

2023

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# Federal Highway Administration

*An Overview for our Stakeholders*



U.S. Department  
of Transportation

**Federal Highway  
Administration**

## From the FHWA Executive Director

For nearly 6 decades, the Federal Highway Administration (FHWA) has played a central role in building the United States' highway network. Every day, U.S. roadways serve more than 220 million drivers, passengers, pedestrians, cyclists, and other road users on more than 850 million trips, all while supporting our robust economy. Thanks to a team of more than 2,700 dedicated transportation professionals in 6 time zones, the FHWA is able to support local, state, and Tribal governments through cutting-edge research, transportation training, and grants that fund the highways, bridges, and tunnels of the future.

Vehicles travelled more than 3 trillion miles on U.S. roads in 2021, and the amount of highway travel will likely continue to increase moving forward. We at the FHWA are committed to ensuring that the U.S. transportation system is equipped to handle the challenges and opportunities ahead, including those posed by transportation equity, environmental justice, climate change, economic development, novel technologies, and electric and autonomous vehicles. We are particularly excited to help cities, states, and Tribes build a national network of chargers for electric vehicles, which we believe will become one of the primary modes of U.S. transportation in the near future.

Thanks to the \$1.2 trillion Bipartisan Infrastructure Law, FHWA is responsible for more than \$350 billion in highway-infrastructure funding that we can use to support safety, bridges, resilience, project delivery, electric-vehicle infrastructure, efforts to combat climate change, and numerous other transportation projects. Because of this law, more direct formula funding is available to State Departments of Transportation, and new stakeholders are eligible for competitive grant program funding from FHWA. For example, the law will provide states with access to \$5 billion in both formula funding and Mega Grant funding over 5 years. This capital will help create well-paid jobs, grow the economy, strengthen supply chains, fund electric-vehicle infrastructure, improve mobility for residents, and make our transportation systems safer for all users.

Building and maintaining a strong, efficient transportation system is important; but, as always, safety remains our top priority. The FHWA works tirelessly to ensure the safety of all users on our roadways—including users who are not in vehicles. To this end, the FHWA is working hard to facilitate the Bipartisan Infrastructure Law's support for Complete Streets planning at multiple levels of local government. The purpose of Complete Streets planning is to ensure that all road users—including historically marginalized and underserved users—have safe and equitable access to transportation. Complete Streets planning is also focused on reducing greenhouse-gas emissions and accommodating alternative travel choices, such as walking and cycling.

People often ask about the recipe for FHWA's success. No one thing makes us what we are; rather, like any good recipe, it is a mix of several essential ingredients. First, the dedication of all the talented people here at FHWA allows us to not only fulfill our mission, but reach new horizons. Second, funding from the Bipartisan Infrastructure Law will allow us to expand the reach and impact of our grant programs while welcoming new stakeholders to the table. Finally,

our partnerships with cities, states, and Tribes allow us to address the transportation needs of the here and now, all while planning and building a transportation system that will carry us into the next century...and beyond.

If you think of success as a recipe, I guess you could say that the proof is in the pudding. The FHWA is providing more funding and partnering with stakeholders more effectively than ever before. Transportation is our business, safety our mission, and connection our goal. The importance of public infrastructure cannot be overstated; after all, highways, bridges, and tunnels are vital for both road users and national defense. In this new era of global conflict, we need to ensure that the U.S. infrastructure that ensured our success throughout the 20th Century remains an asset—and that people from around the world still view it as such. It is equally important that our infrastructure serves as a way to help people claim their rights to life, liberty, and the pursuit of happiness, all while travelling on some of the safest, greenest roadways in the world.

We at the FHWA have always helped keep the United States moving, and we don't plan on stopping now. I hope you find this FHWA overview to be a helpful introduction to the agency. To learn more about our many initiatives, please reference the back of this resource for website and contact information. In the meantime, we invite you to enjoy the U.S. highway system, and to drive safely.



Gloria M. Shepherd  
FHWA Executive Director

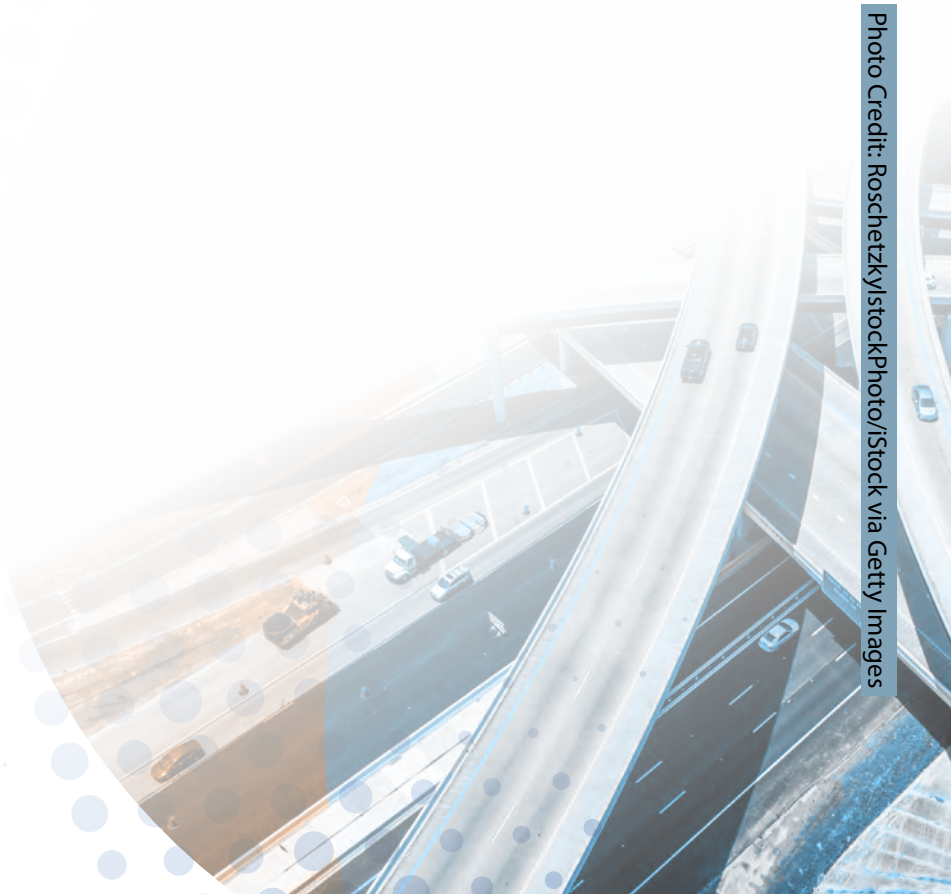


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## Current FHWA Leadership



### **Gloria M. Shepherd, *Executive Director***

On October 20, 2022, Gloria M. Shepherd was named Executive Director of the Federal Highway Administration (FHWA), a role in which she leads the delivery of world-class highway and street programs that advance safe, efficient, equitable, and sustainable mobility choices for all while strengthening the Nation's economy.

Ms. Shepherd is responsible for guiding FHWA as it administers more than \$350 billion as part of President Biden's Bipartisan Infrastructure Law. That includes formula and competitive grant programs with new funding and programs available to a range of grant recipients, including state departments of transportation, metropolitan planning organizations, local governments, tribes, territories, and federal land management agencies.

Ms. Shepherd brings over 23 years of extensive and varied experience with FHWA, in which she has produced a track record of success and a proven ability to produce results, develop effective national partnerships and coalitions, and open doors through her mentorship for future leaders within DOT. She is the first woman and the first African American in FHWA's history to serve as Executive Director.

Prior to this appointment, Ms. Shepherd served as FHWA's Associate Administrator for Planning, Environment, and Realty since 2007. In this position, Ms. Shepherd provided strategic oversight and executive leadership to advance national transportation initiatives to accelerate project delivery, promote environmental justice and stewardship, and reduce transportation's carbon footprint on the national highway system. In addition, Ms. Shepherd has tirelessly championed agency workforce development, awards and recognition programs, and work life balance.

Prior to becoming an Associate Administrator, Ms. Shepherd served for 8 years as the Director, Office of Planning where she was the principal advocate for metropolitan and statewide planning and programs. Before joining FHWA, she served in executive level positions with the Maryland State Highway Administration and the New York Department of Transportation.

Ms. Shepherd earned a Master of Law degree from Georgetown University, Doctor of Jurisprudence Degree from Albany Law School, and her Doctor of Arts from the University at Albany (SUNY). She is a member of the New York State Bar and enjoys hiking and running.

# Overview

## About Federal Highway Administration

The Federal Highway Administration (FHWA) is an agency within the U.S. Department of Transportation (USDOT) that provides national leadership and coordinates highway transportation programs in cooperation with States, Metropolitan Planning Organizations, Tribes, Territorial governments, Federal land management agencies, and other stakeholders to enhance the quality of life of all Americans. With more than half of our 2,700 employees working out of Division Offices in every State, the District of Columbia, and Puerto Rico, FHWA is well-positioned to deliver the Federal-aid Highway Program (FAHP); the Federal Lands and Tribal Transportation Program (FLTTP); and the many new programs under the Bipartisan Infrastructure Law (BIL) to an expanded group of direct recipients.

The FAHP provides Federal financial assistance to construct and improve the National Highway System (NHS), the National Highway Freight Network, urban and rural roads, bridges, tunnels, ferries, bicycle and pedestrian infrastructure, electric vehicle (EV) infrastructure, intelligent transportation systems, environmental restoration, and other transportation infrastructure. A recipient's primary contact with FHWA is through its FHWA Federal-aid Division Office. With the expanded list of eligible recipients under the BIL, the FHWA Division Offices serve as a recipient's primary point of contact. FHWA also provides local technical assistance programs to interface with an expanded list of recipients under the BIL.

