



U.S. Department
of Transportation
**Federal Highway
Administration**

Notice

SUBJECT:

**ADVANCE NOTIFICATION OF FEDERAL-AID HIGHWAY FUNDS
TO BE APPORTIONED ON OCTOBER 1, 2025**

Classification Code

Date

Office of Primary Interest

N4510.903

June 25, 2025

HCFB-10

1. **What is the purpose of this Notice?**

- a. As required by Section 104(e) of Title 23, United States Code (U.S.C.), this Notice is to inform States of the anticipated amounts of funds to be apportioned for Fiscal Year (FY) 2026 under 23 U.S.C. 104. The anticipated apportionment amounts are subject to change before issuing the certificate of apportionment, which is effective on October 1, 2025.
- b. This Notice also provides the procedures for States to opt out of the Recreational Trails Program and the procedures for the Governor of a land border State to designate up to 5 percent of the State's FY 2026 Surface Transportation Block Grant (STBG) Program (Any Area) funds for use on border infrastructure projects.

2. **What are the anticipated FY 2026 apportionments?** The following table shows the FY 2026 anticipated apportionment amounts effective on October 1, 2025. The table shows the anticipated apportionments of the National Highway Performance Program (NHPP), STBG Program, Highway Safety Improvement Program (HSIP), Railway-Highway Crossings Program, Congestion Mitigation and Air Quality Improvement Program, Metropolitan Planning Program, National Highway Freight Program, Carbon Reduction Program, and Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation Formula Program.

3. **Are certain States subject to potential withholdings or transfers?** Currently, the States that are listed under the following sections are subject to potential withholdings or transfers on October 1, 2025. Note that States subject to penalties under 23 U.S.C. 148(g) and 23 U.S.C. 119(f) will be notified directly by the applicable program office.

a. **Open Container Requirements – 23 U.S.C. 154**

NHPP and STBG funds are subject to a 2.5 percent transfer to the State's Highway Safety Program under 23 U.S.C. 402 or use for HSIP under 23 U.S.C. 148.

Alaska, Connecticut, Delaware, Hawaii, Louisiana, Maine, Mississippi, Missouri, North Carolina, Ohio, Puerto Rico¹, Tennessee, Virginia, and Wyoming

b. National Minimum Drinking Age – 23 U.S.C. 158

NHPP and STBG funds are subject to 8 percent withholding.

Puerto Rico¹

c. Repeat Offenders – 23 U.S.C. 164

NHPP and STBG funds are subject to a 2.5 percent transfer to the State's Highway Safety Program under 23 U.S.C. 402 or use for HSIP under 23 U.S.C. 148.

Alaska, California, Colorado, Hawaii, Indiana, Louisiana, Michigan, Minnesota, Missouri, Montana, Nevada, New Mexico, North Dakota, Ohio, Oregon, Puerto Rico¹, Rhode Island, South Carolina, South Dakota, Vermont, Washington, and Wyoming

Note: States that do not have laws compliant with the requirements in 23 Code of Federal Regulations (CFR) 1275.4(a)(3) may be eligible to establish compliance with 23 U.S.C. 164 by submitting a certification pursuant to 23 CFR 1275.5. To avoid a penalty on October 1, 2025, such States are encouraged to submit their certification by August 15, 2025.

4. **Are there obligation controls?** Yes. The obligation limitation associated with the funds transferred pursuant to 23 U.S.C. 154 and 23 U.S.C. 164 is subject to obligation controls in force at the time of the transfer.

5. What are the requirements of the Recreational Trails Program set-aside?

- a. **Participation in the Recreational Trails Program set aside:** Section 133(h)(5) of Title 23, U.S.C., provides for a set-aside from each State's Transportation Alternatives funding for the Recreational Trails Program (RTP). The amount of the set-aside is equal to each State's FY 2009 apportionment for the RTP. Each State that does not opt out of the set-aside must comply with 23 U.S.C. 206 for the administration of the RTP and must return 1 percent of the set-aside funds to the U.S. Secretary of Transportation (the Secretary) for administration of the RTP under 23 U.S.C. 133(h)(5)(B).

