



Memorandum

Subject: **INFORMATION:** Treatment of Carryover Funds Under the
FAST Act

Date: February 12, 2016

From: *Brian Bezio*
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In Reply Refer To:
HCFB-30

To: Associate Administrators
Chief Counsel
Directors of Field Services
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The Fixing America's Surface Transportation Act (FAST Act) implementation will be similar to MAP-21 implementation in terms of applying the policy regarding treatment of carryover funds for continued, consolidated, and discontinued programs. The attached table summarizes the treatment of carryover funding for many pre-FAST Act programs.

Generally speaking, there are three categories to consider when determining which rules apply when obligating carryover funds: "old rules" (MAP-21) or "new rules" (FAST Act).

Category 1: Program is discontinued; balances use old rules. For any discontinued programs under the FAST Act, carryover balances use old (MAP-21) rules. Under this category, some eligibilities may exist within a new program under the FAST Act, but there may be no distinct program or funding for this purpose. This category includes programs where a new program with the same name was authorized but the new program's eligibilities, structure, etc. are significantly different than the old program. Unlike MAP-21, few programs fall under this category under the FAST Act. The FAST Act continued most MAP-21 programs. Funds from these programs are at risk of expiring based on their period of availability.

Category 2: Program is continued; balances use new rules. For programs that are continued under the FAST Act, carryover balances use new (FAST Act) rules for new obligations beginning with the effective date of the Act. Under this category, a program is a distinct entity with associated funding. The program serves the same overarching purpose as a previous program with similar guiding provisions. Deleted or repealed eligibilities or other provisions may not be applied for new obligations unless otherwise authorized by the Office of the Chief Financial Officer and the applicable program office.

Category 3: Program is consolidated within new program; balances use old rules.

For a program that is consolidated within a new program, fund balances use old (MAP-21) rules. Eligibilities may exist within a new program but there is no distinct program or funding for this purpose. Balances use old rules because the new program's eligibilities are significantly broader than the old program's eligibilities.

The information above should serve as a helpful guide. However, should you have specific questions about the application of old or new rules, please contact Anthony DeSimone in the Office of the Chief Financial Officer at (317) 226-5307 or Steve Rochlis in the Office of the Chief Counsel at (202) 366-1395. For program specific eligibilities, please contact the appropriate program office.

Attachment