The FLTTP provides Federal funding to improve multimodal transportation facilities that provide access to and within national forests, national parks, other federally owned lands open to the public, and Tribal lands. Federal agencies' and Tribal governments' primary contacts with FHWA are through FHWA's Headquarters Office of Federal Lands Highway and respective Federal Lands Highway Division Offices.

The FHWA also manages a comprehensive research, development, technology, and innovation and technology deployment programs, and provides national leadership in the advancement of transportation workforce training and technical assistance within local, Tribal, and Federal land management agency transportation networks.

The Local Technical Assistance Program (LTAP) assists local highway agencies in each State to meet the challenge of maintaining and rehabilitating roads and bridges and learn about best practices and innovative technology to meet local needs. There are 51 LTAP Centers, one in each State and one serving Puerto Rico and the Virgin Islands.

The Tribal Technical Assistance Program (TTAP) provides comprehensive transportation training and technical assistance to Tribal transportation programs, building skills and expertise to ensure the safety and maintenance of multimodal Tribal transportation facilities.

In addition to Federal staff, FHWA augments its capabilities through a diverse array of contracted services, including awards made to Small Disadvantaged Businesses (SDBs). The FHWA supported

the USDOT’s Fiscal Year (FY) 2021 SDB socioeconomic goal of 5 percent. The FHWA surpassed this goal by awarding 29.6 percent of eligible contract dollars to SDBs. In FY 2022, the USDOT’s goal for awards to SDBs was increased 20 percent. FHWA again exceed the goal, awarding 32.6 percent of eligible dollars to SDBs. FHWA continues to have great success with making awards to SDBs and leads the Department in its ability to achieve its small business/socioeconomic goals.

The interaction and relationship of States, Tribes, and local governments with FHWA varies, based on the Federal assistance program and who the recipient is. The table below generally summarizes the basic financial and technical assistance programs and how recipients typically work with and receive assistance from FHWA. Descriptions of other assistance programs can be found in later sections of this document.

WORKING WITH FHWA	
RECIPIENT	TECHNICAL ASSISTANCE
<b>State:</b> State Departments of Transportation (State DOTs) are direct recipients for Federal-aid projects; Federal-aid formula funding is allocated and distributed by FHWA directly to them.	Federal-aid Division Offices FHWA Resource Center
<b>Tribes:</b> FHWA co-administers the Tribal Transportation Program with the U.S. Department of the Interior’s Bureau of Indian Affairs (BIA), in coordination with the USDOT Office of the Secretary, and provides stewardship and oversight for direct funding agreements with federally recognized Tribes.	Federal Lands Highway Division Offices TTAP
<b>Local Government:</b> Local governments are typically <b>subrecipients</b> , but are also <b>direct recipients</b> in some new BIL programs; Federal-aid funding is allocated and distributed by the State DOT to local governments. State DOTs provide oversight of Local Public Agency (LPA) projects and ensure local agencies that receive funds and deliver federally funded projects comply with Federal and State requirements.	LTAP Federal-aid Division Offices
<b>Other Recipients:</b> Other recipients are typically <b>subrecipients</b> , but are also <b>direct recipients</b> in some new BIL programs. Includes special districts or public authorities with transportation functions, and other non-State local entities.	LTAP Federal-aid Division Offices

The FHWA, in support of the USDOT’s 2022 National Road Safety Strategy, focuses on safety as a primary national goal, incorporating a Safe System Strategy within its Complete Streets roadway design principles and through the Highway Safety Improvement Program (HSIP), which strives to make travel safer for all users, including protecting vulnerable road users, such as people walking, biking, or using mobility assistive devices, thereby reducing the number of lives lost on the Nation’s highways, bridges, and roads.

## About the U.S. Department of Transportation

In 1966, President Lyndon Johnson signed into law the Department of Transportation Act, which brought approximately 95,000 employees and 31 previously scattered Federal elements under the wing of one Cabinet department, led by a Presidentially-appointed and Senate-confirmed Secretary of Transportation. The initial legislation had five major operating elements within the Department: the Federal Aviation Administration; Federal Highway Administration; Federal Railroad Administration; Saint Lawrence Seaway Development Corporation; and U.S. Coast Guard (now under the Department of Homeland Security). The USDOT now employs almost 55,000 people across the country working to keep the traveling public safe and secure, increase passenger and freight mobility, and ensure the transportation system contributes to the Nation's economic growth.

## Mission and Core Values

### U.S. Department of Transportation Mission

The primary mission of the USDOT is to deliver the world's leading transportation system, serving the American people and economy through the safe, efficient, sustainable, and equitable movement of people and goods.

The USDOT accomplishes this mission – guided by its values of excellence, trust, fairness, empathy, and imagination – through the six strategic goals in its FY 2022-2026 Strategic Plan:

- Safety
- Economic Strength and Global Competitiveness
- Equity
- Climate and Sustainability
- Transformation
- Organizational Excellence

The USDOT is composed of nine Operating Administrations, Office of Inspector General (OIG), and the Office of the Secretary (OST) which together carry out the oversight responsibilities for the Nation's transportation system. The USDOT is responsible for managing the National Airspace System, leading investments in roads and bridges, ensuring safety across all modes of transportation, and facilitating the movement of people and goods. OST and the Operating Administrations each have their own management and organizational structures, and their names and roles are summarized below.

## USDOT OPERATING ADMINISTRATIONS

USDOT OFFICE	OVERVIEW
<b>Office of the Secretary (OST)</b>	The OST oversees the formulation of national transportation policy and promotes intermodal transportation. The Build America Bureau, offering transportation infrastructure financing for public agencies, and the Office of the Assistant Secretary for Research and Technology, are housed within OST, along with the new Joint Office of Energy and Transportation created by BIL.
<b>Federal Highway Administration (FHWA)</b>	The FHWA coordinates highway transportation programs in cooperation with States and other stakeholders to make a positive contribution to safety and to the economic and social well-being of the public.
<b>National Highway Traffic Safety Administration (NHTSA)</b>	The NHTSA is responsible for reducing deaths, injuries, and economic losses resulting from motor vehicle crashes through setting and enforcing safety performance standards for vehicles and equipment; conducting research on driver behavior and traffic safety; and providing consumers with important safety information.
<b>Federal Aviation Administration (FAA)</b>	The FAA oversees the safety of civil aviation. The safety mission of FAA includes the issuance and enforcement of regulations and standards related to aircraft, pilots, and airports. The FAA also allocates the use of airspace for civilian and defense purposes and regulates the U.S. commercial space transportation industry.
<b>Pipeline and Hazardous Materials Safety Administration (PHMSA)</b>	The PHMSA is responsible for developing and enforcing regulations and educating the public on the safe operation of pipeline transportation.
<b>Federal Motor Carrier Safety Administration (FMCSA)</b>	The FMCSA's primary mission is to prevent commercial motor vehicle-related fatalities and injuries. The FMCSA accomplishes this mission through enforcing safety regulations; improving safety information systems, operating standards, and vehicle technologies; and increasing safety awareness.
<b>Federal Railroad Administration (FRA)</b>	The FRA promotes safe rail transportation through establishing and enforcing rail safety standards, conducting safety research, administering grant programs, overseeing State rail plans, and conducting public education safety campaigns.
<b>Great Lakes Saint Lawrence Seaway Development Corporation (GLS)</b>	The GLS operates and maintains a safe, reliable, and efficient waterway for commercial and noncommercial vessels between the Great Lakes and the Atlantic Ocean.



## USDOT OPERATING ADMINISTRATIONS

<b>Federal Transit Administration (FTA)</b>	The FTA assists in developing improved public transportation systems for cities and communities nationwide through research, grant programs, and safety oversight. Through its grant programs, FTA helps plan, build, and operate transit systems with convenience, cost, and accessibility in mind.
<b>Maritime Administration (MARAD)</b>	The MARAD promotes development and maintenance of an adequate, well-balanced, United States merchant marine. The agency ensures that the U.S. has shipbuilding and repair service, efficient ports, effective intermodal water and land transportation systems, and reserve shipping capacity in times of national emergency. MARAD also oversees grant programs including funds for designated waterways in the Marine Highway Program.
<b>Office of Inspector General (OIG)</b>	The OIG works within the USDOT to promote effectiveness and prevent, or stop, waste, fraud and abuse in departmental programs. OIG does this through audits and investigations. OIG also consults with Congress about programs in progress and proposed new laws and regulations.

### FHWA Mission

The FHWA's mission is to deliver world-class highway programs that advance safe, efficient, equitable, and sustainable mobility choices for all, while strengthening the Nation's economy. This mission is informed by FHWA's seven core values: public service, integrity, respect, family and work-life balance, collaboration, diversity, and personal development. The FHWA accomplishes its mission in conjunction with its core values through a multi-year Strategic Plan in alignment with USDOT goals, strategic objectives, program initiatives, and performance measures.

### Stakeholders

FHWA accomplishes its work and mission in collaboration with a variety of stakeholders, including government agencies at the Federal, State, Tribal, and local levels (e.g., State DOTs, metropolitan planning organizations (MPOs), cities, counties, mayors, coalitions, local public agencies, Federal land management agencies, Tribal governments, and Territorial governments) and with other stakeholders representing associations, academic institutions, foreign transportation ministries and organizations, private entities, as well as advocacy groups.

Through staff and subject matter experts located in Headquarters and in every State (including Washington, D.C. and Puerto Rico), FHWA ensures that communication, collaboration, and coordination occurs at all levels possible.

## How FHWA Works with State DOTs, Tribes, and Local Governments

Although State and local governments own and maintain most of the Nation's highways, FHWA provides financial support and technical assistance to them for highway construction, improvement, inspection, and preservation.

