program that includes all capital expenditures for the District, including transportation projects. The DC Council holds public hearings on the draft CIP, which it can amend based upon feedback from those hearings. The mayor and the council must approve the CIP for it to move forward.

Upon approval by the mayor and the council, the budget is adopted and transmitted to the president of the United States for submission to Congress for approval. Congress must approve the District's budget as part of one of the 12 annual federal appropriations bills. Once the budget and appropriations have been approved, the District DOT uses the CIP as a basis for developing a list of projects for inclusion in the TPB's TIP.

Maryland

The Maryland DOT develops the Draft Consolidated Transportation Program (CTP) on an annual cycle. The CTP is based on prioritized inputs provided by the Maryland state legislative delegation and individual counties. These local-identified transportation priorities are officially transmitted to MDOT in the form of annual "Priority Letters." Using the Priority Letters along with needs identified in the previous year, MDOT prepares the Draft CTP and takes it out to each county in a series of public meetings generally referred to as the MDOT secretary's "Annual Tour."

During the secretary's "Annual Tour," MDOT officials get feedback about the draft CTP from county and local officials, and from the public. The Tour occurs every Fall between September and November after the draft CTP is published. After considering the input received from local and

county officials during the Annual Tour, MDOT revises the CTP and submits it first to the Governor and then to the General Assembly for budget approval. Finally, MDOT uses the approved CTP as the basis for developing a list of projects for inclusion in the TPB’s TIP.

Virginia

Every two years, the Virginia General Assembly approves the two-year (biennial) Appropriation Act, which contains all statewide funding, including transportation spending. The revenues in the act are based largely upon estimates provided in the governor's Budget Bill. The estimates for transportation revenues are prepared by the Department of Taxation and the Virginia Department of Transportation. The Appropriation Act generally allocates funding for broad transportation categories, not for individual projects, although the General Assembly sometimes earmarks funding for specific projects. After the first year of the biennial budget cycle is completed, the General Assembly has an opportunity to amend the budget.

Annually, the Commonwealth Transportation Board (CTB), which guides the work of the Virginia DOT much like a board of directors, develops the Six-Year Improvement Program (SYIP). This program allocates money for transportation projects that are proposed for study, development, or construction in the next six fiscal years based upon the two-year Appropriation Act approved by the General Assembly and anticipated revenues for the remaining years of the plan. In developing the SYIP, the CTB considers the priorities identified by VDOT from the State Highway Plan, as well as needs identified in VTrans and Northern Virginia's TransAction, and all projects earmarked by the General Assembly.

TransAction is a fiscally and geographically unconstrained plan. As such, inclusion of projects in TransAction does not represent a funding commitment. However, TransAction is the initial eligibility filter for projects that the Northern Virginia Transportation Authority (NVTA) can fund using its regional revenues. Candidate projects are evaluated through a consistent, data-driven project selection process. Approved projects are included in NVTA’s Six Year Program, which is updated every two years.

Using the Six-Year Program as a basis for development, Virginia develops a list of Northern Virginia projects for inclusion in the TPB’s TIP.

Washington Metropolitan Area Transit Authority (WMATA)

Projects programmed by the transit authority use funding from the federal government, and from state and local jurisdictions. WMATA capital needs inventory serves as the foundation for future capital programs and supports the development of a regional funding strategy for Metro. Capital needs are divided into two categories: 1) Performance needs, which include projects that maintain and replace assets on a regular life cycle basis in order to deliver the same level of service; and 2) Customer/Demand needs, which include projects that help meet growing ridership and improve the rider’s experience.

Every year, WMATA's general manager submits an annual budget to the WMATA Board Finance, Administration, and Oversight (FAO) Committee. The proposed program may be revised by the committee and then reviewed and approved by the WMATA Board of Directors. The projects in this capital budget are then submitted for inclusion in the regional TIP.

