



U.S. Department
of Transportation

**Federal Highway
Administration**

Notice

Subject:

**DISTRIBUTION OF FEDERAL-AID HIGHWAY PROGRAM OBLIGATION
LIMITATION FOR FISCAL YEAR (FY) 2013 (OCTOBER 1, 2012,
THROUGH MARCH 27, 2013)**

Classification Code

Date

Office of Primary Interest

N 4520.221

October 3, 2012

HCFB-1

1. **What is the purpose of this Notice?** This Notice is to advise the States of the distribution of the limitation on Federal-aid highway program obligations pursuant to the Continuing Appropriations Resolution, 2013, Public Law (Pub. L.) 112-175.
2. **What is the overall limitation on obligations for FY 2013?**
 - a. Section 152 of the Continuing Appropriations Resolution, 2013, sets an overall limitation on obligations at an annual rate of \$39,143,582,670 for FY 2013.
 - b. Pursuant to section 152 of the Continuing Appropriations Resolution, 2013, the distribution of the overall limitation on obligations shall be determined by applying the obligation limitation distribution methodology in section 1102 of the Moving Ahead for Progress in the 21st Century Act (MAP-21), Pub. L. 112-141.¹
 - c. The Continuing Appropriations Resolution, 2013, covers the period from October 1, 2012, through March 27, 2013 (178 days). The pro-rata for that period is 48.77 percent (178 days divided by 365 days). The pro-rata is applied to the resulting distribution of obligation limitation calculated using the annual obligation limitation rate of \$39,143,582,670. Therefore, the total obligation limitation provided by this Notice is \$19,090,325,268 (\$39,143,582,670 multiplied by 48.77 percent).
 - d. Upon the enactment of a full-year appropriations act or a further continuing appropriations resolution, the distribution of obligation limitation will be revised and additional obligation limitation provided as determined under the provisions of such law.
 - e. Unless otherwise specified, all obligation limitation is available for one fiscal year and will expire at the end of FY 2013.

¹ Paragraphs (2) and (3) of section 152(b) of the Continuing Appropriations Resolution, 2013, instruct that section 1102 of MAP-21 be applied with specified changes to the distribution language.

3. **What funds are exempt from the limitation on obligations?** The obligation limitation does not apply to obligations for projects covered under:
- (1) section 125 of title 23, United States Code (U.S.C.);
 - (2) section 147 of the Surface Transportation Assistance Act of 1978;
 - (3) section 9 of the Federal-Aid Highway Act of 1981;
 - (4) sections 131(b) and 131(j) of the Surface Transportation Assistance Act of 1982;
 - (5) sections 149(b) and 149(c) of the Surface Transportation and Uniform Relocation Assistance Act of 1987;
 - (6) sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991;
 - (7) section 157 of title 23, U.S.C., as in effect on the day before the date of enactment of the Transportation Equity Act for the 21st Century;
 - (8) section 105 of title 23, U.S.C, as in effect for fiscal years 1998 through 2004, but only in an amount equal to \$639,000,000 for each of those fiscal years;
 - (9) the Federal-aid highway programs for which obligation authority was made available under the Transportation Equity Act for the 21st Century or subsequent public laws for multiple years or to remain available until used, but only to the extent that the obligation authority has not lapsed or been used;
 - (10) section 105 of title 23, U.S.C., but only in an amount equal to \$639,000,000 for each of fiscal years 2005 through 2012;
 - (11) section 1603 of the SAFETEA-LU, to the extent that funds obligated in accordance with that section were not subject to a limitation on obligations at the time at which the funds were initially made available for obligation; and
 - (12) section 119 of title 23, U.S.C., but only in an amount equal to \$639,000,000 for fiscal year 2013.
4. **How are the obligation limitation amounts associated with allocated programs determined?**

- a. Obligation limitation is provided for administrative expenses and programs authorized under section 104(a) of title 23, U.S.C., and amounts authorized for the Bureau of Transportation Statistics. Obligation limitation is provided equal to the contract authority for each such program, except that the limitation for Federal Highway Administration administrative expenses (excluding amounts deducted for other programs from the amount authorized for administrative expenses) is \$412,000,000 at the annual rate (\$200,932,400 at the pro-rata of 48.77 percent) in addition to \$3,220,000 at the annual rate (\$1,570,394 at the pro-rata of 48.77 percent) to transfer for administrative activities of the Appalachian Regional Commission.²
- b. Obligation limitation is provided for the unobligated balances of contract authority for allocated programs (or for the apportioned Tribal Transportation Program and Federal Lands Access Program) that are carried over from previous fiscal years and for which obligation limitation had been provided in a previous fiscal year.
- c. The ratio between the remaining obligation limitation and the remaining FY 2013 contract authority subject to obligation limitation is determined. The ratio calculated for FY 2013 under the Continuing Appropriations Resolution, 2013, is 94.6 percent.
- d. Obligation limitation is distributed for each of the allocated programs (other than those allocated programs for which obligation limitation has already been provided) and for the Tribal Transportation Program and Federal Lands Access Program. The amount of obligation limitation provided for each such program is determined by multiplying the amount of contract authority authorized for FY 2013 by the above ratio. The authorized contract authority that is not provided associated obligation limitation is “lopped off”, resulting in equal amounts of contract authority and obligation limitation being available for such programs (except for the Tribal Transportation Program, which is not subject to the “lop off” of contract authority).