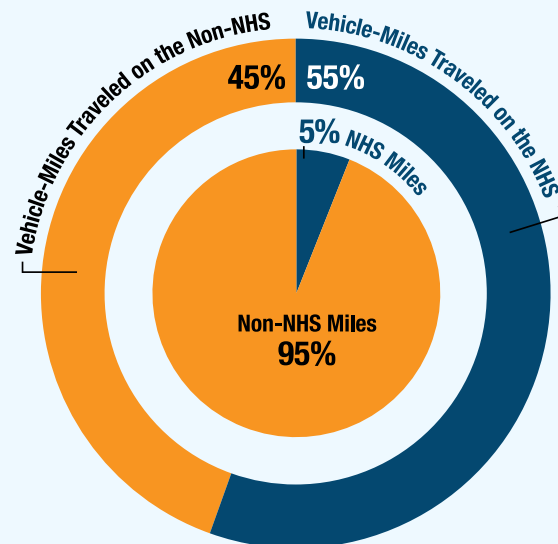
The FAHP is a collection of programs that provides Federal financial resources and technical assistance to State and local governments for planning, design, constructing, operating, preserving, and improving public roads and other surface transportation infrastructure.

The formula programs of the FAHP are federally assisted, State-administered programs. This Federal-State relationship has been a hallmark of the program since the start of the FAHP, and States' primary contact with FHWA is through the FHWA Federal-aid Division Offices in each State. FHWA's Division Offices provide stewardship, guidance, best practices, and technical assistance with contributions from FHWA's Headquarters and technical program staff, as needed. They also ensure that the overall objectives of the FAHP are met and the Federal financial resources are distributed in accordance with applicable laws and regulations.

***Eligibility for Federal-aid Highway Program funding is based on the functional classification of a road (the character of highway service the particular roadway provides).***

## National Highway System – A Well-traveled Road

The National Highway System (NHS), which includes the Eisenhower Interstate System, comprises only 5 percent of the nation's total road miles but carries over HALF of the nation's traffic each day.



Source: 2018 Highway Statistics; Length of Function System, table HM-15 & Vehicle-Miles of Travel by Federal-aid highways, table VM-3 <https://www.fhwa.dot.gov/policy-information/statistics/2018/>

Non-State recipients, such as local governments and other local agencies, are typically subrecipients under the FAHP, and receive Federal-aid funding through their State DOTs, which in turn provide oversight of Local Public Agency (LPA) projects and ensure local agencies that receive and deliver federally funded projects are aware of and comply with Federal and State requirements. With new programs and flexibilities in BIL, local recipients can also be direct recipients, and work with FHWA's Division Offices, Headquarters and local technical assistance centers.

Under the FLTTP, FHWA works with Tribal governments to administer the Tribal program and provide stewardship and oversight for direct funding to federally recognized Tribes for all FHWA activities affecting Tribal transportation. Tribes work with FHWA's Office of Federal Lands Highway and respective Federal Lands Highway Division Offices, as well as FHWA's Tribal Technical Assistance Program.

## **Federal-aid Highway Program and Oversight**

There are more than four million miles of public roads in the United States. Approximately one million miles of these roads meet the legal definition of "Federal-aid Highways." This includes the National Highway System (NHS) which is a roughly 220,000-mile network of high-volume roads that includes the Interstate Highway System (around 47,000 miles). The NHS comprises only 5 percent of the Nation's total road mileage, but carries approximately 55 percent of the Nation's daily traffic.

Eligibility for FAHP funding is based on the functional classification of a road (the character of highway service the particular roadway provides), not the entity that owns it. Federal-aid highways include all public roads, apart from those classified as local roads and rural minor collectors. As the name suggests, Federal-aid highways are generally eligible for Federal funding support — and local roads and rural minor collectors are generally ineligible.

However, a State may use Federal funds on local roads or rural minor collectors to support specific projects, such as safety improvements and bridge projects. Most Federal funding is for capital projects, and routine maintenance activities (pothole repair, snow removal, etc.) are generally not eligible activities under the FAHP.

In its role, FHWA:

- **Provides leadership, stewardship, oversight, and guidance for the FAHP.** The FHWA's role in project and program delivery is to ensure compliance with the requirements of the FAHP and provide guidance to recipients in the delivery of the program. The FHWA develops a Stewardship and Oversight Agreement with each State to document where the State can assume Federal approval actions and how FHWA and the State will work together using a risk-based approach to stewardship and oversight.
- **Provides technical support** for the safety, stewardship, and oversight of over 610,000 highway bridges, more than 500 tunnels, and numerous other structures across the country. Under the FAHP, FHWA distributes funding to help transportation agencies plan, design, build, repair, rehabilitate, and inspect highways, bridges, tunnels, trails, and other surface transportation infrastructure.
- **Transfers most project-level approvals to State DOTs.** The types of project and program approvals that are carried out by the State are specified in FHWA-State agreements, such as the Stewardship and Oversight Agreement. The FHWA's role when it has transferred approval authority to the State DOT is to make sure that applicable Federal requirements are followed, including appropriate policies and procedures associated with the use of Federal funding.

- **Develops and shares standards and best practices for initiating and managing projects.** This is done in coordination and cooperation with the American Association of State Highway and Transportation Officials (AASHTO) and other stakeholders.
- **Advances environmental stewardship and improves quality of life.** The FHWA provides resources and technical assistance to support equitable, multimodal transportation planning and project development that will protect and enhance the natural and human environment, the economy, public health, and communities, and bolster the resilience of the transportation system to climate change.
- **Reimburses States for eligible expenses.** The FHWA provides a notice of the amount of Federal-aid funding available to the States for each fiscal year, and makes those funds available on a reimbursable basis within the agency’s accounting and grants management systems. FHWA and the State DOT enter into individual project agreements to obligate those funds to projects. The Federal share of a project — commonly 80 percent — depends on the funding categories and the type of work performed. As work progresses on projects with State or local funds, the State submits billing requests for reimbursement of eligible expenses. The FHWA approves these requests, then the U.S. Treasury pays the State. Depending on the particular funding involved, this payment may come from either the Highway Account of the Highway Trust Fund (HTF) or from the General Fund of the U.S. Government.
- **Provides technical assistance and technology development and deployment.** The FHWA provides resources including:
  - A dedicated team of transportation-related technical specialists across the country that provides innovative and effective problem-solving, technology deployment, and training capabilities.
  - The Turner-Fairbank Highway Research Center (TFHRC) in McLean, VA, which coordinates and conducts an ambitious program of transportation research, developing technologies and innovations for highway use and performing critical forensic investigation on highway infrastructure failures.
  - The National Highway Institute (NHI), which offers a broad range of instructor-led and web-based training courses to build and maintain the professional capacity of the transportation workforce.
  - Expert staff who train, help advance the adoption of innovations, and build capacity for local public agencies and Tribal governments through Local Technical Assistance (LTAP) and Tribal Technical Assistance (TTAP) programs.
  - Educational-based and practitioner-based programs that provide workforce development capacity building such as the Dwight David Eisenhower Transportation Fellowship Grants, the Federal-aid On-the-Job Training Program, and the On-the-Job Training Supportive Services Program.

- Funding and promotional activities to deploy innovative technologies and practices including Every Day Counts, Accelerated Innovation Deployment, Accelerating Market Readiness, and the State Transportation Innovation Councils.
- Expert assistance on tolling policy, innovative financing, and public private partnerships, including support for the Transportation Infrastructure Finance and Innovation Act (TIFIA) credit program administered by the Build America Bureau.
- Access to global best practices and innovations to ensure safe and efficient highway transportation infrastructure through multilateral relations programs such as the World Road Association, Global Benchmarking Program, Binational Relations Programs, and the International Visitors Program.

## Federal Lands and Tribal Programs and Stewardship

Transportation infrastructure plays a key role in accessing Federal and Tribal lands, supporting communities, access to jobs and resources, and other national and local purposes. Federal and Tribal lands represent approximately 32 percent of the Nation’s land area, and infrastructure on these lands is crucial to recreation, travel and tourism, resource extraction, energy generation, economic development, and protection and enhancement of natural resources.

The FHWA, through the Office of Federal Lands Highway, administers the FLTTP, the Nationally Significant Federal Lands and Tribal Projects (NSFLTP) Program, the Federal Lands Access Program (FLAP), Federal Lands Transportation Program (FLTP), and other programs to design and construct projects on behalf of Federal land management agencies. The FHWA also co-administers a coordinated transportation program for Tribal governments and provides funding and multimodal transportation expertise, engineering, and other technical services for Federal and Tribal lands. These resources and assistance have been instrumental in developing a multimodal, connected system of roads, bridges, trails, bike paths, transit, and other transportation facilities that are sensitive to the context of the land and gateway communities.

In addition, FHWA designs, procures, and administers transportation construction contracts for an approximate annual range of \$650 million to \$1 billion for Federal agencies with highway construction requirements, and for State, local, and Territorial governments who request assistance from FHWA. This work is

### *Stakeholders receiving assistance through the Federal Lands Highway Program:*

***National Park Service (NPS) • U.S. Fish and Wildlife Service (USFWS) • Bureau of Indian Affairs (BIA) and Tribal Governments • Bureau of Land Management (BLM) • USDA Forest Service (Forest Service) • Department of Defense (DOD) • U.S. Army Corps of Engineers (USACE) • Bureau of Reclamation (BOR) • National Aeronautics and Space Administration (NASA) • State DOTs • Atlantic and Pacific Territorial Governments***

reimbursable from those entities receiving assistance. Recent notable project examples that FHWA delivered include the iconic Mike O’Callaghan-Pat Tillman Memorial Bridge (unofficially called the Hoover Dam Bypass Bridge), reconstruction of Going-to-the-Sun Road in Glacier National Park, the Arlington Memorial Bridge, and disaster recovery projects related to Hurricanes Irma and Maria across Puerto Rico and the U.S. Virgin Islands.

## FHWA Leadership and Organization

The FHWA is headed by an Administrator, a Presidentially appointed, Senate-confirmed official who reports to the Secretary of Transportation. A Deputy Administrator, who serves as the second-in-command at FHWA, is appointed by the Secretary, but does not require Senate confirmation. An Executive Director, the highest-ranking career official in FHWA, provides leadership and is responsible for the day-to-day operation of FHWA. In the absence of both the Administrator and Deputy Administrator, the Executive Director serves as the Agency’s top executive.

