U.S. Department of Transportation
Federal Highway Administration

Memorandum

Subject: **ACTION:** 23 U.S.C. 148(g)(1) High Risk Rural Roads Special Rule

Date: NOV 30 2017

From: Renee Sigel Renee Sigel
Director, Office of Safety Programs

In Reply Refer To: HSSP-1

To: Division Administrators
Director of Field Services

Purpose

The purpose of this memorandum is to provide information on the High Risk Rural Roads (HRRR) Special Rule obligation requirements and the next steps if a State subject to the HRRR Special Rule does not fully obligate HRRR Special Rule set-aside funds and associated obligation limitation. This information will ensure consistency among Division Offices and provides clarification of the existing approach in the implementation and execution of HRRR Special Rule.

Background

Section 148(g)(l) of title 23, United States Code (U.S.C.), establishes a HRRR Special Rule, which requires States where the fatality rate on rural roads increased over the most recent 2-year period, to obligate in the next fiscal year for HRRR projects an amount equal to at least 200 percent of the amount of HRRR funds the State received for FY 2009. For States that triggered the HRRR Special Rule, the Office of the Chief Financial Officer sets aside a portion of the State's Highway Safety Improvement Program (HSIP) funds along with an equal amount of associated 1-year obligation limitation.

Implementation

When the HRRR Special Rule is triggered, the State is required to obligate HRRR Special Rule funds in the current fiscal year. If a State is unable to obligate all of the HRRR Special Rule funds by the end of the fiscal year, the Division Office should notify the Office of Safety as soon as possible. The Office of Safety will continue to monitor States' HRRR Special Rule obligation rate status and provide regular updates to Division Offices.

Obligation limitation associated with HRRR Special Rule funds is only available for one fiscal year. If a State cannot obligate HRRR Special Rule funds in the first fiscal year, the State should explain why it is unable to obligate the HRRR Special Rule funds and must return any unused obligation limitation for August

Redistribution. The State will be required to set aside formula obligation limitation in the second fiscal year for use only with the carried over HRRR Special Rule funds.

If a State de-obligates HRRR Special Rule funds due to project underruns or project cancellation, the State must obligate the remaining HRRR Special Rule funds on another HRRR project by the end of the fiscal year. De-obligating funds for any other purpose, such as to free them up, replace with other funds, or use reverse advance construction, is not authorized and would not be valid de-obligations.

Table 1 outlines the HRRR Special Rule requirements, funding, and obligation limitation by year.

The Office of Safety will continue to reach out to those States affected by the HRRR Special Rule and monitor obligation rates. Please contact Kelly Morton with any questions or concerns via email (kelly.morton@dot.gov) or at 602-382-8976.

cc: Chief Financial Officer
Safety Field
Office of Chief Counsel
Office of Policy

Attachments

Tablel. High Risk Rural Road Special Rule (HRRR SR) Requirements, Funding, and Obligation Limitation

	Year 1 FY HRRR Special Rule Triggered	**Year 2 If Unobligated Balance Remains**
Requirement	States are required to obligate all Special Rule funds in the triggered FY (Year 1)	States required to obligate remaining HRRR SR funds
Funds (Contract Authority)	Set aside by HCF with designated program code	Funds will continue to be available for obligation
Obligation Limitation	Set aside HRRR SR obligation limitation for Year 1 funds in an amount equal to the contract authority	State required to set aside formula obligation limitation in an amount equal to the HRRR funds carried over from the prior year
August Redistribution	State must return unused set aside HRRR SR obligation limitation for August Redistribution. If not returned, the obligation limitation will expire and be removed from FMIS. Returned limitation will not be restored in the following year	State must return unused set aside formula obligation limitation for August Redistribution. If not returned, the obligation limitation will expire and be removed from FMIS. Returned limitation will not be restored in the following year
De-obligation	If a State de-obligates previous years' HRRR SR funds for a legitimate reason, funds must be re-obligated that same FY on one or more HRRR projects.	