



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

Memorandum

Subject: **ACTION:** Allocation of Remaining
FY 2005 Section 117 Funds

Date: February 28, 2006

Dwight A. Horne

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

Reply to
Attn. of: HIPA-10

To: Division Administrators

Section 117 of the Transportation, Treasury, Independent Agencies, and General Government Appropriations Act, 2005 (Division H of Consolidated Appropriations Act, 2005, Public Law 108-447) appropriated \$1,211,360,000 for the surface transportation projects (795 projects) identified under this section in the Joint Explanatory Statement of the Managers of the Conference Report (House Report 108-792). This \$1,211,360,000 has been reduced to \$1,191,891,144 because the 4.1 percent takedown of all sums authorized for the five core formula programs, Federal Lands Highway Program (FLHP), the Appalachian Development Highway System (ADHS) program, and the minimum guarantee program was not enough to fully fund the Section 117 projects. Therefore, the amount available for each project has been proportionately reduced. At this time, we are allocating the remaining balance of contract authority with an equal amount of OA.

We are, therefore, allocating the remaining \$390,778,397 of program code H660 funds to the States, with an equal amount of obligation authority, as indicated in the attachment. These funds are available until expended, and the Federal share is 100 percent. Also, the obligation authority for these projects are not subject to the annual August redistribution. Since the contract authority is available until expended and the obligation authority is available until used, there is no deadline by which the funds must be obligated or transferred to another Federal agency. Additionally, with the enactment of SAFETEA-LU, the Section 117 projects are no longer subject to obligation limitation or the 0.80 percent across-the-board rescission.

Section 117 also provided for transfer of these funds to another Federal agency at the request of the State, for which we have received numerous requests. The funds and OA for these projects have been withdrawn from the States and have been allocated to the respective agencies. Please see Attachment 2 for details.



By copy of this memorandum, the Finance Division of the Office of Budget and Finance is requested to process the allocations, as listed in the attachment to this memorandum.

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

2 Attachments