### Field Leaders

The FHWA’s field organization delivers program services to the FHWA’s stakeholders and customers. This organization consists of State-level Federal-aid Division Offices and regional Federal Lands Highway Division Offices.

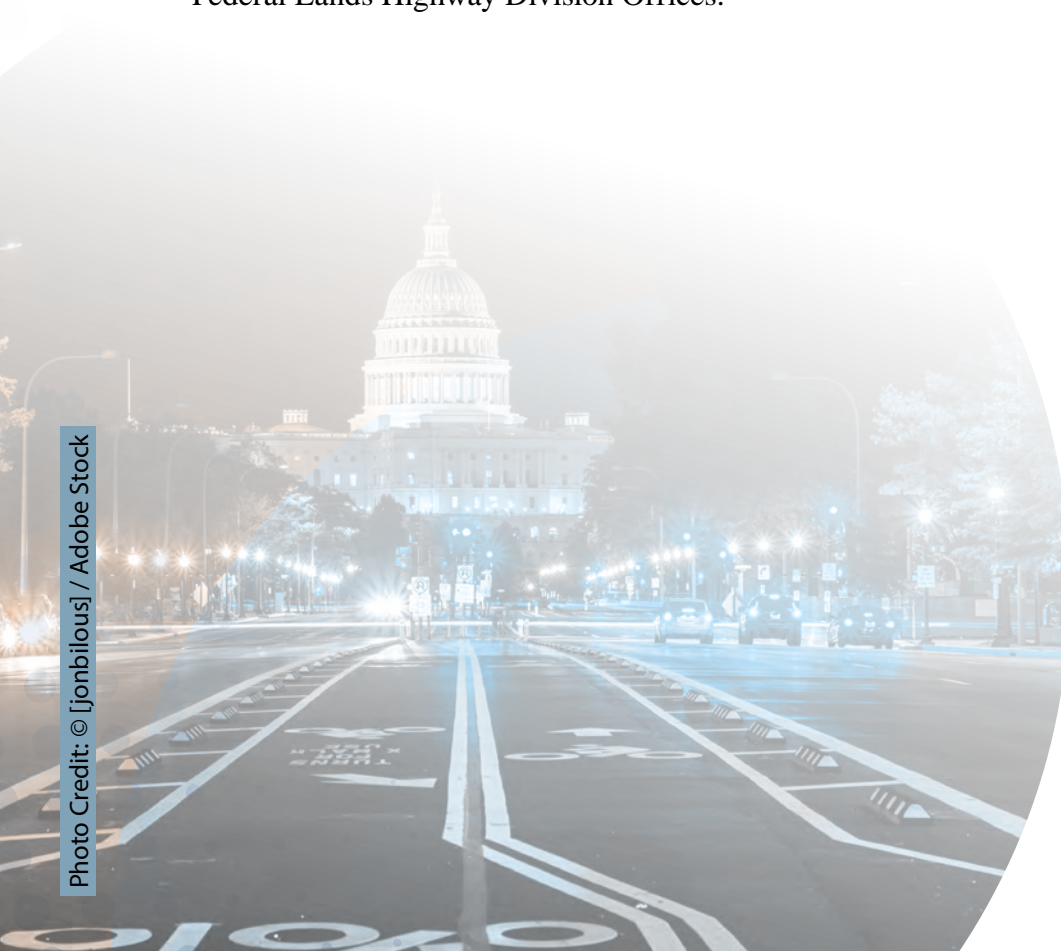


Photo Credit: © [jonbilous] / Adobe Stock

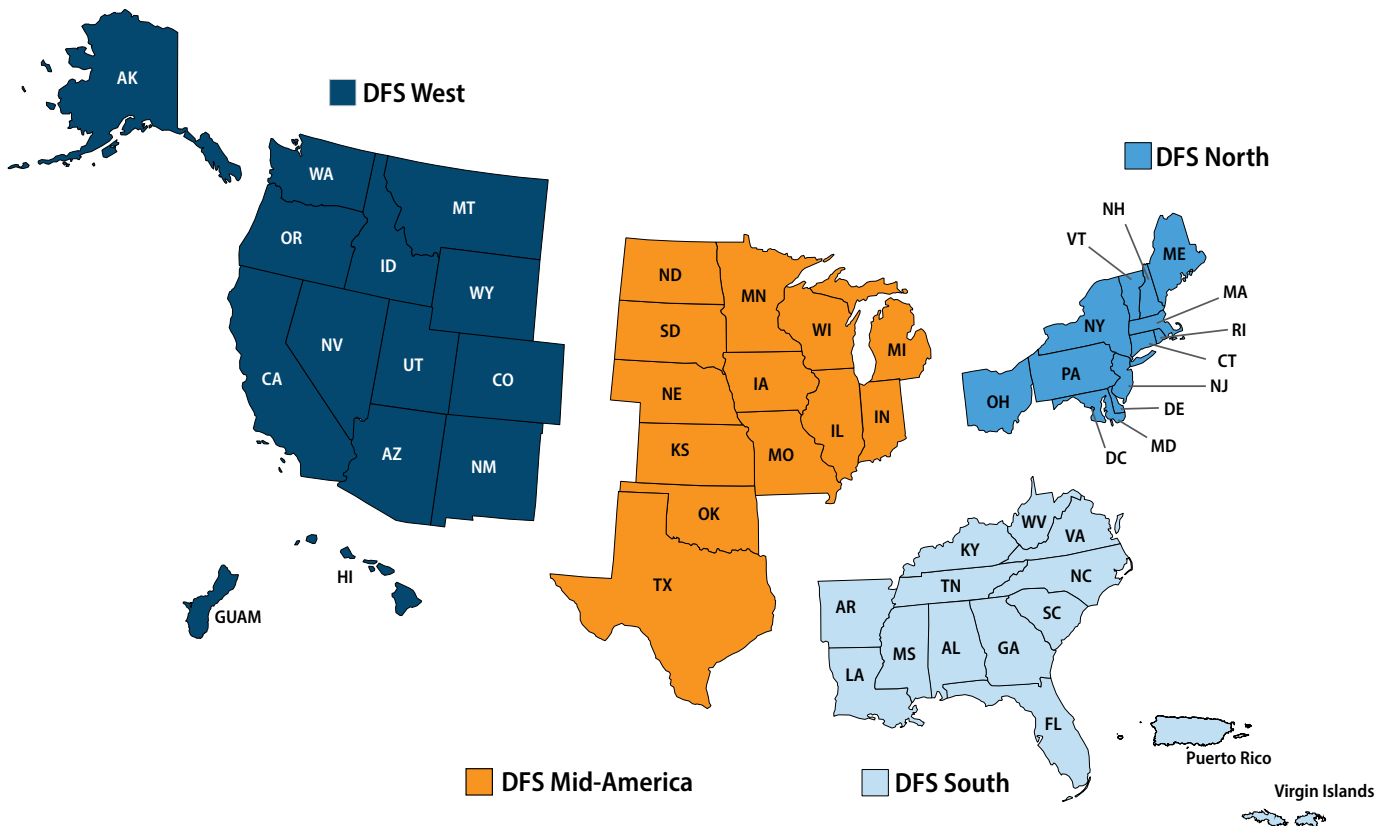
## Federal-aid Division Offices

The FHWA Division Offices are the face and voice of FHWA to the States. The Division Offices provide front-line Federal-aid program delivery assistance to stakeholders in highway transportation and safety services, including but not limited to planning and research, preliminary engineering, technology transfer, right-of-way, bridge, tunnel, highway safety, traffic operations, environment, civil rights, design, construction and maintenance, engineering coordination, highway beautification, and administration.

Each of the 52 operating Division Offices (one in each State, the District of Columbia, and Puerto Rico) is located in the same city as the State DOT, typically the State capital. In addition, FHWA operates four metropolitan offices in New York City, Orlando, Chicago, and Los Angeles that serve as extensions of their respective Division Offices.

The FHWA Division Offices are divided into four geographical groups, each reporting to a Director of Field Services (DFS North, DFS South, DFS Mid-America, and DFS West). The Directors of Field Services report directly to the FHWA Executive Director.

