

Local Non-Rural Program Obligation Thermometer

September 1, 2021

On Aug. 30, 2021 Michigan received notification of August Redistribution resulting in an increase of obligation authority to the Local Non-Rural Program of \$26 million.

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.^{1,2} 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.

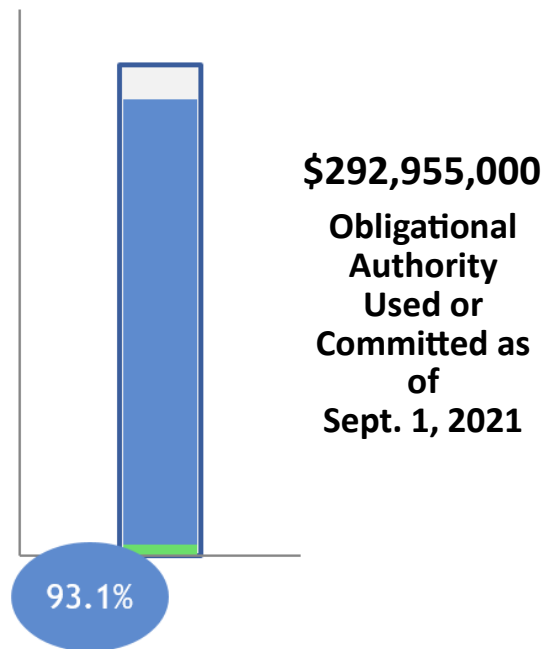
Federal obligations occur on new projects, cost adjustments to prior year projects, and the conversion of prior year Advance Construct Projects.

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 \$2.6 million. An additional \$3.4 million is being held for the Bridge Bundle Pilot Project for a total of \$6 million set aside. 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

\$314,717,000



- Obligation Authority
- Obligated Amt
- Transit, Rail, Planning, etc.

Footnotes:

¹ 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.

² Based on FHWA Notice N4520.268, Jan. 19, 2021.

