



NATIONAL HIGHWAY FREIGHT PROGRAM (NHFP)

| Fiscal year | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------|-----------|-----------|-----------|-----------|-----------|
| Authorization | \$1.150 B | \$1.100 B | \$1.200 B | \$1.350 B | \$1.500 B |
| Estimated funding* | \$1.140 B | \$1.091 B | \$1.190 B | \$1.339 B | \$1.487 B |

*Represents net amount available after a portion of the authorized amount is set aside for Metropolitan Planning.

Program purpose

The FAST Act establishes a new National Highway Freight Program to improve the efficient movement of freight on the National Highway Freight Network (NHFN) and support several goals, including—

- investing in infrastructure and operational improvements that strengthen economic competitiveness, reduce congestion, reduce the cost of freight transportation, improve reliability, and increase productivity;
- improving the safety, security, efficiency, and resiliency of freight transportation in rural and urban areas;
- improving the state of good repair of the NHFN;
- using innovation and advanced technology to improve NHFN safety, efficiency, and reliability;
- improving the efficiency and productivity of the NHFN;
- improving State flexibility to support multi-State corridor planning and address highway freight connectivity; and
- reducing the environmental impacts of freight movement on the NHFN. [23 U.S.C. 167 (a), (b)]

Statutory citation: FAST Act § 1116; 23 U.S.C. 167

Funding features

Type of budget authority

Contract authority from the Highway Account of the Highway Trust Fund, subject to the overall Federal-aid obligation limitation.

Apportionment of funds

As under MAP-21, the FAST Act directs FHWA to apportion funding as a lump sum for each State then divide that total among apportioned programs. A specified national amount for the NHFP is deducted from the States' base apportionments proportional to each State's share of total FY 2015 highway apportionments. (See "Apportionment" fact sheet for a description of this calculation)

Set-asides

A proportionate share of each State's NHFP funds is set aside for the State's Metropolitan Planning program. This occurs prior to apportionment, and the set-aside funds are combined with the State's regular Metropolitan Planning program funds. (See "Apportionment" fact sheet for a description of this calculation)

2% of a State's NHFP funding is set aside for State Planning & Research (SPR). [23 U.S.C. 505]

Transferability to Other Federal-aid Apportioned Programs

A State may transfer to the National Highway Performance Program, Surface Transportation Block Grant Program, Transportation Alternatives, Highway Safety Improvement Program, and Congestion Mitigation and Air Quality Improvement Program up to 50% of NHFP funds made available each fiscal year. NHFP funds set-aside for Metropolitan Planning are not transferable to other apportioned programs.

[23 USC 126]

Federal share

In accordance with 23 U.S.C. 120. Note that the FAST Act repealed section 1116 of MAP-21, which had offered an increased Federal share for certain projects that demonstrably improved freight movement. [FAST Act §1116(c)]

Eligible activities

Generally, NHFP funds must contribute to the efficient movement of freight on the NHFN and be identified in a freight investment plan included in the State's freight plan (required in FY 2018 and beyond). [23 U.S.C. 167 (i)(5)(A)] In addition, a State may use not more than 10% of its total NHFP apportionment each year for freight intermodal or freight rail projects. [23 U.S.C. 167 (i)(5)(B)] Eligible uses of program funds are as follows:

- Development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities.
- 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.
- Intelligent transportation systems and other technology to improve the flow of freight, including intelligent freight transportation systems.
- Efforts to reduce the environmental impacts of freight movement.
- Environmental and community mitigation for freight movement.
- Railway-highway grade separation.
- Geometric improvements to interchanges and ramps.
- Truck-only lanes.
- Climbing and runaway truck lanes.
- Adding or widening of shoulders.
- Truck parking facilities eligible for funding under section 1401 (Jason's Law) of MAP-21.
- Real-time traffic, truck parking, roadway condition, and multimodal transportation information systems.
- Electronic screening and credentialing systems for vehicles, including weigh-in-motion truck inspection technologies.
- Traffic signal optimization, including synchronized and adaptive signals.
- Work zone management and information systems.
- Highway ramp metering.
- Electronic cargo and border security technologies that improve truck freight movement.
- Intelligent transportation systems that would increase truck freight efficiencies inside the boundaries of intermodal facilities.
- Additional road capacity to address highway freight bottlenecks.
- Physical separation of passenger vehicles from commercial motor freight.
- Enhancement of the resiliency of critical highway infrastructure, including highway infrastructure that supports national energy security, to improve the flow of freight.
- A highway or bridge project, other than a project described above, to improve the flow of freight on the NHFN.

- Any other surface transportation project to improve the flow of freight into and out of an eligible intermodal freight facility. [23 U.S.C. 167(i)(5)(C)]
- Diesel retrofit or alternative fuel projects under the Congestion Mitigation and Air Quality Improvement program (CMAQ) for class 8 vehicles.
- Conducting analyses and data collection related to the NHFP, developing and updating freight performance targets to carry out section 167 of title 23, and reporting to the Administrator to comply with the freight performance target under section 150 of title 23. [23 U.S.C. 167(i)(6)]

Program features

National Highway Freight Network

The FAST Act requires the establishment of a National Highway Freight Network, which will consist of the following components:

- The Primary Highway Freight System (PHFS);
- Critical Rural Freight Corridors;
- Critical Urban Freight Corridors; and
- Those portions of the Interstate System that are not part of the PHFS. [23 U.S.C. 167(c)]

The FAST Act designates the PHFS and requires FHWA to redesignate it every five years. It also provides for designation of Critical Rural Freight Corridors and Critical Urban Freight Corridors. [23 U.S.C. 167(d)-(f)]

Use of NHFP funds

The Federal Highway Administrator will determine the percentage of the national total of PHFS mileage that is located within each individual State.

- A State in which this percentage is greater than or equal to 2% of the national total may use its NHFP funds for projects on the PHFS, Critical Rural Freight Corridors and Critical Urban Freight Corridors.
- A State in which this percentage is less than 2% of the national total may use its NHFP funds on any component of the NHFN. [23 U.S.C. 167(i)(2)-(3)]

State Freight Plan

Beginning on December 4, 2017 (two years after enactment of the FAST Act) a State may not obligate NHFP funds unless it has developed a freight plan that is consistent with 49 U.S.C. 70202—though the multimodal component of that plan need not be complete by that time. [23 U.S.C. 167(i)(4)]

Performance

If FHWA determines that a State has not met (or made significant progress toward meeting) its 23 U.S.C 150 performance targets related to freight movement by the date that is 2 years after the performance targets are established, the State must submit to FHWA a report that describes the actions it will take to meet these targets. [23 U.S.C. 167(j)]

Other requirements

Programming and expenditure of NHFP funds must be consistent with the requirements of 23 U.S.C. 134 and 135 (metropolitan and nonmetropolitan and statewide transportation planning). [23 U.S.C. 167(i)(7)]

A freight project carried out under the NHFP shall be treated as if the project were on a Federal-aid highway. [23 U.S.C. 167(l)]