



## FEDERAL SHARE

**Statutory citation:** FAST Act §§ 1408, 1435; 23 U.S.C. 120

### Overview

The maximum share of project costs that may be funded with Federal-aid highway funds (the “Federal share”) varies based upon the Federal-aid program from which the project receives funding. In some cases the Federal share is also adjusted based on related statutory provisions. The FAST Act made relatively few changes to Federal share and those changes are shown in boldface below.

#### “Standard” Federal share

23 U.S.C. 120 provides that except as otherwise provided, the Federal share payable shall be—

- 90% for a project on the Interstate System (including a project to add high occupancy vehicle lanes or auxiliary lanes but excluding a project to add other lanes); and
- 80% for any other project.

There are a number of exceptions and adjustments to the “standard” Federal share. See below (and program-specific fact sheets) for information about, and the applicability of, these exceptions and adjustments.

### Adjustments to Federal share

#### Sliding scale

23 U.S.C. 120(a) and (b) authorize an upward adjustment (the “sliding scale”) to the Federal share for a State containing Federal and nontaxable Indian lands. A sliding scale State is eligible for an increased Federal share based upon the location of the project—90-95% for an applicable Interstate project and 80-95% for any other project. The amount of the upward adjustment is based on the percentage of Federal and nontaxable Indian lands in the State. (See FHWA [guidance](#) for the specific share allowable in each sliding scale State under this provision).

#### Other adjustments to Federal share

- *Designated types of projects.* Certain specified types of projects, mostly targeting safety improvements, are eligible to receive a Federal share of 100%. A State may apply this increased Federal share on no more than 10% of its combined apportionment under 23 U.S.C. 104. [23 U.S.C. 120(c)(1)]
- *Innovative project delivery methods.* A project incorporating innovations described in 23 U.S.C. 120(c)(3) is eligible for an increased Federal share of up to 100% if funded by the National Highway Performance Program (NHPP), Surface Transportation Block Grant (STBG) Program, or Metropolitan Planning program. **The FAST Act added specific mention of innovative engineering or design approaches and project delivery methods as activities eligible for this increased Federal share.** [FAST Act §1408(a)]
- *Workforce development.* Subject to project approval by the Secretary, a State may obligate NHPP, STBG, Highway Safety Improvement Program (HSIP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds for surface transportation workforce development, training, and education at a Federal share of 100%. Activities under the Local Technical Assistance Program limited to a Federal share of 50%. [23 U.S.C. 504(e)]
- *Appalachian Development Highway System (AHDS) projects.* For fiscal years 2012 through **2050 (previously through 2021)**, a State that uses apportioned funding to construct a highway or access road on the ADHS is eligible for a Federal share of **up to 100%** on that project. [FAST Act § 1435]

- *Projects within Indian reservations, national parks and monuments.* When an eligible project uses funds from a program apportioned under 23 U.S.C. 104 and that project is located within the boundaries of an Indian reservation, national park, or national monument, the Federal share may be 100%. For more information, see FHWA [guidance](#) on this provision. [23 U.S.C. 120(f)]
- *Toll projects.* A toll project under 23 U.S.C. 129 is eligible for a maximum Federal share of 80% (regardless of whether the project would have qualified for a higher Federal share if advanced as a non-toll facility). [23 U.S.C. 129(a)(5)]
- ***[Repealed] Projects to improve freight movement.*** Section 1116 of MAP-21 authorized an increased Federal share for certain projects that demonstrably improved freight movement. However, the FAST Act repealed this provision. [FAST Act § 1116(c)]

Increased non-Federal share

23 U.S.C. 120(h) authorizes a State to contribute an amount in excess of the non-Federal share of any project under title 23 U.S.C., thus decreasing the Federal share for the project.