TABLE 26.2: SOURCES FOR INPUTS TO THE FY 2026-2029 TIP

DDOT	MDOT	VDOT/DRPT	WMATA
FY 2026 Budget and FY 2026–2031 Capital Improvements Plan	FY 2025–2030 Consolidated Transportation Program	FY 2026–2031 Six-Year Improvement Program	FY 2026 Budget and FY 2026–2031 Capital Improvements Plan

Other Regional Agencies

Other agencies, such as the National Park Service, and some counties, cities and towns develop projects using federal funds outside the state or WMATA programming processes. These projects or programs are often included in the TIP via amendments. The adoption of a new TIP provides staff from the TPB and member agencies to review these records and deem whether they are suitable to remain in the new draft TIP. The TIP integrates projects proposed by state and local transportation agencies into a program consistent with the MTP.

TPB'S ROLE IN THE PROJECT SELECTION PROCESS

While much of the prioritization and selection process for projects and programs to be included in the TIP is done at the state level, the TPB plays several roles in the MTP and these two documents. These roles and actions continuously run in parallel to the region's three DOT's SYIP development cycles.

Technical Inputs Solicitation

The MTP and TIP update cycle begins with the TPB's approval of the Technical Inputs Solicitation (TIS). The TIS is made up of two elements: a Policy Guide and an Instructional Guide. The Instructional Guide is a very in-depth technical resource for use by the staff from implementing agencies who would be submitting data about the projects and programs.

In contrast, the Policy Guide is geared towards a much broader audience. It is intended to be a resource for decision-makers and their technical staff at the state and local levels, as well as the public and other stakeholders. The document steers member inputs for the planned roadway, transit, bicycle and pedestrian projects, maintenance and operational programs, and other policies that will become the foundation of each plan and TIP. Through it the TPB also asks that the region's implementing agencies consider a wide body of technical studies, public outreach, and regional policy decisions that the TPB has developed in coordination with many other planning entities. The TIS Policy Document for Visualize 2050 and the FY 2026-2029 TIP included a comprehensive inventory of these resources including the TBP Synthesized Policy Framework and the Summary of Scenario Studies Findings.

Specialized Priority Project Lists

Several subcommittees of the TPB develop lists of projects to champion for inclusion in the MTP and TIP. In the past, the Bicycle and Pedestrian Subcommittee has presented their list of priority projects to the TPB. Similarly, the Freight Subcommittee developed a list of highlighted projects and corridors that would enhance the movement of goods throughout the region. This list was presented to the TPB and was the subject of a discussion session at the TPB's Freight Forum. Other lists are also developed by the Regional Public Transportation Subcommittee and the Regional Transportation Resilience Subcommittee. The implementing agencies are encouraged to review these lists and consider which projects can be included in the next MTP and TIP cycle.

Direct Project Selection

The majority of federal transportation funding in the National Capital Region goes directly to the region's three DOTs. This includes two sources traditionally reserved for distribution by MPOs; the Congestion Mitigation and Air Quality Improvement Program (CMAQ) and the Regional Surface Transportation Program (RSTP). Due to the multi-jurisdictional nature of this region, the distribution and allocation authority for those two sources has been proportionally ceded to the District, Maryland, and Virginia. However, there are two federal funding programs for which the TPB plays a more direct role in terms of project selection: the Federal Highway Administration's (FHWA's)

Transportation Alternatives Set-Aside Program and the Federal Transit Administration's (FTA's) Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program.

TRANSPORTATION ALTERNATIVES SET ASIDE PROGRAM

The Transportation Alternatives (TA) Set Aside Program provides funds for small-scale projects such as pedestrian and bicycle facilities, trails, safe routes to school (SRTS) projects, community improvements, and environmental mitigation. These kinds of projects are considered "alternatives" to traditional highway construction.