FHWA will process the return of the 1 percent of the set-aside funds for administration automatically and may complete the return on an incremental

¹ Puerto Rico Highway Program funds are not apportioned. Section 165 of Title 23, U.S.C., states that, for the purpose of imposing penalties, such funds will be treated as being apportioned under 23 U.S.C. 104(b) and 144 (as in effect for FY 1997) in the same proportions as Puerto Rico's FY 1997 apportionments. Funds treated as being apportioned for the National Highway System, STBG Program, and Interstate Maintenance Program shall be deemed to have been apportioned 50 percent for NHPP and 50 percent for STBG Program, for purposes of imposing penalties.

basis, consistent with the obligation controls in force at the time of the action (i.e., when operating under a continuing resolution, a proportional amount equal to the obligation authority will be transferred).

- b. **Procedures to opt-out of the RTP set-aside:** Section 133(h)(6)(A) of Title 23, U.S.C., allows a State to opt out of the RTP set-aside. To opt out of the set-aside, a State must inform FHWA of its decision to opt-out no later than 30 days prior to apportionments being made for a fiscal year. Because apportionments for FY 2026 will be effective on October 1, 2025, a State must notify FHWA of its decision to opt out by September 1, 2025.

Any State that desires to opt out of the RTP set-aside for FY 2026 should notify FHWA via email and attach a letter signed by the Governor of the State or their designee. The email and letter should be sent to the FHWA Office of Budget's official mailbox (BudDiv@dot.gov) no later than September 1, 2025.

- c. **Effect of not opting out by deadline:** If a State does not affirmatively opt-out by September 1, 2025, FHWA will apply the RTP set-aside to a State's Transportation Alternatives funding and 1 percent of the RTP set-aside amount will be returned to the Secretary for administration as described in paragraph 5.a., above.

6. **What are the procedures for the Governor of a land border State to designate up to 5 percent of the State's FY 2026 Surface Transportation Block Grant Program (Any Area) funds for use on border infrastructure projects?**

- a. Pursuant to Section 1437(a) of the Fixing America's Surface Transportation (FAST) Act, after consultation with relevant transportation planning organizations, the Governor of a State that shares a land border with Canada or Mexico may designate for a fiscal year not more than 5 percent of the STBG (Any Area) funds made available to the State under 23 U.S.C. 133(d)(1)(B) for border infrastructure projects eligible under Section 1303 of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users Act.
- b. For the purposes of this provision, land border States are: Alaska, Arizona, California, Idaho, Maine, Michigan, Minnesota, Montana, New Hampshire, New Mexico, New York, North Dakota, Texas, Vermont, and Washington.
- c. Pursuant to Section 1437(c) of the FAST Act, before making a designation, the Governor of a land border State shall certify that the designation is consistent with transportation planning requirements under Title 23, U.S.C.
- d. Pursuant to Section 1437(f)(1) of the FAST Act, in order to make a designation, the Governor of a land border State must inform FHWA of the decision to designate funds no later than 30 days prior to the first day of the fiscal year for

which the designation is being made. Therefore, notification of the decision to designate funds for FY 2026 must be made by September 1, 2025. Note that any designation that was made for FY 2025 funds will not be carried over for FY 2026 funds; a new designation must be made for FY 2026 funds if the Governor elects to do so.

Any Governor of a land border State that desires to designate a portion of the State's FY 2026 funds distributed under 23 U.S.C. 133(d)(1)(B) for use on border infrastructure projects should notify FHWA via email and attach a letter signed by the Governor or the Governor's designee indicating the designated percentage of funds to be set-aside (up to 5 percent) under this provision. The email and letter should be sent to the FHWA Office of Budget's official mailbox (BudDiv@dot.gov) no later than September 1, 2025.

7. **What action is required?**

- a. Division Administrators must ensure that this Notice is provided to State departments of transportation (State DOT). The State DOT should also share this Notice with the State's Office of the Governor regarding the designation that may be made under Section 1437 of the FAST Act.
- b. A State shall notify FHWA **no later than September 1, 2025**, of any decision to opt out of the RTP set aside for FY 2026.
- c. The Governor of a land border State shall notify FHWA **no later than September 1, 2025**, of any decision to designate up to 5 percent of the State's FY 2025 STBG (Any Area) funds for use on border infrastructure projects.



