



U.S. Department  
of Transportation  
**Federal Highway  
Administration**

# Notice

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Subject:

**DISTRIBUTION OF FEDERAL-AID HIGHWAY PROGRAM OBLIGATION  
LIMITATION FOR FISCAL YEAR (FY) 2015**

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Classification Code	Date	Office of Primary Interest
<b>N 4520.235</b>	August 14, 2015	<b>HCFB-10</b>

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1. **What is the purpose of this Notice?** This Notice is to advise the States of the revised distribution of the limitation on Federal-aid highway program obligations pursuant to section 1102 of the Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21), Public Law (Pub. L.) 112-141, as amended by the Highway and Transportation Funding Act of 2014 (Extension Act), Pub. L. 113-159, the Highway and Transportation Funding Act of 2015, Pub. L. 114-21, and the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015, Pub. L. 114-41.
2. **Does this Notice cancel FHWA Notice 4520.233?** Yes, this Notice cancels FHWA Notice 4520.233, Distribution of Federal-aid Highway Program Obligation Limitation for the Period Beginning on October 1, 2014, and Ending on July 31, 2015, dated June 3, 2015. The revision to the distribution of obligation limitation is based on the Surface Transportation and Veterans Health Care Choice Improvement Act of 2015, which extends the authorizations for the Federal-aid highway program and amends the provisions related to obligation limitation in section 1102 of MAP-21.
3. **What is the overall limitation on obligations, and what provisions determine its distribution?**
  - a. Section 1102(a) of MAP-21, as amended, provides an overall annual limitation on Federal-aid highway program obligations for FY 2015 of \$40,256,000,000.
  - b. Section 1102(c) of MAP-21, as amended, provides the distribution methodology for the overall limitation on Federal-aid highway program obligations.
  - c. Unless otherwise specified, all obligation limitation is available for 1 fiscal year and will expire at the end of FY 2015.
4. **What funds are exempt from the limitation on obligations?** Pursuant to section 1102(b) of MAP-21, as amended, 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 21<sup>st</sup> 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 21<sup>st</sup> 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 prior to sequestration for each of fiscal years FY 2013 through FY 2015.

**5. 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. The Extension Act, as amended, sets the limitation on administrative expenses at the level contained under the heading 'Federal Highway Administration' in the Department of Transportation Appropriations Act, 2015, title I of division K, Pub. L. 113-235. Therefore, the limitation on Federal Highway Administration administrative expenses is \$426,100,000, and the limitation to be transferred to the Appalachian Regional Commission for administrative activities is \$3,248,000. For the other programs for which funding is authorized under section 104(a) of title 23, U.S.C., and the Bureau of Transportation Statistics, the amount of obligation limitation is equal to the contract authority for each such program.

- 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. The annual amount of obligation limitation is equal to such unobligated balances of contract authority.
- c. The ratio between the remaining amount of obligation limitation and the remaining FY 2015 contract authority subject to obligation limitation is determined. The ratio calculated for FY 2015 under section 1102(c) of MAP-21, as amended, is 94.3 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 for each such program is determined by multiplying the amount of contract authority authorized for FY 2015 by the above ratio. The amount of contract authority authorized that is not provided associated obligation limitation is "lopped off," resulting in amounts of contract authority equal to the amounts of obligation limitation available for such programs (except for the Tribal Transportation Program, which is not subject to the "lop off" of contract authority).

**6. 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 amount of obligation limitation is distributed among the States as formula obligation limitation. The formula obligation limitation is distributed among the States in the proportions that the FY 2015 apportionments subject to the obligation limitation for each

State bear to the total FY 2015 apportionments subject to the obligation limitation for all States.

- b. The attached Table 1 shows the amount of FY 2015 formula obligation limitation distributed to each State, net of any obligation limitation associated with the penalty funding or set aside under the high risk rural roads special rule (see paragraphs 7 and 8 of this Notice below).

**7. 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 2015 as determined by the National Highway Traffic Safety Administration. 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 is 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 and associated obligation limitation for FY 2015 are shown in Table 2.

