CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

July 14, 2017

H.J. Res. 76

Joint Resolution granting the consent and approval of Congress for the Commonwealth of Virginia, the State of Maryland, and the District of Columbia to enter into a compact relating to the establishment of the Washington Metrorail Safety Commission

As ordered reported by the House Committee on Judiciary on June 14, 2017

H.J. Res. 76 would grant Congressional consent to a compact establishing a safety commission for the Washington Metropolitan Area Transit Authority (WMATA). A Congressional act is required for WMATA to establish a safety commission. Based on information from WMATA and the Federal Transit Administration (FTA), CBO anticipates that under H.J. Res. 76 WMATA would certify a safety oversight agency during fiscal year 2018.

Establishing this commission would bring WMATA into compliance with federal law that requires an independent agency to oversee safety at the transit authority. The FTA currently serves as the entity responsible for safety oversight of the agency and will continue to do so until the compact is approved and the FTA certifies that WMATA is able to provide safety oversight that complies with FTA guidelines. In fiscal year 2016, the FTA spent about $6 million on safety activities for WMATA and will continue to incur similar costs until the WMATA oversight program is certified, CBO estimates. Thus, implementing the bill would decrease discretionary costs for the FTA by about $6 million a year.

In addition, the FTA is prohibiting the states of Virginia and Maryland and the District of Columbia from obligating about $15 million that was provided in 2017 until WMATA establishes a safety commission. Spending for transportation programs funded from the Highway Trust Fund is controlled by annual limitations on obligations contained in appropriations acts. Section 160 of the Consolidated Appropriations Act, 2017 directed that funds for FTA programs covered by the 2017 obligation limitation (including the $15 million mentioned above) will remain available for obligation through 2022. Upon certification, CBO expects that the $15 million would become available and would subsequently be spent over the 2018-2024 period. Because enacting this joint resolution would effectively make that $15 million available, those outlays would increase direct spending. Therefore, pay-as-you-go procedures apply.

Enacting H.J. Res. 76 would not affect revenues. The bill's direct spending effects are shown in the following table.

CBO Estimate of Pay-As-You-Go Effects for H.J. Res. 76, as ordered reported by the House Committee on the Judiciary on June 14, 2017.

	By Fiscal Year, in Millions of Dollars												
	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2017-2022	2017-2027
						NET INCREASE IN THE DEFICIT							
Statutory Pay-As-You-Go Impact	0	2	4	4	2	1	1	1	0	0	0	13	15

CBO estimates that enacting H.J. Res. 76 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.J. Res. 76 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would benefit Virginia, Maryland, and the District of Columbia by approving the establishment of the Washington Metrorail Safety Commission. Any costs incurred by those entities would result from conditions of federal assistance.

The CBO staff contacts for this estimate are Sarah Puro (for federal costs) and Jon Sperl (for intergovernmental mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.