Funding for the U.S. Department of Transportation (USDOT)

Over five years, the IIJA will provide a total of \$567.47 billion in Highway Trust Fund contract authority and federal appropriations for federal transportation programs through USDOT.

Surface Transportation Reauthorization: Highways, Transit & Rail Programs | FY 2022 - FY 2026

The IIJA uses S. 1931, the *Surface Transportation Reauthorization Act*, and S. 2016, the *Surface Transportation Investment Act*, as the foundation for its highway, road, bridge and rail provisions. The primary difference between S. 1931 and S. 2016 and the IIJA are the funding levels, many of which have been increased in the IIJA by its authorization of supplemental appropriations.

This new, five-year \$477 billion reauthorization replaces the previous surface transportation law, the Fixing America's Surface Transportation Act (FAST Act/P.L. 114-94)., that governed highway, transit and rail programs through an initial five-year authorization from FY 2016 through FY 2020, in addition to three short-term extensions through the enactment of the IIJA in FY 2022. Surface transportation funding in the IIJA represents a 56.4 percent increase over the FAST Act (\$305 billion).

View NACo's comprehensive analysis of the Senate's highway and rail reauthorization package here https://www.naco.org/resources/legislative-analysis-us-senate-surface-transportation-reauthorization-s-1931-surface>.

Please note, the program totals reflected below represent authorized totals over five years. Expand program details to see programs that will be increased by supplemental appropriations.

Highways, Roads & Bridges

AUTHORIZES HIGHWAY TRUST FUND (HTF) CONTRACT AUTHORITY FOR HIGHWAYS, ROADS AND BRIDGES FOR FY 2022 THROUGH FY 2026

\$273.15 BILLION OVER FIVE YEARS

31.8% increase over FAST Act

Contract authority is authorized at the following levels over five fiscal years:

FY 2022: \$52.49 billion

FY 2023: \$53.54 billion

FY 2024: \$54.61 billion

FY 2025: \$55.70 billion

FY 2026: \$56.81 billion

Funds will be apportioned to states through nine federal-aid highway formula programs, including two new programs:

PROGRAM	5-YEAR TOTAL	CHANGE FROM FAST ACT
Carbon Reduction Program - NEW	\$6.41 billion	N/A
Congestion Mitigation and Air Quality Improvement Program	\$13.2 billion	9.8% increase
Highway Safety Improvement Program	\$15.56 billion	34.3% increase
Metropolitan Planning	\$2.28 billion	32.7% increase
National Highway Freight Program	\$7.15 billion	14.5% increase
National Highway Performance Program	\$148 billion	27% increase
Promoting Resilient Operations for Transformative, Efficient and Cost Saving Transportation (PROTECT) Program – NEW	\$7.30 billion	N/A
Railway-Highway Crossing Program	\$1.23 billion	4.7% increase
Surface Transportation Block Grant Program	\$72 billion (before TAP)	15.2% increase

View state-by-state apportionment tables for formula programs here https://www.epw.senate.gov/public/_cache/files/7/6/76a75cd2-8e70-42c4-8142-82ffef83c867/29CF2A3E5A597BF34CD020F96F197F4A.ta-est-fy-2022-2026-apportionments-epw-reauth-act-2021-rev-1.pdf.

View an authorization table here

https://www.epw.senate.gov/public/_cache/files/c/1/c164e182-460f-4391-af72-9ca998416fad/D03CBDE58574EF01AC5EEA34FB00A78B.ta-authorization-table-epw-reauth-act-2021-rev-1.pdf .

MAKES CHANGES TO THE SURFACE TRANSPORTATION BLOCK GRANT (STBG)

\$72 BILLION OVER FIVE YEARS

15.2% increase over FAST Act

Increases the off-system bridge set-aside | \$5.18 billion over five years

The set-aside has increased from 15 percent to 20 percent of a state's FY 2009 share of the nolonger-existent Highway Bridge Program, resulting in an increase of \$258 million annually from current law. Low-water crossings are now eligible.

- **Establishes a fourth population band for sub- allocations.** A fourth population band for communities between 50,000 and 200,000 has been established, ensuring greater equity within the program for communities of different sizes.
- Creates new eligibilities. New projects are now eligible for STBG funds, including the:
 - Installation of electric vehicle (EV) charging infrastructure
 - Installation of measures to protect a transportation facility from cyber threats
 - Projects to increase tourism
 - Wildlife collisions mitigation
 - Resiliency improvements
- Increases threshold for the STBG Special Rule. The population threshold for eligibility under the STBG Special Rule has increased from 5,000 to 50,000 and rural minor collectors on rural roads and critical rural freight corridors are now eligible under the rule.
- Increases funding for the Transportation
 Alternatives Program (TAP) | \$7.2 billion over five years

Funding for TAP has increased significantly by becoming 10 percent of the entire STBGP, before other set-asides. The percentage states are required to sub-allocate to local governments based on population also increases from 50 to 59 percent, and an option is available for states to sub-allocate up to 100 percent.