### FHWA Division Offices

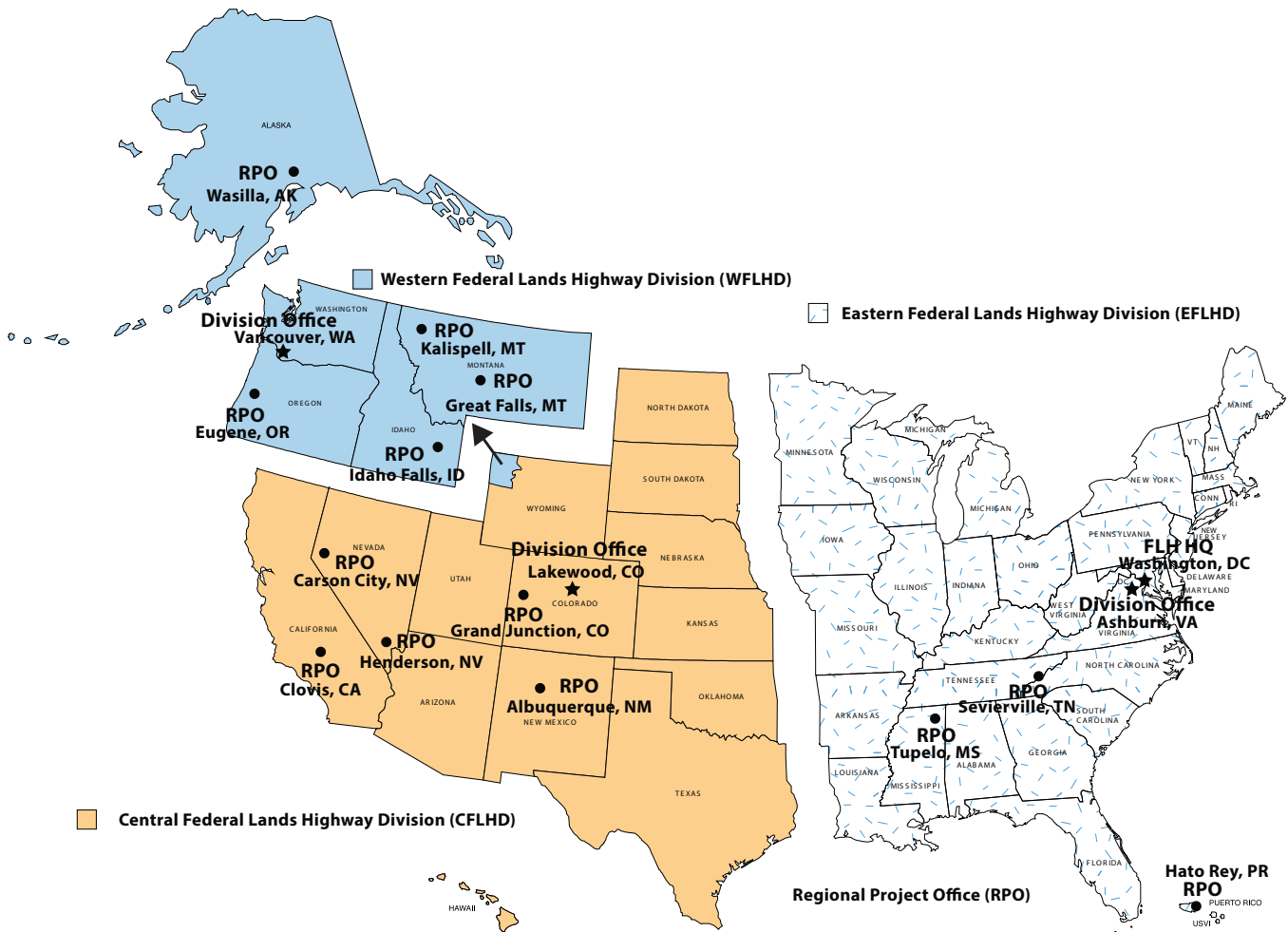


## Federal Lands Highway

The FHWA, through the Office of Federal Lands Highway, administers the FLTTP, NSFLTTP, Emergency Relief for Federally Owned Roads (ERFO) program, and the Defense Access Roads (DAR) program; and, performs program administration and coordination with Federal Land Management Agencies (FLMAs), Tribal governments, and State, Local, and other government entities, as well as serves as the “State DOT” for the Federal government. The Office of Federal Lands Highway is comprised of a Headquarters office, three Federal Lands Highway Division Offices, and Regional Project Offices (RPOs) that plan, design, procure, and administer the construction of transportation projects, and provide a wide range of technical transportation and engineering assistance and services.

The Tribal Lands portion of the FLTTP is managed by the Office of Tribal Transportation (OTT). This office administers the Tribal Transportation Program (TTP) jointly with the U.S. Department of the Interior’s BIA. The OTT also provides funding, through stewardship and oversight for direct funding agreements, and technical assistance directly to approximately 130 of the 574 federally-recognized Tribal governments, helping them to develop the capability and capacity to deliver their own transportation projects.

### Federal Lands Highway





## Headquarters Organization and Leadership

Headquarters provides policy and overall program direction to the agency. The Headquarters organization includes the Offices of the Administrator, Chief Counsel, and Chief Financial Officer, as well as several program offices (see table below).

HEADQUARTERS ORGANIZATION	
FHWA PROGRAM OFFICE	ABOUT THE OFFICE
<b>Chief Financial Officer (HCF)</b>	The Office of the Chief Financial Officer develops agency-wide policies and procedures, and provides support and assistance to FHWA Headquarters and field offices related to formulation and execution of agency budgets, financial and accounting services, and the proper utilization and accounting of agency resources. The office develops and implements acquisition policy, procedures, and guidelines for all elements of FHWA and provides agency-wide oversight of acquisition activities.
<b>Chief Counsel (HCC)</b>	The Office of the Chief Counsel is FHWA’s legal advocate and provides legal guidance to FHWA leadership; supports FHWA on legislative proposals, regulations, guidance, litigation support, and legal sufficiency reviews; and handles internal legal needs. The Field Legal Services Divisions and Federal Lands Legal Team provide direct legal support to Division Offices and Federal Lands Highway Division Offices within their respective geographic boundaries.
<b>Safety (HSA)</b>	The Office of Safety develops and implements strategies and programs toward eliminating highway fatalities and serious injuries by ensuring safety policies and programs are integrated with other FHWA and USDOT policies and initiatives, implementing safety-related legislation, improving data-driven decision-making, and promoting the development and incorporation of practices and safety features into roadway design and management.
<b>Planning, Environment, and Realty (HEP)</b>	The Office of Planning, Environment, and Realty provides policy and direction in the areas of transportation planning, natural and human environment, project development and environmental review, and real estate.

## HEADQUARTERS ORGANIZATION

<b>Operations (HOP)</b>	The Office of Operations provides leadership in the management and operation of the surface transportation system, including the integration of next generation technology, such as automated driving systems, with roadway transportation; tolling, pricing and revenue programs; and the application of data, technology, and planning to improve freight operations. Regulatory functions include oversight of traffic control devices and commercial motor vehicle size and weight enforcement.
<b>Infrastructure (HIF)</b>	The Office of Infrastructure provides leadership, technical expertise, and program assistance in highway, pavement, materials, bridges, tunnels, and other structures; asset management and related engineering activities; contract administration and transportation performance management.
<b>Civil Rights (HCR)</b>	The Office of Civil Rights provides guidance to the multidisciplinary highway community in ensuring the Federal-aid highway program is delivered in a nondiscriminatory manner, ensuring equity and inclusion outcomes, and leads the internal programs of Equal Employment Opportunity, Disability and Reasonable Accommodations, and Prevention of Harassment.
<b>Administration (HAD)</b>	The Office of Administration develops agency-wide policies and provides support and assistance to FHWA's Headquarters and field offices in matters relating to human resources, information systems and technology, information management, data governance, telecommunications, facilities management, records, Freedom of Information Act, and other administrative and management services.



Photo Credit: FHWA

## HEADQUARTERS ORGANIZATION

<p><b>Public Affairs (HPA)</b></p>	<p>The Office of Public Affairs informs the public about FHWA activities, manages external communication programs, and is the agency’s primary point of contact for all media inquiries.</p>
<p><b>Research, Development, and Technology (HRT)</b></p>	<p>The Office of Research, Development, and Technology leads a nationally coordinated highway research and technology program to enable improved safety, durability, sustainability, and operational performance of the Nation’s highway transportation system. The Office also champions the advancement of highway innovation, and provides expert technical assistance on matters of national importance that require the specialized skills and capabilities of HRT/Turner-Fairbank Highway Research Center (TFHRC) staff.</p> <p>The TFHRC is a federally owned and operated national research facility in McLean, VA. The center houses 15 laboratories, support facilities, and data sets; and conducts applied and exploratory advanced research in vehicle-highway interaction, nanotechnology, and a host of other types of transportation research in safety, pavements, highway structures and bridges, human-centered systems, operations and intelligent transportation systems, and materials. The laboratories at the center provide a vital resource for advancing the body of knowledge that has been created and developed by our researchers.</p>
<p><b>Policy and Governmental Affairs (HPL)</b></p>	<p>The Office of Policy and Governmental Affairs advises leadership on FHWA policy; implements international programs; provides support and assistance to FHWA, USDOT, and Congress on policy development and execution; analyzes major policy issues impacting highway transportation for the future; and develops and analyzes policy-related data and information for highway and intermodal transportation decision-making.</p>
<p><b>Federal Lands Highway (HFL)</b></p>	<p>The Office of Federal Lands Highway provides program administration of the FLTTP, and provides transportation expertise, technical assistance, and training for FLMAs, Tribal DOTs, federally-recognized Tribal governments, and other governmental entities.</p>

## HEADQUARTERS ORGANIZATION

### **Office of Transportation Workforce Development and Technology Deployment (HIT)**

The Office of Transportation Workforce Development and Technology Deployment provides leadership, technical expertise, technology and innovation deployment support in all highway transportation-related areas and leads all workforce development activities for current, emerging, and future transportation professionals.

The office includes: the National Highway Institute, which delivers transportation training to build the skills of highway professionals and enhance job performance in the transportation industry across the country; and the Resource Center, which provides technical support and program assistance along with training and technology delivery to FHWA's Division Offices, State DOTs, metropolitan planning organizations (MPOs), and other transportation stakeholders. The office also leads agency innovation implementation management and deployment efforts, encouraging transportation stakeholders to use proven, yet underutilized, technologies to meet their most pressing challenges through programs like Every Day Counts and the State Transportation Innovation Councils.

### **Intelligent Transportation Systems Joint Program Office**

The Intelligent Transportation Systems Joint Program Office (ITS JPO) is the department-wide authority for coordinating ITS program activities and initiatives, including a department-wide ITS research program, among modal administrations of the USDOT. The ITS JPO is organizationally located within FHWA, which provides a range of professional, technical, and administrative support to the ITS JPO. However, the Office of the Assistant Secretary for Research and Technology (OST-R) has primary responsibility for the strategic oversight and direction of the ITS JPO, including providing policy guidance for ITS.

### **Joint Office of Energy and Transportation**

The Joint Office of Energy and Transportation was created through the Bipartisan Infrastructure Law to facilitate collaboration between the U.S. Department of Energy and the USDOT. The Joint Office provides support and expertise to a multitude of programs that seek to deploy a network of electric vehicle chargers, zero-emission fueling infrastructure, and zero-emission transit and school buses.

