



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

Memorandum

Subject: **ACTION:** Highway Infrastructure Programs Projects
designated in Division F of the Consolidated
Appropriations Act, 2024 Allocation of Y603 Funds
[CFDA No. 20.205]

Date: May 10, 2024

In Reply
Refer to: HISM-40

From: Peter J. Stephanos **PETER JOHN
STEPHANOS**
Director, Office of Stewardship, Oversight,
and Management

Digitally signed by PETER JOHN
STEPHANOS
Date: 2024.05.10 09:38:49 -04'00'

To: Brian R. Bezio
Chief Financial Officer

Division Administrators

The Transportation, Housing and Urban Development, and related Agencies Appropriations Act, 2024 (Division F of the Consolidated Appropriations Act, 2024 (Public Law 118-42)) appropriates a total of \$2,224,676,687 for Highway Infrastructure Programs (HIP) from the General Fund of the Treasury for fiscal year (FY) 2024. Of such amount, \$1,884,176,687 is set aside for “Community Project Funding / Congressionally Directed Spending.” The project descriptions for the 690 projects can be found in the “Community Project Funding / Congressionally Directed Spending” table in the Joint Explanatory Statement incorporated by reference in Division F of the Consolidated Appropriations Act, 2024, and are also included in the attachment to this memo. With this memorandum, FHWA is allocating \$1,862,296,687 for 679 projects to State departments of transportation (DOTs) and territories. The Office of Federal Lands Highway (FLH) will distribute funding for 11 tribal community projects totaling \$21,880,000. These funds are in addition to any other funds, including contract authority, provided in FY 2024. This funding is not subject to any obligation limitation that applies to Federal-aid contract authority.

With this memorandum, we are requesting the Budget Execution Team in the Office of Budget to allocate in the Fiscal Management Information System (FMIS) **\$1,862,296,687 for 679 projects** to the States, as indicated in the attachment to this memorandum (**FMIS program code Y603; DELPHI fund value 1570651B50.**)

These funds remain available for obligation through September 30, 2027. Any such amounts not obligated on or before September 30, 2027, shall expire. Once the period for obligation

has expired, these funds will only remain available for adjusting and liquidating obligations as authorized in accordance with title 31, United States Code (U.S.C.), section 1553. Obligated earmark balances are available for expenses properly charged to the account and incurred until September 30, 2032. After that date, any unexpended balances shall be cancelled in accordance with 31 U.S.C. 1552 and shall no longer be available for obligation or expenditure.

Demo IDs have been assigned for each project to properly track these funds to ensure that they are only obligated and expended for the specific project for which they were designated. Each project has been assigned a unique Demo ID that links the funding to the specific project description as listed in the Joint Explanatory Statement accompanying the Consolidated Appropriations Act, 2024. Since the project description defines the scope of work on which the funds may be legally expended, the funding for the project can only be utilized for the activities within the scope and physical limits of the project as defined by the project description. The Demo IDs under which these funds are being distributed are also included in the attachment to this memorandum.

Except as otherwise provided, these funds are to be administered as if apportioned under chapter 1 of title 23, U.S.C.¹ Therefore, these projects are to be administered as title 23 projects in accordance with the applicable statutory and regulatory provisions contained in title 23, U.S.C. and Code of Federal Regulations (CFR), as well as other applicable Federal requirements, such as the National Environmental Policy Act (42 U.S.C. 4321, et seq.) and the Disadvantaged Business Enterprise Program. The State or territory, through its DOT in accordance with 23 U.S.C. 302, is the direct recipient of funds allocated by this memorandum and is responsible for administration of these funds. If the State DOT acts as a pass-through entity of Federal assistance, the State DOT maintains the passthrough responsibilities specified in 2 CFR 200.332 and 23 U.S.C. 106(g)(4).

The maximum Federal share for these projects is governed by 23 U.S.C. 120, as amended. It is generally 80 percent (See 23 U.S.C. 120(b)). The maximum Federal share for projects on the Interstate System is 90 percent unless the project adds lanes that are not high-occupancy-vehicle or auxiliary lanes (23 U.S.C. 120(a)) and eligible toll facilities (23 U.S.C. 129(a)(5)) which are limited to 80 percent. The Federal share for a project in the territories is 100% (23 U.S.C. 120(g)). See the [Federal Share Fact Sheet](#) for additional information.

Generally, project agreements should not be modified to replace one Federal fund category with another unless specifically authorized by statute (23 CFR 630.110(a)). For additional information on earmarked funds, see [Q&As on Obligation of Earmarked Funds for Federal-Aid Projects](#).

Earmarked funds shall not participate in costs incurred prior to the date of project agreement (23 CFR 630.106(b)).

Division F of the Consolidated Appropriations Act, 2024, section 419(b), revised a project description from the Consolidated Appropriations Act, 2023, in the State of New York. That

¹ Tribal projects funded from these amounts are to be administered as if allocated under chapter 2 of title 23, U.S.C.

project, Demo ID NY792, has been amended from “Road Raising & Flood Resiliency for Amity Harbor and American Venice Project” to “Town of Babylon Federal Aid Roadway Improvement Project.” The project description will be revised in FMIS.

The State of Washington has requested in writing that the funds authorized for Demo ID WA372 “Hood River - White Salmon Interstate Bridge Replacement” 2024 project be transferred to the State of Oregon for obligation and administration in accordance with 23 U.S.C. 104(f)(3).

Further, we ask that you remind the States and territories that the Community Project Funding / Congressionally Directed Spending provided in FY 2022 (program code Y928) will expire at the end of FY 2025, and the funds provided in FY 2023 (program code Y926) will expire at the end of FY 2026. These funds will remain available for obligation in FMIS until September 30 of the applicable year.

For a project authorized from FY 2022 to FY 2024, if your staff becomes aware that 1) a State or territory will not use the funds, 2) the funds are not needed, or 3) the project otherwise cannot be advanced, please report that information to my office.

By copy of this memorandum, we request that the Budget Execution Team (HCFB-12) in the Office of Budget to update FMIS as follows:

- 1) enter the Demo IDs identified in the attached table;
- 2) process this allocation of funds, with an equal amount of obligation authority; and,
- 3) revise the project description for Demo ID NY792 to “Town of Babylon Federal Aid Roadway Improvement Project”.

If there are any questions or to provide project status information as requested above, please contact Tony DeSimone at 317-226-5307 or by email at Anthony.DeSimone@dot.gov.

Attachment

cc:

HISM-1 (Stephanos, Peter)
HISM-40 (Pratt, Samantha; Bartz, David; DeSimone, Anthony)
HIF-20 (Young, Charlena; Sullivan, Amy)
HCFB-12 (Kwok, Lily; Solomon, Betel)
HPLS (Lomax, Brian; Dane, Heather; Guendert, Zan)
FHWA-#ALLDA-OfficialMailbox
FHWA-#ALLDFS-OfficialMailbox
FHWA Financial Management-All
FHWA, CFO (Official Mailbox)