

## FEDERAL SHARE

**Main statutory citation(s):** MAP-21 §1508; 23 USC 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.

### “Standard” Federal share

23 USC 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 USC 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 Interstate project and 80-95% for any other project—without regard to the otherwise applicable Federal share of the programmatic funding source. 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 USC 104. For more information, see FHWA [guidance](#) on this provision. [MAP-21 §1508(1); 23 USC 120(c)(1)]
- *Innovative delivery methods.* A project incorporating innovations described in 23 USC 120(c)(3) are eligible for an increased Federal share if funded by the National Highway Performance Program (NHPP), Surface Transportation Program (STP), or Metropolitan Planning program. For more information, see FHWA [guidance](#) on this provision. [MAP-21 §1304(b)]
- *Workforce development.* Subject to project approval by the Secretary, a State may obligate NHPP, STP, 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%. [MAP-21 §52004(4)(A)(i); 23 USC 504(e)]
- *Appalachian Development Highway System (AHDS) projects.* For fiscal years 2012 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 100% on that project. For more information, see FHWA [guidance](#) on this provision.[MAP-21 §1528(c)]

- *Projects within Indian reservations, national parks and monuments.* When an eligible project uses funds from a program apportioned under 23 USC 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 USC 120(f)]
- *Projects to improve freight movement.* The Secretary may increase the Federal share of an Interstate System project to 95% (or of any other project to 90%) if the project is included in a State freight plan (as described in section 1118 of MAP-21) and if the project demonstrably improves the efficiency of freight movement. For more information, see FHWA [guidance](#) on this provision. [MAP-21 §1116]
- *Toll projects.* A toll project under 23 USC 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). [MAP-21 §1512; 23 USC 129(a)(6)]

#### Increased non-Federal share

23 USC 120(h) authorizes a State to contribute an amount in excess of the non-Federal share of any project under 23 USC, 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. For more information, see [FHWA Order 4551.1](#). [MAP-21 §1105; 23 USC 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>	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>	✓	✓	✓	✓	✓	✓
Surface Transportation Program	80 / 90 <sup>8</sup>	✓	✓	✓	✓	✓	✓
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>	✓	✓		✓		✓
Metropolitan Transportation Planning	80 <sup>8</sup>	✓		✓			
State Planning and Research	80 <sup>12</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>	100% for ADHS projects <sup>6</sup>	100% within Indian reservations, national parks, and monuments <sup>7</sup>
Transportation Alternatives Program	80 / 90 <sup>8</sup>	✓	✓				✓
Recreational Trails Program	80 <sup>13</sup>	✓					
Tribal Transportation Program	100 <sup>14</sup>						
Federal Lands Transportation Program	100 <sup>13</sup>						
Federal Lands Access Program	80 / 90 <sup>8,15</sup>	✓	✓				
Puerto Rico Highway Program	80 / 90 <sup>8</sup>	✓	✓				
Territorial Highway Program (or any project in the specified territories)	100 <sup>16</sup>						
Emergency Relief	80-100 <sup>17</sup>	✓					
Projects of National & Regional Significance	80 <sup>18</sup>						
Construction of Ferry Boats & Ferry Terminal Facilities	80 <sup>19</sup>						
Tribal High Priority Projects Program	100 <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>						

<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 freight projects and projects requiring Federal toll authority.

<sup>2</sup> 23 USC 120(a)-(b).

<sup>3</sup> 23 USC 120(c)(1), as amended by MAP-21 §1508(1).

<sup>4</sup> 23 USC 120(c)(3), as amended by MAP-21 §1304.

<sup>5</sup> 23 USC 504(e), as amended by MAP-21 §52004(4)(A)(i).

<sup>6</sup> MAP-21 §1528(c).

<sup>7</sup> 23 USC 120(f).

<sup>8</sup> The “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 USC 120(a)-(b)]

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<sup>9</sup> Beginning in FY 2016, 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. [MAP-21 §1106; 23 USC 119(e)(5)]

<sup>10</sup> 23 USC 148(j), as amended by MAP-21 §1112.

<sup>11</sup> 23 USC 130(f)(3).

<sup>12</sup> The Secretary may increase this share (up to 100%) if s/he determines that this would best serve the interests of the Federal-aid highway program. [MAP-21 §52005(2); 23 USC 505(d)]

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

<sup>14</sup> 23 USC 201(b)(7)(A), as amended by MAP-21 §1119.

<sup>15</sup> 23 USC 201(b)(7)(B), as amended by MAP-21 §1119.

<sup>16</sup> 23 USC 120(g) (as redesignated by MAP-21 §1508(3)).

<sup>17</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.
- Up to 100% for repair or reconstruction of Federal land transportation, Federal land access, or tribal transportation facilities.
- 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/Metropolitan Planning apportionment for that FY. [MAP-21 §1508(2); 23 USC 120(e)]

<sup>18</sup> SAFETEA-LU §1301(i).

<sup>19</sup> 23 USC 147(b).

<sup>20</sup> MAP-21 §1123(h)(2)(B).

<sup>21</sup> Except as expressly provided by MAP-21 or otherwise determined by the Secretary, projects and activities funded under Division E (Research and Education) of MAP-21 are subject to a Federal share of 80%. [MAP-21 §51001(b)]

<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. [MAP-21 §52004(2); 23 USC 504(b)(3)]