# Transportation Funding 101

The FHWA's annual budget (\$73.2 billion in 2023, from the Bipartisan Infrastructure Law and the Consolidated Appropriations Act, 2023) is supported by the U.S. Treasury. Federal obligations (commitments) to surface transportation under the FAHP are typically paid from the HTF, though some are paid from the General Fund of the U.S. government. Revenues deposited in the HTF are raised through Federal taxes on gasoline and diesel fuel, as well as related truck excise taxes. Each year,

FHWA distributes funding to States and local agencies; to the FLTTP (for Tribal lands, national parks, national forests and other land under Federal stewardship); and for research, training and education, and other programs administered by FHWA and its stakeholders.

## WHAT IS TITLE 23?

*Title 23 of the United States Code (U.S.C.), is the collection of most of the recurring provisions of laws that govern FHWA Programs.*

## Authorization and Contract Authority

The first step in funding the FAHP takes place when Congress passes authorizing legislation. Authorization by Congress establishes, or authorizes, the continued operation of a Federal agency, activity, or program for a fixed or indefinite period of time. Authorizing legislation for highways began with the passage of the Federal-Aid Road Act in 1916 and the Federal Highway Act in 1921. Since then, the FAHP has been renewed through the passage of multi-year authorizations, most recently the Bipartisan Infrastructure Law or BIL, enacted on November 15, 2021, as the Infrastructure Investments and Jobs Act (IIJA).

About 90 percent of the FAHP consists of the following “core” programs:

- National Highway Performance Program (NHPP);
- Surface Transportation Block Grant Program (STBG);
- Highway Safety Improvement Program (HSIP);
- Congestion Mitigation and Air Quality Improvement (CMAQ) Program;
- Metropolitan Planning (PL);
- Railway-Highway Crossings Program (RHCP);
- National Highway Freight Program (NHFP);
- Carbon Reduction Program (CRP); and
- Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Formula Program.

## **A GUIDE TO FEDERAL AID PROGRAMS AND PROJECTS**

***For more information about the Federal-aid programs, projects, and other program characteristics, please see the Guide to Federal Aid Programs and Projects at <https://www.fhwa.dot.gov/federalaid/projects.pdf> or NHI courses on Highway Program Funding or Federal-Aid 101.***

Most Federal programs require a second legislative step — appropriation — to make the authorized funds available for projects and distribution. The FAHP is different and generally operates under a form of budget authority known as “contract authority.” Contract authority is a special type of budgetary authority that allows FHWA to distribute funding to States at the beginning of the Fiscal Year, regardless of whether Congress has passed an appropriations bill. This eliminates uncertainty about availability of funds and gives States the ability to do the long-term planning necessary for complex highway projects.

However, FHWA still requires an appropriation from Congress to liquidate (reimburse) authorized obligations and provide cash from the HTF to allow the agency to reimburse States as work on projects progresses. In addition, the annual appropriations act (or continuing appropriations act) provides a limitation on obligations that may be made under the FAHP.

## **General Fund Programs**

In addition to its contract authority programs — which are funded by the HTF — a number of FHWA programs draw support from the General Fund. Notable examples include three highway formula programs under the Bipartisan Infrastructure Law: (1) the Bridge Formula Program (BFP), (2) the National Electric Vehicle Infrastructure (NEVI) Formula Program, and (3) the Appalachian Development Highway System (ADHS) Program. These General Fund programs are not subject to the annual limitation on FAHP obligations.

## Definition of Key Funding Terms

### Authorization

The term is typically used in the context of an authorization bill or act (law): substantive legislation that establishes or continues Federal programs or agencies and establishes an upper limit on the amount of funds for the program or programs. Within such an act, the term may also refer to the program-specific upper limit.

### Appropriation

The term is typically used in the context of an appropriations bill or act: a law that typically makes funds available for obligation and expenditure with specific limitations as to amount, purpose, and duration.

### Apportionment (Formula Funding)

The distribution of funds to States as prescribed by a statutory formula, as it relates to funding Federal-aid highways.

### Allocation

An administrative distribution of funds for programs that are not normally distributed to States by a statutory formula, as it relates to funding Federal-aid highways.

### Obligation

The Federal government's legal commitment (promise) to pay or reimburse a State or other entity for the Federal share of a project's eligible costs.

### Obligation Limitation

A ceiling on the total amount of Federal-aid highway funding (subject to such limitation) that may be obligated in a particular fiscal year.

### Outlays

Payments made to the State or other entity to pay the entity for eligible costs incurred. Outlays generally are provided as work progresses for the Federal share for approved highway program activities.

## Formulas, Penalties, Set-asides, and Suballocation

### Formulas and Penalties

Most of the FAHP is distributed annually to States through formulas established in law. Under recent authorizations, FHWA has used a formula to calculate an initial sum for each State's Federal-aid apportionment then divides the State's lump sum among different programs based upon procedures defined in law. In some cases, Federal law directs FHWA to modify those initial shares slightly, based on States' relative contributions to the HTF. In other cases, a State may have a penalty applied; to enforce certain national priorities, Congress has established statutory penalties that can prevent a State from receiving or using its full apportionment or place certain restrictions on some apportioned funding. These penalties are applied when FHWA annually apportions funds.

### Set-asides

Federal highway law also requires States to use certain sums of their apportionments only for special purposes. FHWA refers to these special purposes as set-asides. Examples of set-asides are included in the following table.

EXAMPLES OF SET-ASIDES	
State planning and research (SPR)	Two percent of a State's NHPP, STBG, HSIP, CMAQ, and NHFP funds may only be used for planning and research activities. One-fourth of this amount must be used for research, development, and technology activities unless certain conditions apply.
Transportation Alternatives (TA)	FHWA sets aside a portion of each State's STBG apportionments to fund TA. Among other things, it includes pedestrian and bicycle facilities, safe routes to schools projects and activities, vulnerable road user safety assessments, infrastructure projects for improving non-driver access to public transportation and enhanced mobility, community improvement activities such as historic preservation and vegetation management, environmental mitigation related to stormwater and habitat connectivity, and recreational trail projects.
Off-system bridges	Bridges that are not located on Federal-aid highways are sometimes referred to as "off-system bridges." Federal law requires FHWA to set aside for these bridges an amount of a State's STBG apportionment equal to 20 percent of the State's fiscal year (FY) 2009 Highway Bridge Program apportionment. FHWA may waive or reduce this requirement if it determines that this expenditure is unnecessary in a particular State.



## Suballocation

To promote the fair and equitable use of funds, and to meet certain priorities, States are required by law to reserve some Federal funding for use only in certain population-based areas of the State.

*Suballocation of STBG Program.* After applying the SPR and TA set-asides, FHWA is required by law to reserve 55 percent of a State's remaining STBG funds for use in the following areas, in proportion to the relative share each area constitutes of the State's population:<sup>1</sup>

1. Urbanized areas of the State with an urbanized area population over 200,000 (further suballocated to each such area within a State based on the population of the area<sup>2</sup>);
2. Urbanized areas of the State with an urbanized area population of not less than 50,000 and not more than 200,000;
3. Urban areas of the State with a population not less than 5,000 and not more than 49,999; and
4. Areas of the State with a population of less than 5,000.

*Suballocation of TA funds.* After TA funds are apportioned to a State, part is set-aside for the Recreational Trails Program (unless the State opts out). After the Recreational Trails set-aside, 59 percent of TA funds are suballocated to the population areas described above.

*Suballocation of Carbon Reduction Program (CRP) funds.* Similar to STBG funding, FHWA is required by law to suballocate 65 percent of a State's CRP funds to the population areas described above. As with STBG, these suballocated amounts are distributed in proportion to the relative share each area constitutes of the State's population.<sup>3</sup>

## Disadvantaged Business Enterprises

Recent authorization acts have required USDOT, unless the Secretary determines otherwise, to spend at least 10 percent of the funding for its highway, transit, and research programs with small business concerns owned and controlled by socially and economically disadvantaged individuals. The DBE program's primary objective is to ensure that small, disadvantaged businesses can compete fairly for federally assisted State highway program contracts. The 10 percent statutory goal is an aspirational goal at the national level.

Each State, as a recipient of Federal funds, must administer a DBE program and set a narrowly-tailored overall DBE participation goal consistent with circumstances in its highway construction market. The DBE program and overall goal of a primary recipient (e.g., a State DOT) apply to all the Federal funds that will be expended in FHWA-assisted contracts. This includes not only the Federal funds expended in contracts that the primary recipient itself lets, but also the Federal funds that subrecipients let in FHWA-assisted contracts. Recipients are required to achieve their overall DBE goals to the maximum extent feasible through race-neutral means. A recipient is expected to establish DBE contract goals to meet any portion of the annual overall goal it is unable to meet through race-neutral measures. The use of quotas for DBEs is not permitted.

1 23 U.S.C. 133(d)(1)(A).

2 23 U.S.C. 133(d)(4)(A).

3 23 U.S.C. 175(e)(1)(A).

## Highway Trust Fund

The highway programs of the Federal government and most States depend on highway-user tax receipts as the principal source of funding. Federal highway-user tax revenues are deposited in the HTF, which consists of the Highway Account (which funds highway and intermodal programs, along with FMCSA, some NHTSA programs, and the Office of the Secretary of Transportation's TIFIA program) and the Mass Transit Account (which funds a variety of mass transit programs through FTA).

Federal motor fuel taxes — currently 18.3 cents per gallon for gasoline, and 24.4 cents per gallon for diesel (not including any motor fuel taxes assessed by individual States) — are the major source of income into the HTF. The FAHP has increased in size over recent decades. Over that period, the taxes that support the HTF have fallen behind authorized program levels (the taxes were last adjusted by Congress in 1993), and the purchasing power of the HTF and HTF revenues have been shrinking due to inflation and increased fuel efficiency. Beginning in 2008, Congress has, on a number of occasions, passed laws to transfer into the HTF additional cash to keep the HTF solvent. These transfers primarily have been from the General Fund of the Treasury, although there have been some smaller transfers from the Leaking Underground Storage Tank Trust Fund (a separate trust fund set up for certain environmental cleanup purposes, which is financed with a small portion of motor fuel taxes).