5. How is the distribution of formula obligation limitation to the States determined?

- a. After obligation limitation is provided for the allocated programs (and for the Tribal Transportation Program and Federal Lands Access Program) as described above, the remaining obligation limitation is distributed to the States as formula obligation limitation. The formula obligation limitation is

² Pursuant to section 101 of Continuing Appropriations Resolution, 2013, the limitation on Federal Highway Administration administrative expenses and the limitation for administrative activities of the Appalachia Regional Commission are continued at the annual rate in the Department of Transportation Appropriations Act, 2012, division C, title I of Pub. L. 112-55.

distributed among the States in the proportions that the FY 2013 apportionments subject to the obligation limitation for each State bears to the total FY 2013 apportionments subject to the obligation limitation for all States.

- b. The attached Table 1 shows the amount of FY 2013 formula obligation limitation distributed to each State for the period from October 1, 2012, through March 27, 2013 (178 days) net of any obligation limitation associated with the penalty funding (see paragraph 6 of this Notice below).

6. Is there any obligation limitation associated with penalty funds?

- a. Yes, obligation limitation is associated with penalty funds for those States that failed to meet the provisions of section 154 of title 23, U.S.C. (Open Container Requirements) or section 164 of title 23, U.S.C. (Minimum Penalties for Repeat Offenders for Driving While Intoxicated or Driving Under the Influence) for FY 2013. The amount of obligation limitation associated with the penalty funds is determined by multiplying the amount of the penalty funds by the ratio of a State's formula obligation limitation to that State's apportionments subject to the obligation limitation.
- b. Along with the penalty funds, the associated obligation limitation will be reserved and then released for use on eligible Highway Safety Improvement Program activities under section 148 of title 23, U.S.C., or transferred to the State's safety program under section 402 of title 23, U.S.C. The amounts of penalty funds for FY 2013 and associated obligation limitation for the period from October 1, 2012, through March 27, 2013 (178 days) are shown in Table 2.

7. What other provisions apply that are related to the distribution of obligation limitation?

- a. Contract authority for transportation research programs under chapter 5 of title 23, U.S.C., or division E of Pub. L. 112-141 is subject to obligation limitation that remains available for a period of 4 fiscal years. Obligation limitation made available for Transportation Research in future fiscal years will be in addition to amounts made available for FY 2013.
- b. The amounts of contract authority "lopped off" from the allocated programs and the Federal Lands Access Program due to the imposition of the obligation limitation will be redistributed to the States. The redistribution will be provided via a separate notice to be issued no later than 30 days after the distribution of the obligation limitation.

- c. After August 1, 2013, the Secretary will revise the distribution of obligation authority made available if a State does not plan to obligate the amount distributed during FY 2013 and redistribute such amount to those States able to obligate amounts in addition to those previously distributed during FY 2013. Procedures for this process (known as August Redistribution) will be provided via a separate notice to be issued in mid-to-late July.
8. **What action is required?** Division Administrators should ensure that copies of this Notice are provided to the State departments of transportation.



Victor M. Mendez
Administrator

Attachments

U. S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION

OBLIGATION LIMITATION DISTRIBUTION FOR THE PERIOD
FROM OCTOBER 1, 2012, THROUGH MARCH 27, 2013, UNDER
THE CONTINUING APPROPRIATIONS RESOLUTION, 2013