Counties can use **TAP funds** to carry out eligible projects that include planning, design and construction of trails, environmental mitigation activities to address stormwater management, and the construction of overlooks, among others, approved uses.

Off-system bridges
https://ce.naco.org/?
dset=Bridges&ind=Total%200ffSystem%20Bridges> make up nearly half
of the nation's bridges. Due to their
location off the National Highway System,
they often suffer from federal and state
underinvestment. Counties own 62
percent of these structures and depend on
our intergovernmental partners to support
our efforts to ensure the safety and
efficiency of these critical local
connections.

SIGNIFICANTLY INCREASES THE CAP ON STATE INCENTIVE PAYMENTS TO LOCAL GOVERNMENTS TO ADDRESS AT-GRADE CROSSINGS

The cap established by the Section 130 program https://safety.fhwa.dot.gov/hsip/xings/ has increased from \$7,500 to \$100,000. The federal cost share has also increased to 100 percent for projects eliminating at-grade rail-highway crossings.

INCREASES FUNDING FOR THE NATIONALLY SIGNIFICANT FREIGHT AND HIGHWAY PROJECTS (INFRA) GRANT PROGRAM

\$10.9 BILLION OVER FIVE YEARS

142% increase over FAST Act

Counties can apply directly to USDOT for INFRA grants, which are awarded on a competitive basis, to carry out a variety of eligible projects, including for:

- Highway freight project on the National Highway Freight Network
- Highway or bridge project, including to add capacity for improve mobility
- Intermodal or freight projects
- Rail-highway grade crossing separation

Additionally, to be eligible for INFRA grants, a project must reasonably be expected to have costs that equal or exceed:

- \$100 million; or
- for a project located in a single state, 30 percent of the state's federal-aid highway apportionment for the most recently completed FY OR for projects located in multiple states, 50 percent of the federal-aid highway apportionment of the state with the largest apportionment for the most recently completed FY.

Thirty percent of the funds are reserved for small projects in rural areas, and the federal share for those projects has increased from 60 to 80 percent.

TOTAL FUNDING OVER FIVE YEARS

AUTHORIZED FROM HTF	ADDITIONALLY AUTHORIZED FROM GF	APPROPRIATED	PROGRAM TOTAL (SUBJECT TO APPROPRIATIONS)
\$4.8 billion	\$6.01 billion	\$3.2 billion	\$14.01 billion

CREATES NEW BRIDGE INVESTMENT PROGRAM (BIP)

\$40 BILLION OVER FIVE YEARS (\$12.51 BILLION COMPETITIVE)

Counties can apply directly to USDOT for the competitive portion of the BIP to carry out small and large bridge projects. Eligible projects are defined as those meeting the following goals, including:

 Reducing the number of bridges already in poor condition or those that are in fair condition but are at risk of falling into poor condition in the next three years Counties own **38 percent** of the National Bridge Inventory https://www.naco.org/sites/default/files/documents/Bridge%20Profile_National_05.15.19.pdf, more than any other level of government.

 Reducing the number of bridges and the amount of individual vehicle miles traveled (VMT) over bridges in poor or vulnerable condition, as well the VMT over bridges that do not meet current design standards or that have weight restrictions

The federal share for projects is no more than 50 percent for large projects (defined as those costing more than \$100 million) and no more than 80 percent for any other project. Off-system bridges are eligible.

While states will receive the BIP formula funds, the bill will create a 15 percent set-aside within the program to address off-system bridges, much like STBG.

TOTAL FUNDING OVER FIVE YEARS

AUTHORIZED FROM HTF	ADDITIONALLY AUTHORIZED FROM GF	APPROPRIATED	PROGRAM TOTAL (SUBJECT TO APPROPRIATIONS)
\$3.27 billion	\$3.27 billion	\$36.74 billion	\$43.27 billion

CREATES NEW RECONNECTING COMMUNITIES PILOT PROGRAM

\$500 MILLION OVER FIVE YEARS

- Planning Grants | \$150 million over five years. Counties can apply directly to USDOT for planning funds to carry out feasibility studies on the impact of removing or mitigating physical infrastructure barriers, including within communities, to improve accessibility and facilitate economic development at an 80 percent federal share. Applications will be evaluated on criteria including the age of the facility, its impact on accessibility and its current role in meeting traffic demands.
- Capital Construction Grants | \$350 million over five years. USDOT will make awards to the owner of an eligible facility, including at-grade crossings, limited access highways, viaducts and other principal arterial facilities acting as a barrier. The facility owner could partner with a county to carry out eligible projects, including the removal, retrofit or mitigation of an eligible facility and the replacement of an existing facility with a new facility that restores connectivity.