Every year, the states in the region each receive an allocation under the federal TA Set Aside Program. While the TPB is not the direct recipient for these funds, it is responsible for selecting projects using sub-allocations of those funds for Suburban Maryland, Northern Virginia, and the District of Columbia. The TPB works with each state DOT to solicit applications for the program, assemble a panel of stakeholders to evaluate applications, and finally select projects based on available funding. Each implementing agency will program these funds in the TIP when those projects are ready for implementation.

SECTION 5310 – ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES

The TPB is the designated recipient for the Federal Transit Administration's Enhanced Mobility of Seniors and Individuals with Disabilities Program (§ 5310) for the Washington DC-VA-MD urban area. As first established under MAP-21 and continued under the Infrastructure Investment and Jobs Act of 2021, § 5310 aims to "improve mobility for seniors and individuals with disabilities throughout the country by removing barriers to transportation services and expanding transportation mobility options available." The TPB solicits and reviews applications from independent agencies and selects which projects will be awarded funds. The TPB is responsible for programming these funds in the TIP.

Project and Program Inputs Process

Once the TPB approves the Technical Inputs Solicitation documents, implementing agencies begin providing the inputs for the projects and programs they wish to include in the MTP and TIP. This generally happens in three phases:

1. Submission of regionally significant projects to be included in the air quality conformity and performance analyses.
2. Submission of non-regionally significant projects and programs.
3. Submission of programming funds for projects and programs to be included in the TIP.

The input forms cover several topic areas including specification of limits, implementation timeline, overall cost and programming of various sources of funds, mapping, congestion management, and a battery of questions asking agencies to explain how they considered both federal planning factors and the regional policy guides detailed in the initial TIS document. Following each phase, TPB staff review the project and program records that have been submitted. This is where the TPB closes the feedback loop that began with the issuance of the TIS Policy Guide. TPB staff that are proficient in the technical details of the various subject areas are included in this review process to ascertain whether the responses provided by the implementing agencies are in good standing. Given time constraints, staff cannot reevaluate detailed quantitative analyses provided by the agencies, but if certain responses seem confusing or unexpected, staff will reach out to the submitting agencies to seek clarification.

STATE TRANSPORTATION IMPROVEMENT PROGRAMS AND THE TIP

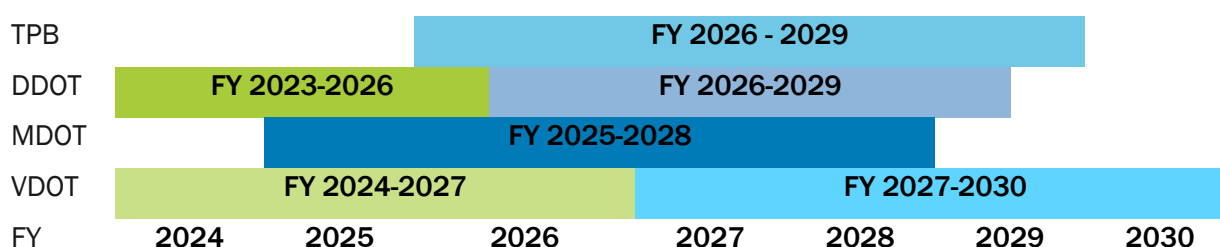
Much as the TPB is responsible for developing a TIP for the Metropolitan Washington region, the states and District must develop a Statewide Transportation Improvement Program, or STIP.

Once the TPB approves a metropolitan transportation plan update, a new TIP, and makes an air quality conformity determination, the documentation is provided to FHWA and FTA under the United States Department of Transportation (USDOT). USDOT transmits the documentation to the U.S. Environmental Protection Agency (EPA). The EPA reviews the air quality conformity analysis and, upon approval, transmits that approval to the FHWA and FTA. Then the two USDOT agencies issue a joint finding that the MTP and TIP meet all federal financial and environmental requirements, thus approving the plan.

