



U.S. Department
of Transportation

**Federal Transit
Administration**

Administrator

1200 New Jersey Avenue, SE
Washington, DC 20590

SEP 26 2013

Dear Colleague:

I know that many of you have been following with interest the current discussions in Washington about funding for the upcoming fiscal year, including funding for the Federal Transit Administration (FTA). The Administration strongly believes that a lapse in funding should not occur. There is enough time for Congress to prevent a lapse in appropriations, and the Administration is willing to work with Congress to enact a short-term continuing resolution to fund critical Government operations and allow Congress the time to complete the full year 2014 appropriations.

Given the realities of the calendar, however, I am required to apprise you of the procedures that FTA will use to implement an orderly shutdown should Congress be unable to pass a funding bill.

As soon as funding lapses on midnight September 30, 2013, FTA staff will not be available to incur further financial obligations starting October 1, 2013. This means FTA will neither obligate grants nor make payments to grantees until Congress passes a funding bill that is signed by the President.

For projects under development, FTA staff will not carry out environmental, legal, civil rights, and other reviews essential for advancing projects to the point of obligation since these are not related to immediate issues of life and safety. FTA's Financial Management Systems will be unavailable for all grant and vendor payments. FTA will also not obligate or outlay funds for research and technical assistance activities because appropriations will not be available to pay the salaries of the staff executing the payments.

As you know, FTA customarily reimburses grantees for ongoing operations and construction projects to enable you to provide transit services to the public and compensate your employees and contractors. Recently, these payments have totaled slightly more than \$198 million per week. During the shutdown period, FTA will not continue any of its unfunded core agency functions. No grants, cooperative agreements, contracts, purchase orders, travel authorizations, or other documents obligating funds will be executed to any of the FTA's 1,300 grantees.

In the event of a shutdown, roughly 95 percent of FTA's staff will be furloughed. The remaining staff will be limited to four individuals who will remain in duty status for the purpose of shutdown and startup activities, as well as emergency needs. A small number of additional employees will remain in duty status because they are compensated either from the emergency legislation providing for either the recovery of Lower Manhattan in the wake of the September 11th attacks or for recovery work from Hurricane Sandy. During a shutdown, however, the work of those employees will be limited exclusively to the oversight of already-awarded Lower Manhattan and Hurricane Sandy recovery efforts.

President Obama, Secretary Foxx and I sincerely hope that Congress will be able to pass a funding bill and obviate the need for all the measures cited above. Still, we want you to be fully informed of our plans so that you might be able to take measures to minimize the impact of any potential suspension of Federal assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Peter Rogoff', with a stylized flourish extending to the right.

Peter Rogoff