



## **Federal Transit Subsidy During a Lapse in Appropriations**

In the event of a lapse in appropriations, responses and responsibilities across government may vary depending on agency funding, as well as how employee salary and benefits are funded.

In 2019 the Office of Management and Budget OMB 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 available amounts for transit benefits.

Agencies with questions on the proper use of funding should consult with their Office of General Counsel and OMB Resource Management Office (RMO). Information on benefit availability follows.

If an employee is furloughed, that employee should not be spending any transit benefits for the duration of a shutdown. Agencies should communicate this information to employees as part agency furlough guidance.

### **Agencies that contract directly with WMATA in the National Capital Region (NCR):**

- Furloughed employees that have received WMATA SmartBenefits on their SmarTrip card should not use that card for the duration of a shutdown. Unspent benefits will be returned to the government at the end of the month. Benefits will remain available on the card for use when appropriations resume.
- If a furloughed employee receives a monthly MARC, VRE, or MTA Commuter Bus order via a SmartBenefits allocation and it is not needed, they may return the order. Agencies should advise the employee to have the returned order postmarked by the end of the month prior to the effective date of the ticket in order to avoid being charged for the pass. If appropriations resume before the end of the month, employees can repurchase passes using available benefits.

### **Agencies serviced by a federal transit benefit administrator:**

- Agencies that contract for their transit benefits through a shared services provider should contact that transit benefit administrator with their agency-specific questions.

US Department of Transportation  
Office of Transit Benefit Policy

<https://www.transportation.gov/transit-benefit-policy>  
[OfficeofTransitBenefitPolicy@dot.gov](mailto:OfficeofTransitBenefitPolicy@dot.gov) | 202-366-7328



## Frequently Asked Questions

**Q1:** If my agency is funded with annual appropriations and is shutdown but I am identified as an *Excepted* employee and required to work, will I get reimbursed for my out-of-pocket transit expenses for home-to-work-to-home once an appropriation is received?

**R1:** If funds are unavailable to provide a transit benefit during a lapse in government funding, once funding is available, you may be eligible to file an SF Form 1164 reimbursable claim through your agency Transit Benefit POC. Contact your agency POC for filing instructions.

**Q2:** What are the recommended procedures an agency should use to reimburse employee transit benefit claims incurred during a lapse in government funding?

**R2:** Your agency may have an option to reimburse employees on an individual basis utilizing a Claim for Reimbursement for Expenditures on official business (Standard Form 1164).

- The Expenditures in block 6 of the SF Form 1164 should be itemized using Code C (Other expenses).
- Each agency will need to develop a process, to include a review of receipts, to submit with the voucher.

The SF Form 1164 will need to be completed and authorized per your agency's policies and procedures and submitted to your approving offices for processing.

**Q3:** What happens if a lapse in appropriations is less than a month and an employee returned their monthly MARC, VRE, or MTA Commuter Bus tickets or passes.

**R3:** The employee will be able to purchase new tickets or passes using the available benefits or store credit from their earlier return.