The MTP and TIP, as they are produced by the TPB, do not actually get approved by any federal agency. Rather, once the conformity determination of the plan and TIP is made, each agency responsible for developing a STIP takes the tables from their respective sections of Appendix A the TIP and incorporates those into their STIP documents, which are then submitted to FHWA and FTA for approval.

By covering three jurisdictions, each with their own STIP, the National Capital Region faces a unique challenge in metropolitan planning. Much like in the six-year improvement planning processes, DDOT, MDOT, and VDOT all follow their own independent cycles and schedules. MDOT updates its STIP every year, whereas VDOT updates its STIP every three years. DDOT uses the TPB's TIP as the foundation for its STIP, and thus updates theirs every two years. These three cycles may only align once every six years. Even when they do align, a difference in scheduling of just a month or two can mean that MDOT and/or VDOT may be working with funding for a different set of fiscal years until their next state budgets are approved. Figure 26.2 shows the current relationship between the TPB's FY 2026- 2029 TIP and the region's three STIPs.

FIGURE 26.1: RELATIONSHIP BETWEEN FY 2026-2029 TIP AND STIPS



DDOT

In the District of Columbia, DDOT adds the tables for other agencies located within the District: WMATA, the TPB, and the Eastern Federal Lands Highway Division (EFLHD) of the FHWA and these become the programming element of DDOT's STIP. Typically, DDOT has developed its STIP in sync with the TPB's TIP. DDOT is presently still in the development phase of its FY 2026-2029 STIP which is scheduled to receive federal approval midway through FY 2026.

MDOT

Maryland develops its Statewide Transportation Improvement Program (STIP) by combining the MDOT State Highway Administration, MDOT Maryland Transit Administration, and the Maryland Transportation Authority's project funding tables, as well as the tables from Charles, Frederick, Montgomery, and Prince George's counties. That is then combined with the programming content

from six other MPOs across the state to develop its STIP. MDOT's FY 2025-2028 STIP was approved June 30, 2025. Because of the mismatched overlap, some of MDOT's projects may not show funding in the final year of the TIP.

VDOT/VDRPT

The Commonwealth of Virginia has two STIPs: VDOT's STIP includes highway and transit projects and programs that are under the purview of VDOT or any of its 16 independent counties, cities, or towns. The Virginia Department of Rail & Public Transportation (VDRPT) produces a separate TIP including projects and programs from itself, the Potomac & Rappahannock Transportation Commission (PRTC), Virginia Railway Express (VRE), and the Virginia Passenger Rail Authority (VPRA). Virginia's STIPs include the TPB's TIP plus those of 14 other MPOs throughout the Commonwealth.

Both VDOT and VDRPT's STIPs were federally approved in October 2023. Both agencies are currently in the development phase of their FY 2027-2030 STIPs. These are expected to receive federal approval in September of 2026. Until then, funding for some projects in VDOT's STIP will only show funding through FY 2027.

VDOT's FY 2021-2024 STIP was approved in September 2020. Their next STIP covering fiscal years 2024 through 2027 won't be approved until 2023. Until that time, much of VDOT's programming in the TPB's TIP may be limited to the first two years of the FY 2023-2026 TIP.

EXPLORING NEW FUNDING SOURCES

Additional transportation funding sources are constantly being explored given large forecast deficits to meet highway and transit funding needs. As new funding sources are identified or developed, they will inform future iterations of the MTP and TIP.

DMV Moves Explores Additional Funding

Regarding funding for the region's public transportation agencies, particularly Washington Metropolitan Area Transit Authority (WMATA or Metro), in May 2024 the WMATA and Metropolitan Washington Council of Governments (COG) boards came together in a special joint session to authorize the DMVMoves regional transit initiative, a joint effort to review transit funding and regional integration. A task force of elected and appointed officials from across the region was formed to coordinate the initiative. The task force was advised by two advisory groups, one of community group representatives and one of government representatives. The task force considered transit funding needs and scenarios for future costs to operate, maintain, and possibly expand the regional system.