TOTAL FUNDING OVER FIVE YEARS

AUTHORIZED FROM HTF	APPROPRIATED	PROGRAM TOTAL (SUBJECT TO APPROPRIATIONS)
\$500 million	\$500 million	\$1 billion

ESTABLISHES A NEW WILDLIFE CROSSINGS PILOT PROGRAM

\$350 MILLION OVER FIVE YEARS

Counties can apply directly to USDOT for this new competitive grant program to carry out eligible projects that reduce collisions and/or improve habitat connectivity.

CODIFIES THE RURAL OPPORTUNITIES TO USE TRANSPORTATION FOR ECONOMIC SUCCESS (ROUTES) COUNCIL

ROUTES https://www.google.com/url?

sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwiYyZekmqfxAhW3MlkFHUGcBk EQFjAAegQlChAD&url=https%3A%2F%2Fwww.transportation.gov%2Frural&usg=AOvVaw3fnpe_E1zul_vJD8 ekdrc9>, an initiative of the previous administration, seeks to address disparities in rural transportation. Under IIJA, USDOT is required to create an internal ROUTES Council tasked with providing technical assistance to rural areas for grant applications, researching and developing strategies to resolve rural transportation issues; and gathering information from stakeholders.

ADDRESSES THE MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES (MUTCD)

- Allows counties to determine local roadway design. The MUTCD will be updated to remove the requirement that local roads must be built to state standards, allowing for counties and other local governments to use the FHWA-approved roadway design of their choice. The IIJA also creates new standards to facilitate the rollout of EV charging stations.
- Requires USDOT to update the MUTCD. The required update will provide for the protection of vulnerable road users, testing and integrating automated vehicle technology, the installation of electronic traffic. It also incorporates recommendations issued by the National Committee on Uniform Traffic Control Devices that have not yet been incorporated.

CREATES A NEW COMPETITIVE GRANT PROGRAM TO ADDRESS THREATS TO PEDESTRIANS

\$25 MILLION OVER FIVE YEARS

Counties can apply directly to USDOT for funds for bollard installation, defined as a "project to install raised concrete or other metal posts on a sidewalk adjacent to a roadway to are designed to slow or stop a vehicle." The federal share is up to 100 percent.

ESTABLISHES A NEW RURAL SURFACE TRANSPORTATION GRANT PROGRAM

\$2 BILLION OVER FIVE YEARS

Under this new program, a rural area is defined as "an area outside an urbanized area with a population over 200,000." Eligible counties can apply directly to USDOT for these funds to carry out a wide variety of highway and bridge projects that increase connectivity, improve safety, and facilitate the movement of goods and people at a federal cost share of 80 percent. Counties can also bundle projects.

No more than 10 percent of funds can be used toward project with costs less than \$25 million. Finally, USDOT must reserve 15 percent annually of funds made available under this section to provide grants for eligible projects in states with rural roadway fatalities as a result of lane departures that are higher than the national average.

FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
\$300 million	\$350 million	\$400 million	\$450 million	\$500 million

ESTABLISHES NEW CRITERIA FOR METROPOLITAN PLANNING ORGANIZATIONS (MPOS) TO CONSIDER WHEN DESIGNATING COUNTY AND OTHER LOCAL REPRESENTATIVES

MPOs are required to consider the equitable and proportional representation of the population of the metropolitan area when designating officials or representatives. This section will also enhance coordination among MPOs designated within the same area.

ADDRESSES THE APPALACHIAN REGIONAL COMMISSION AND THE ALASKA DENALI COMMISSION

The number of Appalachian Regional Commission https://www.google.com/url?
sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwjous2T07DyAhVeF1kFH
c3cBPwQFnoECAUQAw&url=https%3A%2F%2Fwww.arc.gov%2F&usg=A0vVaw3Z83WCQwaRpDU4S
UGivSLJ> (ARC) counties increase, and the ARC becomes eligible for new funding initiatives to provide technical assistance, make grants and facilitate projects to deploy broadband and improve energy and economic resilience, including the:

- High-Speed Broadband Deployment Initiative | \$100 million over five years
- Appalachian Regional Energy Hub Initiative | \$25 million over five years

The bill also clarifies that any funds transferred to Alaska's **Denali Commission** http://www.google.com/url?

sa=t&rct=j&q=&esrc=s&source=web&cd=&cad=rja&uact=8&ved=2ahUKEwjuv_6qtbDyAhVCG80KH a08AnEQFnoECAkQAw&url=https%3A%2F%2Fwww.denali.gov%2F&usg=A0vVaw0hHmgN5W59iLNy DgvYarpl> (Alaska) from another federal agency are no longer be subject to any requirements previously attached to those funds, including any regulatory actions by the transferring agency.