



January 17, 2019

The Honorable Mark R. Warner  
703 Hart Senate Office Building  
Washington, DC 20510

The Honorable Benjamin L. Cardin  
509 Hart Senate Office Building  
Washington, DC 20510

The Honorable Tim Kaine  
231 Russell Senate Office Building  
Washington, DC 20510

The Honorable Chris Van Hollen  
110 Hart Senate Office Building  
Washington, DC 20510

Dear Senators Warner, Cardin, Kaine and Van Hollen:

Thank you for your letter requesting information regarding the impacts of the current partial federal government shutdown on the Washington Metropolitan Area Transit Authority (Metro). We are proud of the significant progress we have made in recent years in improving Metro's safety and reliability. As a result, ridership is stabilizing as customer satisfaction and on-time performance are at record highs. In response to your questions about the impact of the current shutdown, we have gathered the following information:

1. Last week was the first non-holiday week to assess ridership impacts and travel patterns are beginning to emerge more clearly. Metro's preliminary analysis estimates that the shutdown has resulted in a 16 percent loss in average weekday Metrorail ridership and an 8 percent loss in average weekday Metrobus ridership.<sup>1</sup> We will continue to monitor ridership impacts as the shutdown continues.

As you know, federal employees are eligible to receive transit benefits (SmartBenefits) from the federal government to subsidize their use of Metro for their trips to and from work. We have been advised that if the current shutdown is not resolved by January 21, many affected agencies will be unable to distribute February SmartBenefits to participating federal employees.<sup>2</sup> We are concerned that this could, in turn, lead to a further decline in Metro ridership.

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<sup>1</sup> Based on a comparison of the first full week of January (January 7-11, 2019) to an equivalent week in December (December 10-14, 2018).

<sup>2</sup> The Office of Management and Budget (OMB) has instructed agencies as follows: "OMB has concluded that during a lapse in appropriations, those agencies, programs, or activities affected by the lapse may not "except" obligations of lapsed amounts for employee transit benefits. However, funded agencies, or agencies operating on partial carryover or other available funds, may continue to obligate any available amounts for transit benefits."

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A District of Columbia,  
Maryland and Virginia  
Transit Partnership

2. Our preliminary analysis estimates that for an average weekday when the federal government is closed, Metro is losing approximately \$400,000 in fare and parking revenue.

With regard to operational actions, please know that our highest priority remains safety. We will take whatever measures necessary to ensure safe operations. However, if ridership declines continue, in the short term, Metro could consider staffing or service adjustments, such as scaled back use of eight car trains and extra trains to meet rush hour demands. In the longer term, given that Metro does not have a Rainy Day Fund, we could also seek additional funds from our local funding partners.

As you know, the Federal Transit Administration (FTA) is currently in the process of transitioning its direct safety oversight of Metro to the Washington Metrorail Safety Commission (WMSC). Once transition activities are complete, the FTA must officially certify the WMSC as the Authority's designated State Safety Oversight Agency by the April 15, 2019 statutory deadline. Currently, transition and certification activities are proceeding as planned, but we are warned this could potentially change in a prolonged shutdown scenario. If either the FTA or WMSC are not able to complete the certification by April 15, 2019, as required, the FTA indicates that it would be prohibited by law from issuing a total of \$638 million in FY2019 federal transit funding to all transit providers across the District of Columbia, Maryland and Virginia.<sup>3</sup>

3. Like other transit agencies, we are not receiving our grant funding and cost reimbursements during the shutdown. Through January 10, 2019, the current shutdown has left Metro with unreimbursed expenses of \$33 million. Metro anticipates a funding gap of approximately \$50 million through the end of January due to anticipated unpaid federal reimbursements.<sup>4</sup>

Additional DOT funding sources that are on hold during the current shutdown include the obligation of competitive grants, including our recently awarded \$20 million Better Utilizing Investments to Leverage Development (BUILD) transportation grant to support our planned platform rehabilitation work; and \$15 million in grant revisions that are awaiting FTA review. Furthermore, any significant delay in the apportionment of federal FY 2019 transit funding could

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<sup>3</sup> See FTA Process to Transfer Safety Oversight of Metrorail from Federal Authority to the Washington Metrorail Safety Commission.

<sup>4</sup> Based on an expected \$482 million in federal formula funding and PRIIA funding for Metro this year.

result in Metro starting its new fiscal year on July 1 without federal assistance to support our capital program.<sup>5</sup>

If the federal shutdown continues for an extended period, Metro will be forced to either turn to its Line of Credit (LOC) to support the Capital program, incurring additional costs, or defer important state-of-good-repair projects, which could undermine our recent reliability gains.

4. In addition to the U.S. DOT, the current partial federal government shutdown also impacts the U.S. Department of the Interior (DOI), which includes the National Park Service (NPS). The combined shutdown impacts at DOT and DOI are resulting in delays to anticipated environmental work on a number of projects for Metro. For example, although we have submitted our environmental evaluation for a new Metrorail Heavy Repair and Overhaul Facility, the FTA is not currently able to review this work. Further, we are unable to meet with NPS staff to discuss proceedings to raze the dilapidated Georgetown Foundry Trestle bridge, and unable to submit escalator canopy designs (for Metrorail station facilities located at NPS sites) to the Commission on Fine Arts or the National Capital Planning Commission as required before these projects can proceed.
5. Fortunately, in the short term, we do not anticipate any change to our credit rating.

Thank you again for providing an opportunity to outline the impacts of the current partial federal government shutdown on Metro. If we can provide you with additional information or address any questions, please contact Regina Sullivan at 202-962-1632 or [rsullivan@wmata.com](mailto:rsullivan@wmata.com).

Sincerely,



Paul J. Wiedefeld  
General Manager and  
Chief Executive Officer

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<sup>5</sup> The FTA typically only makes grants available during a fiscal year once it has had five months' worth of appropriations, according to the American Public Transit Association. So far, for FY 2019, the FTA has had less than three months of funding available.