

Memorandum

Subject: ACTIONS: SAFETEA-LU, Section 1806
Additional Authorization To States With Indian Reservations
Allocation of FY 2005 Funds - Arizona, New Mexico and Utah

Date: January 27, 2006

From: Dwight A. Horne *Dwight A. Horne*
Director, Office of Program Administration

Reply to
Attn. of:
HIPA-10

To: Division Administrators
Arizona, New Mexico, and Utah

Section 1806 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU, P.L. 109-59) amended Section 1214(d)(5)(A) of the Transportation Equity Act for the 21st Century (TEA-21) that provided additional funding for States that have within their boundaries all or part of an Indian reservation having a land area of 10,000,000 acres or more. The only Indian reservation meeting this criterion is the Navajo Indian Reservation in Arizona, New Mexico, and Utah. Under the provision of Section 1214(d)(1), these funds are to be equally divided among the three States.

Each County within any of these three States, that has a public road meeting the following criteria, is eligible to apply to the State for these funds to be used to maintain these public roads. The public road must be:

1. One that is within, adjacent to, or provides access to the Indian reservation described above;
2. Used by a school bus to transport children to or from school or head start program carried out under the Head Start Act; and
3. Maintained by the County in which the road is located.

The State shall provide the funding directly to each county based on the amount requested. If more funding is requested from the counties than is available to the State, the State shall determine an equitable distribution of funds among the eligible counties that apply. These funds are to supplement, not replace, any funding provided by the Bureau of Indian Affairs for road maintenance on Indian reservations or any funding provided by the State to the county for road maintenance.

In accordance with Section 1214(d)(5)(A) of TEA-21, as amended by Section 1806 of SAFETEA-LU, \$1,800,000 is available from the Highway Trust Fund each of fiscal years 2005 through 2009. In applying the provisions of Section 1102(f) of SAFETEA-LU concerning

redistribution of certain allocated funds, only the amount for which obligation authority is provided will be made available. For FY 2005, only 85.5 percent or \$1,539,000 is available. The remaining funds will not be available for this activity, but instead are distributed to the States in accordance with Section 1102(f) of SAFETEA-LU.

We are, therefore, allocating \$513,000 of program code LJ90, (DELPHI Accounting string 15X0R57050-050), funds each to Arizona, New Mexico and Utah, with an equal amount of obligation authority. In accordance with Section 1214(d)(4), any of these funds, that are not obligated by January 26, 2007, will be withdrawn and apportioned among all the States in accordance with 23 U.S.C. §104(b).

Additionally, this allocation of funds and accompanying obligation authority are available only for purposes set forth in this memorandum. Any funds not obligated as of September 15, 2006, will be withdrawn, along with the accompanying obligation authority (OA), for the August redistribution of OA. The withdrawn funds will be returned the following fiscal year. If they are not subsequently obligated by January 26, 2007, they will be withdrawn in accordance with Section 1214(d)(4), as discussed above.

The Federal share for these funds is to be determined in accordance with 23 U.S.C. §120. If the funds are used for a project on a Federal-aid highway that lies within the Indian reservation 23 U.S.C. §120(f) may be applied.

By copy of this memorandum, the Finance Division of the Office of the Chief Financial Officer is requested to process this allocation.

If you have any question, please contact Joseph Taylor, of my staff, on 202-366-1564.

FHWA:HIPA:JCTaylor:61564:01/27/06

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cc:

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