The most recent authorization act, BIL, transfers \$90 billion from the General Fund to the Highway Account of the HTF, to keep it solvent for years. In addition, BIL authorized an additional \$47.3 billion in advance appropriations from the General Fund for Highway Infrastructure Programs to supplement spending from the HTF, to fully fund highway programs during the 5-year period of the BIL.

## Federal Share

The Federal government typically does not pay for the entire cost of construction or improvement of Federal-aid highways. Therefore, the project sponsor usually has to “match” Federal funds with funds from other sources. The maximum share of an eligible project's costs that the Federal government will cover is known as the Federal share. In almost all cases a recipient may, at its option, reduce the Federal share for a project by contributing more non-Federal resources than required by law. Unless otherwise specified in law, most projects have a maximum Federal share of 80 percent.

## Discretionary Funding

USDOT and FHWA administer discretionary programs. These discretionary programs represent special funding categories where USDOT solicits and selects projects. Each program has its own eligibility and selection criteria established by law, by regulation, or administratively. The BIL expanded the range of discretionary programs that FHWA administers. The tables below, which are not inclusive of all programs, demonstrate the range of USDOT and FHWA discretionary grant programs available for surface transportation projects.

**FHWA-ADMINISTERED DISCRETIONARY GRANTS (EXAMPLES)**

<b>PROGRAM NAME</b>	<b>SUMMARY OF GRANT PROGRAM</b>	<b>BIL FUNDING</b>
<b>Bridge Investment Program</b>	The Bridge Investment Program is a discretionary grant program to improve bridge condition, safety, efficiency, and reliability. It is a complement to the bridge formula program, with a wide range of recipients, and is oriented towards large projects.	\$12.5 billion over 5 years (FY 2022-2026)
<b>Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Discretionary Program</b>	The purpose of the PROTECT discretionary grant program is to fund planning, resilience improvements, community resilience and evacuation routes, and at-risk coastal infrastructure, across a wide range of recipients.	\$1.4 billion over 5 years (FY 2022-2026)
<b>Reconnecting Communities Pilot Program</b>	This discretionary grant program provides planning or capital construction grants to a range of recipients to fund restoration of community connectivity by removing, retrofitting, or mitigating highways or other transportation facilities that create barriers to community connectivity, including to mobility, access, or economic development.	\$1 billion over 5 years (FY 2022-2026)

## FHWA-ADMINISTERED DISCRETIONARY GRANTS (EXAMPLES)

<p><b>Charging and Fueling Infrastructure Grants Program</b></p>	<p>The program provides grants to fund the strategic deployment of publicly accessible electric vehicle (EV) charging infrastructure and hydrogen/propane/natural gas fueling infrastructure along designated alternative fuel corridors and in communities.</p>	<p>\$2.5 billion over FY 2022-2026</p>
<p><b>Safe Streets and Roads for All Program (SSFA)</b></p>	<p>The SSFA program provides grants to Tribal governments, MPOs, and political subdivisions of a State (e.g., local governments) to support local initiatives to prevent transportation-related death and serious injury on roads and streets (commonly referred to as “Vision Zero” or “Toward Zero Deaths” initiatives), with not less than 40 percent of funding reserved to develop comprehensive safety action plans.</p>	<p>\$1 billion annually, for 5 years (FY 2022-2026)</p>
<p><b>Accelerated Innovation Deployment (AID) Demonstrations</b></p>	<p>The purpose of the AID Demonstrations grant program is to support continued implementation of proven innovative practices and technologies as standard practices.</p>	<p>Approximately \$10 million annually</p>

## FHWA-ADMINISTERED DISCRETIONARY GRANTS (EXAMPLES)

<b>Advanced Transportation and Technologies and Innovative Mobility Deployment (ATTIMD)</b>	The ATTIMD program provides grants to eligible entities to deploy, install, and operate advanced transportation technologies to improve safety, mobility, efficiency, system performance, intermodal connectivity, and infrastructure return on investment.	\$60 million annually
<b>Nationally Significant Federal Lands and Tribal Projects (NSFLTP) Program</b>	The NSFLTP program provides funding for the construction, reconstruction, and rehabilitation of nationally-significant projects within, adjacent to, or accessing Federal and Tribal lands.	\$55 million annually, with an additional \$300 million annually subject to appropriation  FY 2022 appropriated \$75 million
<b>Strategic Innovation for Revenue Collection (SIRC) Program</b>	The SIRC modifies and renames the prior Surface Transportation System Funding Alternatives (STSFA) program. USDOT will test the feasibility of a road usage fee and other user-based alternative revenue mechanisms to help maintain the long-term solvency of the HTF, through pilot projects at the State, local, and regional level.	\$15 million annually
<b>National Scenic Byways Program (NSBP)</b>	The NSBP provides grants to States and Tribal governments for eligible projects on National Scenic Byways or All-American Roads, or State or Tribal scenic byways, or to plan, design, and develop a State or Tribal scenic byway program.	FY 2022 appropriated \$6 million

## OST-ADMINISTERED DISCRETIONARY GRANTS FOR TRANSPORTATION AGENCIES

PROGRAM NAME	SUMMARY OF GRANT PROGRAM	FUNDING
<b>Local and Regional Project Assistance Program (RAISE)</b>	RAISE, formerly known as BUILD and TIGER, funds surface transportation infrastructure projects with significant local or regional impact.	\$1.5 billion annually, subject to appropriation  FY 2022 appropriated an additional \$775 million
<b>Infrastructure for Rebuilding America (INFRA)</b>	The INFRA program (the Nationally Significant Freight and Highway Projects (NSFHP) program, formerly FASTLANE) provides dedicated, discretionary funding for projects that improve the safety, efficiency, and reliability of the movement of freight and people in and across rural and urban areas. Includes multimodal freight network projects and international border projects. Additional eligibility exists for non-highway freight projects.	Average \$1.6 billion annually, with an additional \$1.2 billion subject to appropriation

### Emergency Relief

Congress authorized a special program from the HTF for the repair or reconstruction of Federal-aid highways, and multimodal transportation facilities on Federal and Tribal lands, that have suffered serious damage due to natural disasters over a wide area, such as damage from a flood, hurricane, tidal wave, earthquake, severe storm, wildfire, or landslide; or catastrophic failures from an external cause. This program, commonly referred to as the Emergency Relief (ER) program, supplements the commitment of resources by States, their political subdivisions, Territorial and Tribal governments, and Federal land management agencies, and is intended to aid in repairs and help pay for unusually heavy expenses resulting from these natural disasters or catastrophic events.

The applicability of the ER program to a natural disaster is based on the extent and severity of the damage. Approved ER funds are available at the Federal share that would typically apply to the highway facility that was damaged.

In addition, repair work to restore essential travel, minimize the extent of damage, or protect the remaining facilities, accomplished in the first 270 days after the actual occurrence of the natural disaster or catastrophic failure, may be reimbursed at 100 percent Federal share. The 270-day time period for 100 percent eligibility of emergency repairs may be extended for locations where a State cannot access a site to evaluate damages and the cost of repair.

Under the BIL, the ER program now also permits ER projects to incorporate economically justifiable improvements that will mitigate the risk of recurring damage from extreme weather, flooding, and other natural disasters, and it includes a list of protective features and design elements that are eligible expenses.

Congress has authorized \$100 million annually for the ER program from the HTF, and periodically provides additional funds through supplemental appropriations, typically through the General Fund. Congress has supplemented the program by providing over \$15 billion of relief funding over the last 15 years. FHWA provides nationwide allocations of ER funding for unmet funding needs for repair and reconstruction. FHWA also periodically releases ER funding through “quick releases” — initial installments of funds to restore essential traffic and limit further highway damage for a specific event.

## FAHP Project Delivery and Program Oversight

### Stewardship and Oversight Agreement

Federal agencies may not transfer their decision-making authority to non-Federal entities except where authorized by law. In 1991, in recognition of the significant role the States have in maintaining the national road system, Congress increased the authorized role of State DOTs in overseeing the FAHP. Legislation made it possible for FHWA to formally transfer some of its responsibilities for the Federal-aid program to State DOTs. Federal laws now allow State DOTs to act on behalf of FHWA by taking responsibility for most project development activities, as well as administering the construction and inspection of many Federal-aid projects. FHWA remains responsible for ensuring compliance with Federal requirements.

The State DOT assumption of FHWA responsibilities is memorialized in State-specific Stewardship and Oversight Agreements between the FHWA Federal-aid Division Office and the State DOT. These statutorily-required agreements are intended to ensure that the Federal-aid highway program is delivered in an efficient and effective manner consistent with applicable laws, regulations, policies, and good businesses practices.

Examples of responsibilities that may be transferred to a State DOT through a Stewardship and Oversight Agreement include various decisions related to:

- Project design requirements;
- The purchase of rights-of-way;

- Administering construction projects; and
- Other project-specific activities relating to design, plans, specifications, estimates, contract awards, and inspections.

Pursuant to other statutory provisions in Title 23, United States Code, and as discussed below, FHWA may transfer its responsibilities for most environmental reviews to State DOTs. These authorities are exercised through FHWA-State DOT agreements specific to the performance of environmental review activities.

## Risk-based Approach

Many sectors of the economy and of society have increased their focus on risk. This focus follows an increased emphasis on performance in pursuing goals, objectives, and targets. In 2012, the Moving Ahead for Progress in the 21st Century Act (MAP-21) established a new framework for a performance-based Federal highway program. This included designating national performance goals and directing FHWA to establish associated national performance measures, which the agency has since set through regulation.