STATE	Formula Obligation Limitation
ALABAMA	332,241,417
ALASKA	209,991,008
ARIZONA	313,809,421
ARKANSAS	221,546,953
CALIFORNIA	1,578,480,739
COLORADO	234,485,599
CONNECTICUT	215,596,588
DELAWARE	72,553,758
DISTRICT OF COLUMBIA	68,420,936
FLORIDA	829,691,274
GEORGIA	565,873,313
HAWAII	70,893,410
IDAHO	122,518,894
ILLINOIS	623,450,497
INDIANA	398,921,744
IOWA	205,902,625
KANSAS	165,524,071
KENTUCKY	290,996,437
LOUISIANA	293,156,070
MAINE	79,125,497
MARYLAND	251,707,992
MASSACHUSETTS	266,479,121
MICHIGAN	461,614,627
MINNESOTA	279,396,505
MISSISSIPPI	206,952,563
MISSOURI	405,153,775
MONTANA	175,675,427
NEBRASKA	123,762,083
NEVADA	155,879,132
NEW HAMPSHIRE	72,428,478
NEW JERSEY	438,063,591
NEW MEXICO	153,530,397
NEW YORK	736,550,155
NORTH CAROLINA	435,826,284
NORTH DAKOTA	108,783,843
OHIO	574,934,674
OKLAHOMA	271,330,307
OREGON	214,061,895
PENNSYLVANIA	719,237,792
RHODE ISLAND	93,704,040
SOUTH CAROLINA	274,962,608
SOUTH DAKOTA	118,023,428
TENNESSEE	361,958,964
TEXAS	1,382,901,837
UTAH	137,979,901
VERMONT	87,007,123
VIRGINIA	436,114,382
WASHINGTON	290,578,615
WEST VIRGINIA	187,082,925
WISCONSIN	329,651,308
WYOMING	107,192,085
SUBTOTAL	16,751,706,108
Allocated Programs	2,087,090,342
Sections 154 and 164 Penalties	251,528,818
TOTAL	19,090,325,268

U. S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION

PENALTY FUNDS FOR FY 2013 AND ASSOCIATED OBLIGATION LIMITATION
FOR OCTOBER 1, 2012, THROUGH MARCH 27, 2013, FOR PENALTY PROVISIONS
UNDER SECTIONS 154 AND 164 OF TITLE 23, UNITED STATES CODE

STATE	TOTAL SECTIONS 154 & 164 PENALTY FUNDS ¹	OBLIGATION LIMITATION FOR PENALTIES ²
ALABAMA	0	0
ALASKA	21,147,280	9,759,430
ARIZONA	15,098,988	6,968,154
ARKANSAS	11,306,436	5,217,899
CALIFORNIA	70,535,388	32,551,948
COLORADO	0	0
CONNECTICUT	10,150,795	4,684,573
DELAWARE	3,488,905	1,610,123
DISTRICT OF COLUMBIA	3,309,677	1,527,410
FLORIDA	0	0
GEORGIA	0	0
HAWAII	7,038,798	3,248,392
IDAHO	6,091,212	2,811,083
ILLINOIS	0	0
INDIANA	40,385,734	18,637,939
IOWA	10,509,266	4,850,006
KANSAS	0	0
KENTUCKY	0	0
LOUISIANA	30,809,148	14,218,364
MAINE	3,866,043	1,784,171
MARYLAND	24,123,400	11,132,903
MASSACHUSETTS	0	0
MICHIGAN	0	0
MINNESOTA	13,796,994	6,367,286
MISSISSIPPI	10,566,261	4,876,309
MISSOURI	20,602,715	9,508,114
MONTANA	8,830,878	4,075,433
NEBRASKA	6,216,943	2,869,107
NEVADA	7,326,301	3,381,074
NEW HAMPSHIRE	0	0
NEW JERSEY	0	0
NEW MEXICO	15,896,730	7,336,311
NEW YORK	0	0
NORTH CAROLINA	44,133,384	20,367,473
NORTH DAKOTA	0	0
OHIO	27,625,494	12,749,113
OKLAHOMA	13,916,445	6,422,413
OREGON	10,696,275	4,936,311
PENNSYLVANIA	0	0
RHODE ISLAND	4,628,784	2,136,175
SOUTH CAROLINA	0	0
SOUTH DAKOTA	12,020,996	5,547,667
TENNESSEE	18,014,522	8,313,668
TEXAS	0	0
UTAH	6,891,321	3,180,332
VERMONT	4,236,778	1,955,265
VIRGINIA	21,413,951	9,882,498
WASHINGTON	14,205,376	6,555,754
WEST VIRGINIA	9,446,463	4,359,525
WISCONSIN	0	0
WYOMING	10,954,802	5,055,620
SUBTOTAL	539,282,483	248,877,843
Puerto Rico ³	5,745,950	2,650,975
TOTAL	545,028,433	251,528,818

¹ Penalty funds shown are for FY 2013 (October 1, 2012, through September 30, 2013).

² Associated obligation limitation is for October 1, 2012, through March 27, 2013.

³ Puerto Rico Highway Program funding is allocated funding.