Gloria M. Shepherd
Executive Director

Attachment

**U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION**

N4510.903

**ADVANCE NOTICE OF ANTICIPATED FEDERAL-AID HIGHWAY PROGRAM APPORTIONMENTS FOR FY 2026
(before post-apportionment set-asides; before penalties; before sequestration)**

State	National Highway Performance Program	Surface Transportation Block Grant Program	Highway Safety Improvement Program¹	Railway- Highway Crossings Program	Congestion Mitigation & Air Quality Improvement Program	Metropolitan Planning Program	National Highway Freight Program	Carbon Reduction Program	PROTECT Formula Program	Apportioned Total
Alabama	615,406,390	299,386,893	64,610,554	5,176,419	13,454,574	4,390,537	28,480,256	26,695,331	30,354,504	1,087,955,458
Alaska	392,606,109	190,997,567	43,296,461	1,225,000	32,456,177	3,237,803	18,822,762	17,030,616	19,365,031	719,037,526
Arizona	562,575,191	273,685,228	60,433,830	3,362,094	61,184,516	8,355,811	27,466,023	24,403,600	27,748,641	1,049,214,934
Arkansas	417,133,781	202,929,947	43,193,576	4,109,318	14,523,140	2,453,379	19,435,635	18,094,587	20,574,842	742,448,205
California	2,662,629,452	1,295,333,247	286,013,024	15,928,669	547,332,051	71,444,360	137,780,405	115,500,548	131,332,398	5,263,294,154
Colorado	412,290,282	200,573,651	42,980,382	3,773,260	49,884,368	7,552,149	20,302,812	17,884,484	20,335,940	775,577,328
Connecticut	379,672,943	184,705,756	41,698,471	1,356,372	52,178,464	6,590,125	18,854,550	16,469,596	18,727,111	720,253,388
Delaware	129,935,902	63,212,060	13,509,708	1,225,000	13,753,887	2,544,481	6,350,093	5,636,409	6,409,001	242,576,541
Dist. of Col.	123,108,564	59,890,653	12,735,489	1,225,000	11,914,085	2,534,438	5,989,730	5,340,250	6,072,247	228,810,456
Florida	1,536,248,356	747,364,065	164,191,793	10,018,490	16,036,990	29,565,444	71,124,065	66,639,962	75,774,412	2,716,963,577
Georgia	1,011,408,551	492,036,592	105,966,814	8,726,731	80,138,346	11,094,420	48,470,730	43,873,263	49,887,043	1,851,602,490
Hawaii	130,851,271	63,657,375	13,613,511	1,225,000	12,217,075	2,497,284	6,349,164	5,676,116	6,454,151	242,540,947
Idaho	225,687,810	109,794,070	23,613,226	1,979,730	15,112,616	2,311,960	10,737,014	9,789,971	11,131,899	410,158,296
Illinois	1,081,906,576	526,332,929	111,417,466	11,270,541	129,845,950	24,365,244	53,371,185	46,931,353	53,364,311	2,038,805,555
Indiana	748,905,014	364,332,169	76,773,103	8,152,588	55,568,150	7,473,974	35,769,237	32,486,285	36,939,234	1,366,399,754
Iowa	395,934,146	192,616,612	39,163,253	5,735,607	13,321,601	2,832,400	18,448,957	17,174,981	19,529,184	704,756,741
Kansas	303,509,361	147,653,203	27,776,332	6,641,574	11,223,520	2,781,392	14,185,923	13,165,744	14,970,394	541,907,443
Kentucky	536,503,928	261,001,911	56,888,618	3,950,829	16,157,068	3,617,365	24,942,105	23,272,670	26,462,694	952,797,188
Louisiana	567,460,211	276,061,724	59,742,083	4,607,801	13,499,886	6,139,104	26,346,955	24,615,504	27,989,591	1,006,462,859
Maine	143,570,485	69,845,101	14,988,879	1,291,988	12,144,414	2,630,480	6,929,507	6,227,855	7,081,517	264,710,226
Maryland	452,539,444	220,154,324	48,930,632	2,387,258	63,328,618	9,902,103	22,558,666	19,630,427	22,321,202	861,752,674
Massachusetts	449,317,807	218,587,042	48,420,175	2,532,382	74,798,123	12,835,912	22,799,240	19,490,678	22,162,297	870,943,656
Michigan	808,373,596	393,262,831	83,590,184	8,079,234	87,282,447	14,787,104	39,524,064	35,065,936	39,872,481	1,509,837,877
Minnesota	511,687,784	248,929,192	51,558,687	6,466,614	38,007,318	6,529,070	24,478,581	22,196,187	25,238,654	935,092,087
