Memorandum

U.S. Department
of Transportation
Federal Highway Administration

Subject: **ACTION:** Highway Infrastructure Program Projects designated in Department of Transportation Appropriations Act, 2026, Allocation of Y614, Y616, and Y617 Funds
[CFDA No. 20.205]

Date: April 24, 2026

In Reply
Refer to: HISM-40

From: Brian Hogge
Director, Office of Stewardship, Oversight, and Management

To: Brian R. Bezio
Chief Financial Officer

Division Administrators

The Department of Transportation Appropriations Act, 2026 (Title I of Division D of the Consolidated Appropriations Act, 2026 (Public Law 119-75)) (The Act) appropriates $1,514,721,091 for "Community Project Funding / Congressionally Directed Spending" from the General Fund of the Treasury for fiscal year (FY) 2026 as a set aside from the "Federal Highway Administration – Highway Infrastructure Programs" under title 1 of The Act. The project descriptions for the 608 projects can be found in the "Community Project Funding / Congressionally Directed Spending" table in the Explanatory Statement incorporated by reference in The Act (Sec. 4 of Public Law 119-75). With this memorandum, the Federal Highway Administration (FHWA) is allocating $1,503,700,091 for 605 projects to State departments of transportation (DOTs), territories, and tribes (Table 1 and 2). In addition, $11,021,000 for the remaining three projects will be distributed by Federal Lands Highway Division (Table 3). These funds are in addition to any other funds, including contract authority, provided in FY 2026. 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) **$1,503,700,091** for **605** projects, as indicated in the attachment to this memorandum (**FMIS program codes**

Y614, Y616, and Y617; DELPHI fund values 1590569B50 050, 1590651B50 050, and 1590651B50 114, respectively) as shown in Table 1 and Table 2.

These funds remain available for obligation through September 30, 2029. Any such amounts not obligated on or before September 30, 2029, 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, 2034. 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 as included in the attached tables. The Demo ID links the funding to the specific project description as listed in the Explanatory Statement referenced in section 4 of the Consolidated Appropriations Act, 2026. 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.

Except as otherwise provided, these funds are to be administered as if apportioned under chapter 1 of title 23, U.S.C. 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.). Tribal projects funded from these amounts are to be administered as if allocated under chapter 2 of title 23, U.S.C. 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 amounts made available for these projects shall not diminish or prejudice any application or geographic region for other discretionary grant or loan awards made by the Department of Transportation.

Further, section 421 of The Act amends the following projects:

- In (c)(2), Demo ID WA388 – “Cle Elum—First Street Downtown Revitalization” is amended to be described as “Cle Elum—Downtown Revitalization”, and;
- In (c)(18), Demo ID MI371 –“S. Roosevelt Road Share Use Path” is amended to be described as “Shared Use Path”.

We request the Budget Execution Team to revise these Demo ID project descriptions in FMIS.

The maximum Federal share for these projects is governed by 23 U.S.C. 120 or chapter 2 of title 23, as applicable. The Federal share 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)).

Further, we ask that you remind the States and territories that the Community Project Funding / Congressionally Directed Spending provided in FY 2023 (program code Y926) will expire at the end of FY 2026 and the funds provided in FY 2024 (program code Y603) will expire at the end of FY 2027. These funds will remain available for obligation in FMIS until September 30 of the applicable year.

For any Community Project Funding / Congressionally Directed Spending authorized from FY 2022 through FY 2026, 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 tables;
2) process this allocation of funds, with an equal amount of obligation authority; and,
3) modify the descriptions for Demo IDs WA388 and MI371.

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.

Attachments

cc:

HISM-1 (Hogge, Brian)
HISM-40 (Pratt, Samantha; Bartz, David; DeSimone, Anthony)
HIF-20 (Terreah Brown)
HCFB-12 (Kwok, Lily)
HPLS (Lomax, Brian; Dean, Heather; Guendert, Zan)
FHWA-#ALLDA-OfficialMailbox
FHWA-#ALLDFS-OfficialMailbox
FHWA Financial Management-All
FHWA, CFO (Official Mailbox)
FLHD-TTP (Bird, Matthew)
HFFI (Ramirez, Frances)