**8. Is there any obligation limitation set aside under the special rule for high risk rural roads?**

- a. Section 148(g)(1) of title 23, U.S.C., contains a special rule for high risk rural road safety. The special rule requires that, if the fatality rate on rural roads in a State increases over the most recent 2-year period for which data are available, the State must obligate during the next fiscal year for projects on high risk rural roads an amount at least equal to 200 percent of its FY 2009 high risk rural roads set-aside.
- b. The requirement to obligate such amounts during the next fiscal year is implemented by a set-aside of both Highway Safety Improvement Program funds and an equal amount of associated obligation limitation.
- c. The amounts of high risk rural roads special rule funds and associated obligation limitation for FY 2015 are shown in Table 3.

9. **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 2015.
  - 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, 2015, the Secretary will revise the distribution of obligation authority made available if a State does not plan to obligate the amount distributed during FY 2015 and redistribute such amount to those States able to obligate amounts in addition to those previously distributed during FY 2015. Procedures for this process (known as August Redistribution) were provided via FHWA Notice N4520.234, dated July 9, 2015.
10. **What action is required?** Division Administrators should ensure that copies of this Notice are provided to the State departments of transportation.



Gregory G. Nadeau  
Administrator

Attachments

U. S. DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION

OBLIGATION LIMITATION DISTRIBUTION FOR FISCAL YEAR 2015  
UNDER SECTION 1102 OF THE MOVING AHEAD FOR PROGRESS  
IN THE 21ST CENTURY ACT (MAP-21), AS AMENDED

STATE	Formula Obligation Limitation
ALABAMA	678,007,133
ALASKA	427,630,041
ARIZONA	654,606,133
ARKANSAS	452,113,305
CALIFORNIA	3,221,158,425
COLORADO	478,510,534
CONNECTICUT	438,461,949
DELAWARE	144,774,608
DISTRICT OF COLUMBIA	142,742,682
FLORIDA	1,693,156,503
GEORGIA	1,154,773,415
HAWAII	144,672,327
IDAHO	255,760,298
ILLINOIS	1,272,264,102
INDIANA	829,583,896
IOWA	439,266,257
KANSAS	337,785,358
KENTUCKY	593,837,703
LOUISIANA	598,249,681
MAINE	161,471,166
MARYLAND	537,871,633
MASSACHUSETTS	543,796,353
MICHIGAN	942,010,069
MINNESOTA	570,164,546
MISSISSIPPI	422,330,405
MISSOURI	826,801,293
MONTANA	358,501,910
NEBRASKA	258,416,081
NEVADA	324,998,890
NEW HAMPSHIRE	146,903,912
NEW JERSEY	890,611,051
NEW MEXICO	320,796,340
NEW YORK	1,503,055,696
NORTH CAROLINA	932,680,912
NORTH DAKOTA	217,008,774
OHIO	1,173,264,460
OKLAHOMA	563,012,551
OREGON	436,836,996
PENNSYLVANIA	1,467,739,927
RHODE ISLAND	190,321,880
SOUTH CAROLINA	584,666,967
SOUTH DAKOTA	246,511,305
TENNESSEE	738,650,694
TEXAS	3,086,850,782
UTAH	303,484,501
VERMONT	177,555,081
VIRGINIA	889,977,987
WASHINGTON	606,359,200
WEST VIRGINIA	381,781,533
WISCONSIN	672,718,802
WYOMING	218,748,113
SUBTOTAL	34,653,254,160
Allocated Programs	5,220,715,435
Sections 154 and 164 Penalties	367,182,197
High Risk Rural Roads Special Rule	14,848,208
TOTAL	40,256,000,000

U. S. DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION

PENALTY FUNDS AND ASSOCIATED OBLIGATION LIMITATION  
FOR FISCAL YEAR 2015 FOR PENALTY PROVISIONS  
UNDER SECTIONS 154 AND 164 OF TITLE 23, UNITED STATES CODE