Regional success for transit will require new revenues, and the task force considered potential revenue sources. The task force concluded its work in October 2025, calling for an additional \$460 million a year of capital funding for WMATA to modernize the region's transit system and expressing its support for a DMVMoves Plan for improving integration among the transit services in the region.

The COG and WMATA Boards of Directors endorsed the additional funding request and the DMVMoves Plan on November 17, 2025. If legislatively enacted, the increased funding would provide an additional \$24.3 billion through 2050, an increase of 48 percent above the \$50.8 billion of WMATA's capital expenditures in Visualize 2050. Following local and state action, new funding would be reflected in future Visualize plans.

Consideration of Additional Transportation Revenues Through Congestion Pricing

In the region and across the nation, there is considerable political and popular resistance to increased tolling and to the introduction of additional pricing mechanisms. In 2013, the TPB completed *A Study of the Public Acceptability of Congestion Pricing Through a Deliberative Dialogue with Residents of Metropolitan Washington*.³ The study found that participants agreed that congestion resonates as a critical problem facing the region, with significant personal impacts.

However, participants who said they wanted more transportation alternatives rarely connected the lack of those options to the lack of funding. Some expressed doubts about the reality or extent of funding problems while many lacked confidence in the government's ability to solve transportation problems even if enough funding was available. An additional finding was that participants were generally unaware of the details of how transportation is currently funded, including the fact that the federal gas tax had not been raised in nearly two decades and was not indexed to inflation.

Participants seemed to doubt inherently that congestion pricing would be effective in improving the region's transportation system. Therefore, framing pricing as an effective tool for addressing congestion problems and funding shortfalls did not seem to resonate with the public, despite the opportunity for facility tolling and congestion pricing in cordon or area-specific settings, including the use of variable and dynamic schemes. During the study discussion, participants showed more interest in congestion pricing if the pricing mechanism could effectively create specific and useful transportation alternatives. Participants suggested that congestion pricing could play a role in the future, but proposals would need to clearly indicate how revenues raised through congestion pricing would be used and how transparency and accountability would be ensured in the allocation of these funds.

Private Sector Funding Options

The express lanes projects in Virginia have received national recognition for their innovative use of private-public partnerships. There have been both strongly negative and strongly positive reactions to the role of private firms in building and managing tolled highway networks, even if only new capacity is provided. Even when tolling is done by the public sector, as in the case of the ICC, the Dulles Toll Road, and I-66 inside the Beltway, there is opposition to tolling. There is also opposition to perceived diversion of the funds when highway toll revenues are used to invest in transit capacity expansion, as is the case for the Silver Line. The conversion of free lanes to toll lanes would likely face much greater public opposition and be much more difficult than the leasing of current toll facilities or the implementation of new toll facilities on high-occupancy vehicle (HOV) lanes.

Implications from these current experiences suggest that pricing and public-private partnerships (those that involve tolling) will not be enough to fund significant surface transportation capacity, and that other sources of revenue will be needed. However, managed lanes with tolling may create an opportunity for private sector involvement in providing some financing of any potential project.

In the long-term, new financing mechanisms are important in view of the anticipated shift away from petroleum-based fuels toward new, broad-based user fees that are not dependent on fuel consumption but on the use of the system, e.g., mileage-based or vehicle-miles traveled (VMT)-based fees. For both political and technological reasons, their actual implementation is likely to lie in the medium-term future though significant efforts are underway to develop technological solutions.

³ National Capital Region Transportation Planning Board in partnership with the Brookings Institution (January 2013). *What Do People Think About Congestion Pricing?* http://www1.mwcog.org/store/item.asp?PUBLICATION_ID=470

Phasing in of new transportation revenue exaction will be dependent on a variety of factors, including the needs for revenues, and the availability and attributes of the various revenue options, including the roles and required actions of various levels of government. However, if new revenues are ever to be developed, progress will need to be made in developing public and political support for such strategies.