

FEDERAL PROGRAM: National Highway Freight Program (NHFP)

FEDERAL AGENCY: U.S. Department of Transportation

PROGRAM DESCRIPTION:

Created by the FAST Act, and continued by the IJA, the National Highway Freight Program (NHFP) focuses on improving the efficient movement of freight on the National Highway Freight Network. National Highway Freight Program funds are restricted to investment in infrastructure and operations that improve the efficient movement of freight on the National Highway Freight Network.

*Apportionment Levels **

\$ in millions	IJA Estimated Apportionments						
	FAST Act (2016-2020) Total	2022	2023	2024	2025	2026	IJA Total
WA	105.3	23.0	23.5	24.0	24.5	25.0	120.0

*The amounts for FFY2022 come from FHWA apportionment notice N4510.858 found at https://www.fhwa.dot.gov/legisregs/directives/notices/n4510858/n4510858_t1.cfm. The numbers in the table above include a 2% reduction from the federal notices to reflect the SPR set aside.

The amounts for FFY2023 – FFY2026 come from FHWA Estimated Highway Apportionments under the IJA (before post-apportionment set-asides; penalties, and sequestration) found at https://transportation.house.gov/download/ta_est-fy-2022-2026-apportionments_ans-as-passed-by-senate-infrastructure-investment-and-jobs-act. Estimates increase 2% annually based on the data shown in the highway authorizations estimates document found at https://www.fhwa.dot.gov/bipartisan-infrastructure-law/docs/highway_authorizations_nov302021.pdf.

BACKGROUND

Projects eligible for NHFP funding must contribute to the efficient movement of freight on the National Highway Freight Network and must be identified in a freight investment plan included in a state’s freight plan. The IJA increased the percent of a State’s NHFP funding that may be obligated for freight intermodal or freight rail projects from 10% to 30%.

Funds may be used for many purposes, including development and other pre-construction activities; construction, reconstruction, and rehabilitation; intelligent transportation system projects to improve the flow of freight; climbing and runaway truck lanes; truck parking facilities; and highway ramp metering.

The federal share is generally 80%, with an increased share up to 95% for states with large amounts of federally owned lands (i.e., the sliding scale adjustment). The federal share for projects on the Interstate system is 90%, also subject to the upward sliding scale adjustment, unless the project adds lanes that are not high-occupancy-vehicle (HOV) or auxiliary lanes. For projects that add single occupancy vehicle capacity on the Interstate, that portion of the project that increases single occupancy vehicle capacity will revert to the 80% federal share participation level.

Washington's federal share is 86.5%. For projects on the Interstate System, Washington’s federal share is 90.66%, except for projects to add Interstate capacity other than HOV or auxiliary lanes, which are funded at an 86.5% federal share. Certain safety improvements may have a federal share of 100% (as listed in 23 U.S.C. 120(c) (1)), with limits.

National Highway Freight Network

The National Highway Freight Network, established by the Federal Highway Administration (FHWA), consists of:

- The Primary Highway Freight System - PHFS (816.57 miles in Washington).
- Critical Rural Freight Corridors - CRFCs (163.24 miles in Washington) under FAST Act.
- Critical Urban Freight Corridors – CUFCs (81.68 miles in Washington) under FAST Act; and
- Those portions of the Interstate System not designated as part of the Primary Highway Freight System.

The initial designation of the Primary Highway Freight System (PHFS) was set by the FAST Act as the 41,518-mile-long network identified during the designation process for the MAP-21 highway-only primary freight network (PFN). The FHWA Administrator is required to re-designate the PHFS every five years. Each re-designation may increase the total mileage up to 3% of the total mileage of the system.

Critical Rural Freight Corridors are rural public roads outside an urbanized area that meet certain criteria and are limited to a maximum of 300 miles (increase from 150 miles under FAST Act) or 20% of the Primary Highway Freight System, whichever is greater. States are directed to establish Critical Rural Freight Corridors.

Critical Urban Freight Corridors are public roads in an urbanized area that meet certain criteria and are limited to a maximum of 150 miles (increase from 75 miles under FAST Act) or 10% of the primary highway freight system, whichever is greater. In urbanized areas over 500,000 population, the representative Metropolitan Planning Organization (MPO) may designate the public roads within the borders of that area in consultation with the State as a Critical Urban Freight Corridor. In urbanized areas under 500,000 population, the State, in consultation with the representative MPOs, may designate the public roads within the borders of those areas as a Critical Urban Freight Corridor.

As Washington's share of the total federal Primary Highway Freight System mileage is less than 2%, the State's NHFP funds may be used for any of the four components of the National Highway Freight Network.

Conditions and Performance Reporting

Beginning in December 2017 and biennially thereafter, the conditions and performance of the National Highway Freight Network must be reported to Congress by the FHWA Administrator. If a State fails to make significant progress toward meeting the performance targets related to freight movement of the State as part of 23 USC 150, the State must report to the FHWA Administrator a more detailed report. The detailed report must include identification of freight system trends and issues within the state; freight policies and strategies that guide the freight related transportation investment for the state; an inventory of freight bottlenecks within the state and how federal funding is being used to address those issues; and descriptions of actions the state will take to meet the performance target of the state.

Requirements

Originating in the FAST Act, state freight plans must include a freight investment plan with a list of priority projects describing how NHFP funds would be invested and matched. WSDOT is coordinating with MPOs, RTPOs, tribes, local governments, and ports to update the state freight plan and freight investment plan in 2022.

Funds Distribution

In Washington, the NHFP funds are split between state programs and local responsibilities 50/50 based on legislative direction per ESSB 5689 Sec. 306(6), Sec. 310 (7 and 8) and 2022 LEAP transportation document.

Recipients

The funds are allocated to both State and Local projects, which are appropriated by the legislature based on the freight investment plan. Development of the freight investment plan is conducted with engagement and participation from MPOs, RTPOs, tribes, local governments, and ports via a project selection committee. The project selection committee, with technical assistance from WSDOT, is tasked with selecting local projects for NHFP funding. WSDOT intends to provide the freight investment plan to the legislature for legislative appropriation by fall, 2022.