STATE	TOTAL SECTIONS 154 & 164 PENALTY FUNDS	OBLIGATION LIMITATION FOR PENALTIES
ALABAMA	0	0
ALASKA	21,123,284	19,912,964
ARIZONA	0	0
ARKANSAS	11,293,608	10,646,508
CALIFORNIA	70,455,356	66,418,410
COLORADO	0	0
CONNECTICUT	10,139,278	9,558,318
DELAWARE	6,969,892	6,570,532
DISTRICT OF COLUMBIA	0	0
FLORIDA	0	0
GEORGIA	0	0
HAWAII	7,030,812	6,627,962
IDAHO	0	0
ILLINOIS	0	0
INDIANA	20,169,954	19,014,257
IOWA	0	0
KANSAS	0	0
KENTUCKY	0	0
LOUISIANA	30,774,190	29,010,892
MAINE	3,861,656	3,640,391
MARYLAND	0	0
MASSACHUSETTS	0	0
MICHIGAN	0	0
MINNESOTA	13,781,339	12,991,697
MISSISSIPPI	10,554,272	9,949,534
MISSOURI	20,579,338	19,400,184
MONTANA	8,820,859	8,315,442
NEBRASKA	0	0
NEVADA	0	0
NEW HAMPSHIRE	0	0
NEW JERSEY	0	0
NEW MEXICO	7,939,346	7,484,438
NEW YORK	0	0
NORTH CAROLINA	0	0
NORTH DAKOTA	5,289,006	4,985,957
OHIO	27,594,148	26,013,060
OKLAHOMA	0	0
OREGON	10,684,138	10,071,959
PENNSYLVANIA	0	0
RHODE ISLAND	4,623,531	4,358,612
SOUTH CAROLINA	14,651,375	13,811,882
SOUTH DAKOTA	6,003,678	5,659,680
TENNESSEE	17,994,081	16,963,057
TEXAS	0	0
UTAH	7,419,080	6,993,982
VERMONT	4,231,970	3,989,487
VIRGINIA	21,389,653	20,164,070
WASHINGTON	0	0
WEST VIRGINIA	9,435,745	8,895,096
WISCONSIN	0	0
WYOMING	10,942,372	10,315,396
SUBTOTAL	383,751,961	361,763,767
Puerto Rico	5,745,950	5,418,430
TOTAL	389,497,911	367,182,197

NOTE: Puerto Rico Highway Program is an allocated program and is not treated as an apportionment to the States.

U. S. DEPARTMENT OF TRANSPORTATION  
FEDERAL HIGHWAY ADMINISTRATION

HIGH RISK RURAL ROADS (HRRR) SPECIAL RULE FUNDS AND ASSOCIATED  
OBLIGATION LIMITATION FOR FISCAL YEAR 2015 PURSUANT TO  
SECTION 148(g)(1) OF TITLE 23, UNITED STATES CODE

STATE	TOTAL HRRR SPECIAL RULE FUNDS	OBLIGATION LIMITATION FOR HRRR SPECIAL RULE
ALABAMA	0	0
ALASKA	900,000	900,000
ARIZONA	0	0
ARKANSAS	0	0
CALIFORNIA	0	0
COLORADO	0	0
CONNECTICUT	1,502,890	1,502,890
DELAWARE	0	0
DISTRICT OF COLUMBIA	0	0
FLORIDA	0	0
GEORGIA	0	0
HAWAII	0	0
IDAHO	0	0
ILLINOIS	0	0
INDIANA	3,513,290	3,513,290
IOWA	0	0
KANSAS	0	0
KENTUCKY	0	0
LOUISIANA	0	0
MAINE	0	0
MARYLAND	0	0
MASSACHUSETTS	0	0
MICHIGAN	0	0
MINNESOTA	0	0
MISSISSIPPI	0	0
MISSOURI	0	0
MONTANA	0	0
NEBRASKA	0	0
NEVADA	0	0
NEW HAMPSHIRE	900,000	900,000
NEW JERSEY	3,333,210	3,333,210
NEW MEXICO	0	0
NEW YORK	0	0
NORTH CAROLINA	0	0
NORTH DAKOTA	0	0
OHIO	0	0
OKLAHOMA	3,798,818	3,798,818
OREGON	0	0
PENNSYLVANIA	0	0
RHODE ISLAND	900,000	900,000
SOUTH CAROLINA	0	0
SOUTH DAKOTA	0	0
TENNESSEE	0	0
TEXAS	0	0
UTAH	0	0
VERMONT	0	0
VIRGINIA	0	0
WASHINGTON	0	0
WEST VIRGINIA	0	0
WISCONSIN	0	0
WYOMING	0	0
TOTAL	14,848,208	14,848,208