

# Local Non-Rural Program Obligation Thermometer

## August 4, 2021

**Local Agencies: Continue to submit your projects for obligation. Even if we are nearly out of funds for the fiscal year, additional obligation authority may become available.**

**Note: A loan of \$10 million of obligation authority was made from trunkline to the local non-RTF program to allow for more local obligations. It is intended that the local program will pay back the trunkline program these funds from August Redistribution. The additional obligation authority is added to the total in this notice.**

As of Jan. 19, 2021, the Federal Highway Administration (FHWA) has provided 293.4 million of obligation limitation for the Local Non-Rural Federal Aid Program.<sup>1,2</sup> Additionally, some obligation authority may be added to or removed from the local highway program due to voluntary transfers from other sources (e.g., Transit, Earmarks, Grants, Local Federal Fund Exchange, and Other). Obligation limitation is available to local agencies on a first come, first served basis. Currently, obligation limitation is available from Oct. 1, 2020, through Sept. 30, 2021, based on the Department of Transportation Appropriations Act, 2021, Public Law 116-260. The obligation limit will be updated if and when the obligation limit changes.

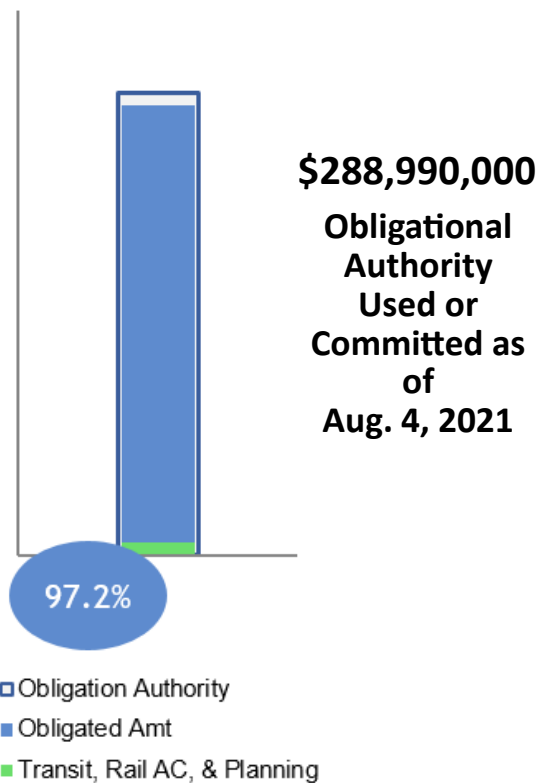
Federal obligations occur on new projects, cost adjustments to prior year projects, and the conversion of prior year Advance Construct Projects.

The Local Non-Rural Obligation Thermometer is a tool intended to give local transportation agencies information regarding the status of Federal-aid Obligation Limitation. The Michigan Department of Transportation intends to update the thermometer at least monthly and perhaps more frequently as we reach the end of the fiscal year. Obligations occur daily and the thermometer is by no means intended to be the official accounting of obligations. Rather, it is a general description of obligations that occurred at the time the thermometer was published.

The obligational authority being set aside at this time for metropolitan planning, local technical assistance programs, conversion of local rail advance construct projects, and projects that will be flexed to transit is estimated at \$8 million. FY 2021 transit projects have been flexed. **As projects adjust, the amount of obligation authority available is subject to change.**

Local Non-Rural Obligation  
Limit

**\$297,196,000**



Footnotes:

<sup>1</sup> Local obligation limitation is 25 percent of the amount of formula obligation limitation and limitation-exempt amounts received by the State of Michigan. It is then further separated for the Rural Task Force Program from all other local funding categories.

<sup>2</sup> Based on FHWA Notice N4520.268, Jan. 19, 2021.