Transfers of funding between FHWA and FTA

Federal-aid highway funds made available for a transit project or transportation planning may be transferred to the Federal Transit Administration (FTA) and administered in accordance with FTA's requirements (under chapter 53 of title 49). Similarly, Federal transit funding made available for a highway project or transportation planning may be transferred to FHWA and administered in accordance with title 23 requirements. In either case, the transferred funds remain subject to the Federal share that applied to the category from which the funding was derived. [23 U.S.C. 104(f)]

**Federal Share for Selected Programs**

Program	Federal share (%) <sup>1</sup>	Plus eligible for...					
		Sliding scale <sup>2</sup>	100% for designated types of projects <sup>3</sup>	Up to 100% for innovative delivery methods <sup>4</sup>	100% for workforce development <sup>5</sup>	Up to 100% for ADHS projects <sup>6</sup>	100% within Indian reservations, national parks, and monuments <sup>7</sup>
National Highway Performance Program	80 / 90 <sup>8,9</sup>	✓	✓	✓	✓	✓	✓
<b>Surface Transportation Block Grant Program</b>	<b>80 / 90<sup>8</sup></b>	✓	✓	✓	✓	✓	✓
Highway Safety Improvement Program	90 <sup>8,10</sup>	✓	✓		✓		✓
Railway-Highway Crossings	90 <sup>11</sup>						
Congestion Mitigation & Air Quality Improvement Program	80 / 90 <sup>8</sup>	✓	✓		✓		✓
National Highway Freight Program	80 / 90 <sup>8</sup>	✓	✓			✓	✓
Metropolitan Transportation Planning	80 <sup>8</sup>	✓		✓			
State Planning and Research	80 <sup>12</sup>						
Transportation Alternatives	80 / 90 <sup>8</sup>	✓	✓				✓
Recreational Trails Program	80 <sup>13</sup>	✓					

Program	Federal share (%) <sup>1</sup>	Plus eligible for...					
		Sliding scale <sup>2</sup>	100% for designated types of projects <sup>3</sup>	Up to 100% for innovative delivery methods <sup>4</sup>	100% for workforce development <sup>5</sup>	Up to 100% for ADHS projects <sup>6</sup>	100% within Indian reservations, national parks, and monuments <sup>7</sup>
Tribal Transportation Program	100 <sup>14</sup>						
Federal Lands Transportation Program	100 <sup>14</sup>						
Federal Lands Access Program	80 / 90 <sup>8,15</sup>	✓	✓				
Nationally Significant Federal Lands and Tribal Projects Program	Up to 90 <sup>16</sup>						
Puerto Rico Highway Program	80 / 90 <sup>8</sup>	✓	✓				
Territorial Highway Program (or any project in the specified territories)	100 <sup>17</sup>						
Emergency Relief	80-100 <sup>18</sup>	✓					
<b>Emergency Relief for Federally Owned Roads</b>	<b>100<sup>19</sup></b>						
Construction of Ferry Boats & Ferry Terminal Facilities	80 <sup>20</sup>						
Highway Research & Development Program	80 <sup>21</sup>						
Technology & Innovation Deployment Program	80 <sup>21</sup>						
Training & Education	80 <sup>21,22</sup>						
Intelligent Transportation Systems Program	80 <sup>21</sup>						
<b>Advanced Transportation &amp; Congestion Management Technologies Deployment</b>	<b>Up to 50<sup>23</sup></b>						
<b>Surface Transportation System Funding Alternatives</b>	<b>Up to 50<sup>24</sup></b>						
<b>Nationally Significant Freight and Highway Projects</b>	<b>60/80/100<sup>25</sup></b>						

<sup>1</sup> The Federal share specified in this column may be subject (as specified) to one or more of the provisions referenced in the subsequent columns. In some circumstances the Federal share may also be modified by the provisions described above related to projects requiring Federal toll authority.

<sup>2</sup> 23 U.S.C. 120(a)-(b).

<sup>3</sup> 23 U.S.C. 120(c)(1).

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<sup>4</sup> **23 U.S.C. 120(c)(3), as amended by FAST Act § 1408(a).**

<sup>5</sup> 23 U.S.C. 504(e).

