

Rural Task Force (RTF)

Obligation Thermometer

May 17, 2024

As of March 25, 2024, the Federal Highway Administration (FHWA) has provided \$38.8 million of obligation limitation for the Local 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, 2023, through Sep. 30, 2024, based on Department of Transportation Appropriations Act, 2024, Title I of Division F, Public Law (Pub. L.) 118-42. The obligation limit will be updated if and when the obligation limit changes.

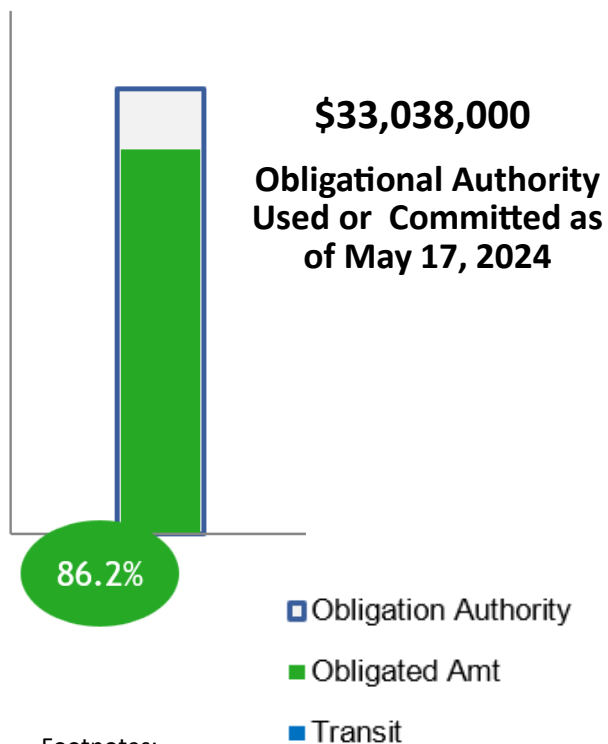
Federal obligations occur on new projects, cost adjustments to prior year projects, and the conversion of prior year Advance Construct Projects.

The Local 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.

As projects adjust, the amount of obligation authority available is subject to change.

Local RTF Obligation Limit

\$38,780,000



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 RTF Program from all other local funding categories.

² Based on FHWA Notice N 4520.284, Mar. 25, 2024.