Mississippi	389,779,257	189,622,341	40,413,002	3,787,894	13,231,799	2,428,229	18,155,636	16,907,992	19,225,598	693,551,748
Missouri	760,252,971	369,852,797	80,160,786	6,051,762	27,800,078	7,422,236	35,537,773	32,978,541	37,498,964	1,357,555,908
Montana	326,623,978	158,898,152	34,949,853	2,089,246	17,558,091	2,567,193	15,402,137	14,168,419	16,110,507	588,367,576
Nebraska	229,907,265	111,846,777	22,132,718	3,938,723	12,133,663	2,366,693	10,850,394	9,973,004	11,340,021	414,489,258
Nevada	274,128,785	133,359,930	29,801,449	1,284,701	38,412,514	4,687,530	13,631,193	11,891,260	13,521,215	520,718,537
New Hampshire	127,773,260	62,159,964	13,264,464	1,225,000	12,205,851	2,257,376	6,202,366	5,542,597	6,302,330	236,933,208
New Jersey	740,747,188	360,363,497	80,319,548	3,681,048	122,767,666	17,776,653	37,481,297	32,132,412	36,536,854	1,431,806,163
New Mexico	293,670,437	142,866,699	31,406,689	1,895,485	13,460,611	2,298,391	13,785,408	12,738,947	14,485,096	526,607,763
New York	1,236,179,129	601,384,441	133,646,699	6,535,788	216,058,756	35,660,225	63,011,464	53,623,446	60,973,700	2,407,073,648
North Carolina	819,867,392	398,854,407	85,817,238	7,155,574	60,446,849	8,306,081	39,151,483	35,564,518	40,439,405	1,495,602,947
North Dakota	196,086,180	95,393,277	18,325,154	3,910,983	12,407,673	2,397,492	9,319,750	8,505,900	9,671,818	356,018,227
Ohio	1,029,420,919	500,799,366	107,408,600	9,327,545	112,935,713	16,541,583	50,318,283	44,654,610	50,775,491	1,922,182,110
Oklahoma	512,883,890	249,511,082	52,401,074	5,759,865	13,864,151	3,692,143	23,807,786	22,248,072	25,297,651	909,465,714
Oregon	395,812,255	192,557,313	41,613,746	3,271,292	22,881,054	5,168,965	18,763,172	17,169,694	19,523,172	716,760,663
Pennsylvania	1,269,938,848	617,808,088	136,842,464	7,168,370	123,248,621	18,521,857	61,592,127	55,087,888	62,638,876	2,352,847,139
Rhode Island	171,602,408	83,482,253	18,234,681	1,225,000	12,301,578	2,651,752	8,209,737	7,443,834	8,464,173	313,615,416
South Carolina	540,687,981	263,037,396	56,466,661	4,847,258	15,449,788	4,497,829	25,137,132	23,454,168	26,669,069	960,247,282
South Dakota	222,635,376	108,309,102	22,608,970	2,637,841	14,467,633	2,523,372	10,586,476	9,657,562	10,981,339	404,407,671
Tennessee	667,328,182	324,646,143	70,252,033	5,422,861	43,687,498	6,864,425	31,721,812	28,947,614	32,915,512	1,211,786,080
Texas	3,074,911,546	1,495,902,915	327,408,493	21,285,914	205,839,121	37,051,070	146,435,260	133,384,677	151,667,934	5,593,886,930
Utah	274,754,821	133,664,508	29,176,972	1,980,174	15,237,592	4,627,335	13,035,126	11,918,419	13,552,096	497,947,043
Vermont	157,425,365	76,585,312	16,627,007	1,225,000	13,971,156	2,993,453	7,618,754	6,828,857	7,764,900	291,039,804
Virginia	794,941,387	386,728,243	85,332,689	4,813,519	64,771,904	10,795,647	38,200,541	34,483,268	39,209,947	1,459,277,145
Washington	527,387,643	256,566,961	55,498,845	4,306,817	43,581,677	10,455,776	25,448,300	22,877,221	26,013,039	972,136,279
West Virginia	349,143,584	169,853,636	37,459,726	2,133,093	16,892,289	2,430,702	16,405,199	15,145,283	17,221,271	626,684,783
Wisconsin	597,844,004	290,843,029	61,428,653	6,366,748	32,312,735	6,528,514	28,245,548	25,933,503	29,488,252	1,078,990,986
Wyoming	202,769,965	98,644,848	21,769,077	1,225,000	12,289,768	2,257,548	9,616,927	8,795,832	10,001,491	367,370,456
Apportioned Total	30,783,766,930	14,975,886,619	3,245,873,542	245,000,000	2,745,579,213	474,236,409	1,487,188,740	1,335,349,891	1,518,388,500	56,811,269,844

¹ Reflects \$3,500,000 takedown for safety-related programs.