<sup>6</sup> **MAP-21 § 1528(c), as amended by FAST Act § 1435. Increased Federal share applies through FY 2050.**

<sup>7</sup> 23 U.S.C. 120(f).

<sup>8</sup> “Standard Federal share” of 90% for a project on the Interstate System (including a project to add high occupancy vehicle lanes or auxiliary lanes but excluding a project to add other lanes) and 80% for any other project or activity. [23 U.S.C. 120(a)-(b)]

<sup>9</sup> With respect to the second fiscal year beginning after the date of establishment of the process for State development of an asset management plan as required by 23 U.S.C. 119(e)(8), the NHPP Federal share for a State that has not developed and implemented an asset management plan will be reduced to 65% until it develops and implements its plan. [23 U.S.C. 119(e)(5)]

<sup>10</sup> 23 U.S.C. 148(j).

<sup>11</sup> 23 U.S.C. 130(f)(3).

<sup>12</sup> The Secretary may increase this share (up to 100%) if he or she determines that this would best serve the interests of the Federal-aid highway program. [23 U.S.C. 505(d)]

<sup>13</sup> 23 U.S.C. 206(f) (which cites to 23 U.S.C. 120(b), with some specified exceptions).

<sup>14</sup> 23 U.S.C. 201(b)(7)(A).

<sup>15</sup> 23 U.S.C. 201(b)(7)(B).

<sup>16</sup> **FAST Act §1123(g). Federal funds other than those made available under titles 23 or 49 U.S.C. may be used for the non-Federal share.**

<sup>17</sup> 23 U.S.C. 120(g).

<sup>18</sup> Emergency Relief (ER) funds are typically subject to the standard Federal share: 80%, with 90% on Interstates, in both cases subject to the sliding scale. However, this share may be adjusted as follows:

- Up to 100% for eligible emergency repairs within 180 days of the disaster or catastrophic failure. The Secretary may extend this time period, taking into consideration any delay in the ability of the State to access damaged facilities to evaluate damage and the cost of repair. [23 U.S.C. 120(e)(1) & (3)]
- Up to 90% for eligible permanent repairs to restore facilities to pre-disaster condition if the State's ER-eligible expenses for the FY exceed the State's combined NHPP/STP/HSIP/CMAQ/NHFP/Metropolitan Planning apportionment for that FY. [23 U.S.C. 120(e)(4)]

<sup>19</sup> **23 U.S.C. 120(e)(2) as amended by FAST Act § 1408(b). Prior to the amendment, eligible Federal Lands Access Transportation Facilities qualified for a Federal share of 100%. Per § 421 of the Department of Transportation Appropriations Act, 2016 (P.L. 114-113), the FAST Act amendment applies to projects to repair or reconstruct facilities damaged as a result of a qualifying natural disaster or catastrophic failure that occurs after October 1, 2015.**

<sup>20</sup> 23 U.S.C. 147(b).

<sup>21</sup> Except as expressly provided by the FAST Act or otherwise determined by the Secretary, projects and activities funded under Title VI (Innovation) of the FAST Act are subject to a Federal share of 80%. [FAST Act § 6002(c)]. The Federal share of activities carried out under a cooperative research and development agreement entered into under chapter 5 of 23 U.S.C. shall not exceed 80%, except that the Secretary may approve a greater Federal share if there is substantial public interest or benefit. [23 U.S.C. 502(c)(3)]

<sup>22</sup> This share is reduced to 50% for activities carried out by a local technical assistance center and increased to 100% for activities carried out by a tribal technical assistance center. [23 U.S.C. 504(b)(3)]

<sup>23</sup> **FAST Act §6004, 23 U.S.C. 503(c)(4)(J).**

<sup>24</sup> **FAST Act §6020(g).**

<sup>25</sup> **The standard Federal share is up to 60%, but Federal assistance from other sources may increase this to 80%. Federal funds from sources other than 23 U.S.C. or 49 U.S.C. may be used to pay the non-Federal share of the cost of a project carried out under this program by a Federal land management agency. [FAST Act §1105, 23 U.S.C. 117(j)]**