The FHWA uses a risk-based stewardship and oversight (RBSO) approach to determine, consistent with statutes, regulations, Executive Orders, and administrative and financial controls, how and when the FHWA is involved in programs and projects. RBSO integrates risk management into the FHWA performance planning process to identify agency-wide stewardship and oversight initiatives. These initiatives span both the national and unit (division) level. RBSO initiatives include:

- The FHWA/State Stewardship and Oversight Agreements, which document the extent to which a State assumes the responsibilities of FHWA under Title 23 to carry out project responsibilities traditionally handled by FHWA, and describe FHWA oversight activities;
- Required project and program actions administered by FHWA, including project-level actions that FHWA determines cannot, or should not, be assumed by States;
- Risk-based project and program involvement, which is a FHWA response to elevated risks or meaningful opportunities to inform and improve programs and meet FHWA objectives. This risk-based involvement includes program and project reviews, situations where FHWA elects to retain a specific project-level decision due to conditions in the State, and instances where FHWA takes on project involvement due to a risk assessment for the particular project; and
- Data-driven compliance assurance checks, through a compliance assessment program and a financial integrity review and evaluation program, are used by FHWA to sample projects and inform program compliance.

The FHWA's leadership team routinely meets to assess and reestablish the agency's risk appetite and tolerance to guide decisions for achieving measurable objectives associated with FHWA's



mission. With the agency's risk appetite as a guide, these decisions flow down to program units in FHWA. Federal-aid Division Offices, in coordination with State DOTs, consider internal and external risks and direct FHWA involvement to areas where it adds the most value.

The FHWA and State DOTs identify these areas by collecting program and project data on past performances and emerging challenges, ranking the threats and opportunities, and then prioritizing agency efforts. Primary tools for collecting data to inform these risk assessments are through risk-based project involvement, program and process reviews, and the compliance assessment program.

## **FHWA Project Delivery Process**

Projects that use FAHP funds typically follow a series of six fundamental phases of development. The first phase is metropolitan and statewide transportation planning, where transportation needs and ideas are conceptualized. The project then moves through environmental review, design, right-of-way, construction, and maintenance and operation. There are four major approval milestones through the project development process: (1) approval of the transportation improvement plan; (2) completion of the environmental review process; (3) plans, specifications, and estimates (PS&E); and (4) closing of the project.

### **Planning Phase**

The planning phase is where State DOTs and MPOs identify the statewide, regional, and metropolitan transportation needs and the transportation improvements to help meet those needs. State DOTs are responsible for statewide and non-metropolitan transportation planning, while MPOs are responsible for transportation planning in any urbanized area over 50,000 population (per the decennial Census). State DOTs and MPOs develop long-range transportation plans (LRTPs) that identify transportation needs and multimodal investments for at least the next 20 years.

If a State or local transportation agency plans to use Federal-aid funds (FHWA and/or FTA) for a transportation improvement, it must be included in the programming document known as the Statewide Transportation Improvement Program (STIP). Development of a STIP involves Federal and State government, MPOs, regional transportation planning organizations (RTPOs), transit agencies, local public agencies, Tribes, Federal land management agencies, and the public.

Each MPO develops its own Transportation Improvement Program (TIP) that governs the project list for the respective area. TIPs are incorporated directly or by reference in each State's approved STIP. Once the project is in an approved STIP, the project can be considered for Federal-aid funding. Projects included in the STIP are consistent with transportation needs identified in the respective LRTP.

Each State DOT is required to ensure the transportation plan is fiscally constrained. This means that the metropolitan transportation plan, TIP, and STIP include sufficient financial information to demonstrate that projects in the plan can be implemented using committed, available, or reasonably available revenue sources, with reasonable assurance that the federally supported

transportation system is being adequately operated and maintained. If there is a major change to the estimated cost for a project in the STIP, a STIP amendment may be required before the project can be authorized for construction.

## **Environmental Review Process**

The National Environmental Policy Act (NEPA) provides a framework for Federal agencies to assess the impacts of a proposed project or action on the human and natural environment before constructing the project or proceeding with the action. In addition to NEPA, other laws and regulations, such as Section 4(f) of the Department of Transportation Act of 1966, the Clean Water Act, and the Endangered Species Act, may also apply to projects or other Federal actions. Generally, compliance with these other environmental laws is resolved during the NEPA process.

FHWA has demonstrated that certain categories of projects do not typically cause significant environmental impacts and has documented the parameters of these types of projects in regulation. Projects that qualify as Categorical Exclusions (CE) require minimal documentation to complete the environmental review process. Over 98 percent of Federal-aid projects fall into this category.

In some cases, because of the potential for significant environmental impacts, a Federal agency may prepare an Environmental Assessment (EA); or for major Federal actions that may significantly affect the human or natural environment, an Environmental Impact Statement (EIS). Both look at alternatives, the potential impacts the project may have on the environment, and mitigation of those impacts. In these cases, Federal agencies, such as FHWA, conclude the environmental review process with a Finding of No Significant Impact (FONSI) or a Record of Decision (ROD), as appropriate. The decisions are made with input from the public and in consultation with other Federal, State, Tribal, and local agencies.

In recognition of State DOTs' experience with NEPA, Congress established processes in law for States to assume some or all of FHWA's NEPA responsibilities. Through the Surface Transportation Project Delivery Program, the U.S. Secretary of Transportation may assign and the State may assume the Secretary's responsibilities under NEPA for one or more highway projects. A separate statutory authority also allows FHWA to transfer to State DOTs certain FHWA environmental responsibilities for projects that can be categorically-excluded from the preparation of an EA or EIS.

Regardless of the decision-maker, issuing a final NEPA determination with a CE, FONSI, or ROD is an important step in the project development process.

## **Design Phase**

The design phase is when the details necessary to construct the project are defined. At the end of the design phase, the plans, contract specifications, and estimated costs package are assembled. This PS&E package must be reviewed and approved by the appropriate party before the project can move into construction.

## **Right-of-Way Phase**

Right-of-way may include the purchase of properties or negotiation of land use agreements that are needed for a project. It also may include displacing residential and commercial property owners and tenants. To ensure fair and equitable treatment of property owners and tenants during this process, any right-of-way needed for the project must be acquired in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, otherwise known as the Uniform Act, even if Federal funds are not needed until construction. Coordination with utilities and railroads also occurs during this phase.

## **Construction Phase**

This phase includes soliciting bids or proposals, awarding a contract, and physical construction by the contractor and administration of the contract and quality assurance by funding recipient.

## **Maintenance and Operation Phase**

This phase includes the opening of the project for use by the public and ongoing preventive maintenance. The FHWA role in this phase includes specific statutory authorities for oversight responsibilities, including highway bridge and tunnel inspections, to ensure the public's safety throughout those assets' service lives.

## **Performance-Based Federal-Aid Highway Program**

Performance requirements were integrated into the FAHP through the passage of MAP-21 and then continued through its successor laws: the Fixing America's Surface Transportation (FAST) Act and BIL. These new elements were implemented through a series of rulemakings which have been in effect for several years. The rulemakings established 17 national measures that are used by States and FHWA to assess and carry out safety, infrastructure, freight, mobility, congestion mitigation, and air quality programs. States and MPOs are required to use the measures to establish targets which they are held accountable to meet. States and MPOs use the targets to guide their planning and programming of funds and are required to report on progress. Additionally, States are required to maintain minimum conditions of their Interstate pavements and NHS bridges.

## Contact Us

We encourage you to visit us on the web at:

- Bipartisan Infrastructure Law website, <https://www.fhwa.dot.gov/bipartisan-infrastructure-law/>



- Main website, at <https://www.fhwa.dot.gov> or <https://highways.dot.gov>
- Please also follow us on our social media channels: [Facebook](#), [Twitter](#), [LinkedIn](#), [YouTube](#), [Flickr](#), and [Instagram](#).

If you have any further questions, we are happy to assist you.

### **If you are a State DOT, Local Public Agency, or Territorial Government,**

Please visit <https://www.fhwa.dot.gov/about/field.cfm> to contact FHWA Division Offices or <https://fhwaapps.fhwa.dot.gov/foisp/keyFieldDirFieldServices.do> to contact the Directors of Field Services.

### **If congressional or intergovernmental officials or staff have an inquiry,**

Please reach out to our Congressional Affairs Team:

- ▶ Office of Legislative Affairs and Policy Communications, <https://www.fhwa.dot.gov/policy/olsp/olspstaff.cfm>

### **If you are a non-governmental stakeholder with an inquiry,**

Please reach out to our Office of Policy and Governmental Affairs:

- ▶ Office of Policy and Governmental Affairs, <https://www.fhwa.dot.gov/policy/opstaff.cfm>

### **If you have a media inquiry or an interview request,**

Please reach out to the Office of Public Affairs at 202-366-0660.

**If you are a Federal partner or Tribe or have questions related to transportation infrastructure on Federal or Tribal lands, please contact:**

▶ **Office of Federal Lands Highway**  
1200 New Jersey Ave, SE  
Washington, DC 20590  
202-366-9494  
[federallands.fhwa@dot.gov](mailto:federallands.fhwa@dot.gov)  
<https://highways.dot.gov/federal-lands/about/contacts>

▶ **Central Federal Lands Highway Division**  
12300 West Dakota Avenue  
Suite 390  
Lakewood, CO 80228  
720-963-3500  
[CFL.FHWA@dot.gov](mailto:CFL.FHWA@dot.gov)

▶ **Eastern Federal Lands Highway Division**  
22001 Loudoun County Parkway  
Building E2, Suite 200  
Ashburn, VA 20147  
703-404-6201  
[EFL.FHWA@dot.gov](mailto:EFL.FHWA@dot.gov)

▶ **Western Federal Lands Highway Division**  
610 East Fifth Street  
Vancouver, WA 98661-3801  
360-619-7700  
[WFL.FHWA@dot.gov](mailto:WFL.FHWA@dot.gov)

Or visit: <https://highways.dot.gov/federal-lands/about/contacts>



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