

Two new freight programs established in the FAST Act

National Highway Freight Program (NHFP) – creates a formula program funded at \$1.15 to \$1.5 billion per year.

- The program is focused on a number of goals such as
 - strengthening the contribution of the nation’s freight network to the economic competitiveness of the U.S.,
 - reducing the cost of freight transportation,
 - improving the condition of the national freight network, and
 - improving the productivity and the efficiency of the national highway freight network.
- A state’s share of funds is based on its percentage of the total base apportionments (1.26 percent for Iowa). Current estimate of NHFP funding for Iowa is:

✓ FY 2016	\$14.4 million
✓ FY 2017	\$13.7 million
✓ FY 2018	\$15.0 million
✓ FY 2019	\$16.9 million
✓ FY 2020	\$18.7 million
Average	\$15.7 million
- Iowa would be able to invest in projects on any part of the National Highway Freight Network (NHFN) and up to 10 percent for intermodal or freight rail projects.
- The NHFN includes the initial Primary Highway Freight Network - the 41,518 mile system developed by FHWA, portions of the Interstate system that are not included in the primary highway freight network, critical rural freight corridors and critical urban freight corridors identified by the states
- Iowa’s NHFN will include our interstates and a few short intermodal connectors and up to 150 miles of Critical rural freight corridors and up to 75 miles of urban freight corridors. The critical rural and urban corridors are yet to be identified by the State and in consultation with the MPO or RPA for urban corridors). The Act contains specific criteria and some restrictions on what can be identified as a critical rural or urban corridor.
- There is an extensive list of 23 eligible project types (following page), including “any other surface transportation project to improve the flow of freight into and out of a facility.” Facility includes a public or private freight rail or water facility.
- If a state has not developed a state freight plan (as identified in the FAST Act) within two years, the state may not obligate funds under this program.

The U.S. DOT has not issued guidance or rules for the implementation of this program

Eligible Projects under the National Highway Freight Program

Funds apportioned to the State under the NHFP may be obligated to carry out 1 or more of the following:

1. Development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities.
2. Construction, reconstruction, rehabilitation, acquisition of real property (including land relating to the project and improvements to land), construction contingencies, acquisition of equipment, and operational improvements directly relating to improving system performance.
3. Intelligent transportation systems and other technology to improve the flow of freight, including intelligent freight transportation systems.
4. Efforts to reduce the environmental impacts of freight movement.
5. Environmental and community mitigation for freight movement.
6. Railway-highway grade separation.
7. Geometric improvements to interchanges and ramps.
8. Truck-only lanes.
9. Climbing and runaway truck lanes.
10. Adding or widening of shoulders.
11. Truck parking facilities eligible for funding under section 1401 of MAP-21 (23 U.S.C. 137 note).
12. Real-time traffic, truck parking, roadway condition, and multimodal transportation information systems.
13. Electronic screening and credentialing systems for vehicles, including weigh-in-motion truck inspection technologies.
14. Traffic signal optimization, including synchronized and adaptive signals.
15. Work zone management and information systems.
16. Highway ramp metering.
17. Electronic cargo and border security technologies that improve truck freight movement.
18. Intelligent transportation systems that would increase truck freight efficiencies inside the boundaries of intermodal facilities.
19. Additional road capacity to address highway freight bottlenecks.
20. Physical separation of passenger vehicles from commercial motor freight.
21. Enhancement of the resiliency of critical highway infrastructure, including highway infrastructure that supports national energy security, to improve the flow of freight.
22. A highway or bridge project, other than a project described in clauses (i) through (xxi), to improve the flow of freight on the National Highway Freight Network.
23. Any other surface transportation project to improve the flow of freight into and out of a facility described in subparagraph (B). [..... within the boundaries of public or private freight rail or water facilities (including ports)]

Nationally Significant Freight and Highway Projects Program - a new discretionary program established for projects of national or regional significance which is funded at \$4.5 billion over five years.

- The goals of the program shall be to—
 - improve the safety, efficiency, and reliability of the movement of freight and people;
 - generate national or regional economic benefits and an increase in the global economic competitiveness of the United States;
 - reduce highway congestion and bottlenecks;
 - improve connectivity between modes of freight transportation;
 - enhance the resiliency of critical highway infrastructure and help protect the environment;
 - improve roadways vital to national energy security; and
 - address the impact of population growth on the movement of people and freight.

- Projects must be
 - highway freight projects on the National Highway Freight Network (NHFN),
 - highway or bridge projects on the NHS,
 - freight intermodal or freight rail projects, or
 - railway-highway grade separation or grade crossings.
- Intermodal projects are capped at \$500 million over the life of the bill.
- Total project cost must exceed the lesser of \$100 million or 30% of a state's annual highway apportionment. For Iowa projects this minimum project cost threshold would be \$100 million. The minimum amount for a grant will be \$25 million.
- Smaller Projects - Ten percent of the funds shall be made available for projects which do not meet the \$100 million project cost threshold. Grants for these smaller projects can be as small as \$5 million.
- Rural Projects – The Secretary shall reserve at least 25 percent of the annual funding for projects in rural areas (defined as outside an area of over 200,000 population.)
- The federal share shall not exceed 60 percent.
- Congressional Notification – at least 60 days before making a grant, the Secretary shall notify the House T&I and the Senate EPW committees. The Secretary may not make the grant if a joint resolution disapproving the grant is enacted before the last day of the 60-day period.

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