NATIONAL HIGHWAY FREIGHT PROGRAM (NHFP)

	FAST Act (extension)	Bipartisan Infrastructure Law (BIL)				
Fiscal year (FY)	2021	2022	2023	2024	2025	2026
Contract authority	\$1.487 B	\$1.374 B*	\$1.401 B*	\$1.429 B*	\$1.458 B*	\$1.487 B*

*Calculated (sum of estimated individual State NHFP apportionments)

<u>Note</u>: Except as indicated, all references in this document are to the Bipartisan Infrastructure Law (BIL), enacted as the Infrastructure Investment and Jobs Act, Pub. L. 117-58 (Nov. 15, 2021).

Program Purpose

The BIL continues the National Highway Freight Program (NHFP) to improve the efficient movement of freight on the National Highway Freight Network (NHFN) and support several goals, including—

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

Statutory Citations

• § 11114; 23 U.S.C. 167

Funding Features

Except as specified elsewhere, the BIL continues all funding features that applied to the NHFP under the FAST Act.

Type of Budget Authority

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

Apportionment of Funds

- As under the FAST Act, the BIL directs FHWA to apportion funding as a lump sum for each State then divide that total among apportioned programs.
- Each State's NHFP apportionment is calculated based on a ratio specified in law. [23 U.S.C. 104(b)(5)] (See "Apportionment" fact sheet for a description of this calculation)

Set-asides

• 2% for State Planning and Research. [23 U.S.C. 505]

Transferability to and from Other Federal-aid Apportioned Programs

A State may transfer up to 50% of NHFP funds made available each fiscal year to any other apportionment of the State, including the National Highway Performance Program, Surface Transportation Block Grant Program, Highway Safety Improvement Program, Congestion Mitigation and Air Quality Improvement Program, **[NEW]** Carbon Reduction Program, and **[NEW]** Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Formula Program. Conversely, subject to certain limitations, a State may transfer up to 50% of funds made available each fiscal year from each other apportionment of the State to NHFP. [23 U.S.C. 126(a)] (See other program-specific fact sheets for additional details.)

Federal Share

• As a general rule, in accordance with 23 U.S.C. 120. (See the "Federal Share" fact sheet for additional detail.)

Eligible Projects

- Increases the eligibility to 30% (vs. 10% under the FAST Act) on the amount of NHFP funding that a State may use on freight intermodal or freight rail projects, subject to certain restrictions.
 [§ 11114(3)(A); 23 U.S.C. 167(h)(5)(B), as redesignated]
- Continues all prior NHFP eligibilities and adds new freight intermodal eligibility, subject to the 30% allowance, for a project
 - o for the modernization or rehabilitation of a lock and dam; or
 - on a marine highway corridor, connector, or crossing (including an inland waterway corridor, connector, or crossing)

if, in either case, the project is functionally connected to the NHFN and likely to reduce on-road mobile source emissions. [§ 11114(3)(D); 23 U.S.C. 167(h)(5)(B)(iii) and (iv)]

Program Features

Except as specified above and below, the BIL continues all requirements that applied to NHFP under the FAST Act.

Critical Rural Freight Corridors

• Increases the maximum number of miles of highway that a State may designate as critical rural freight corridors, as follows:

A State with a population density per square mile	May designate as critical rural freight corridors	Citation
Greater than or equal to the national average, based on the 2010 census	 The greater of— [NEW] 300 miles (vs. 150 miles under the FAST Act); or 20% of the State's PHFS mileage. 	[§ 11114(1)(A); 23 U.S.C. 167(e)(2)]
[NEW] lower than the national average, based on the 2010 census	 The greater of— 600 miles; or 25% of the State's Primary Highway Freight System (PHFS) mileage. 	[§ 11114(1)(B); 23 U.S.C. 167(e)(3)]

Critical Urban Freight Corridors

 Increases the maximum number of miles that may be designated as critical urban freight corridors in a State to 150 miles of highways (vs. 75 under the FAST Act) or 10% of the PHFS mileage in the State, whichever is greater. [§ 11114(2); 23 U.S.C. 167(f)(4)]

Additional Information and Assistance

• FHWA can connect you with your local FHWA office and support you with technical assistance for planning, design, construction, preserving, and improving public roads and in the stewardship of Federal funds. For assistance, visit: <u>https://fhwa.dot.gov/bipartisan-infrastructure-law/technical_support.cfm</u>.