# Federal Funding

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# Federal Transportation Funds Overview

## Background

How does the federal government impact transportation in Washington State?

Federal transportation law:
- determines the rates of federal transportation taxes and fees (how much money)
- sets the distribution of federal funds among states and local agencies (who gets the money)
- creates programs (e.g., for highways, transit, ferries, research, aviation) and establishes eligibility, criteria, budgets, and spending rules (what you can spend money on)
- details safety and environmental regulations that guide the design, construction and operation of transportation projects receiving federal funds (the rules for spending)

Federal transportation funds are distributed back to states through formula programs, grants, and congressionally directed spending (aka earmarks). WSDOT administers all federal highway transportation funds, subject to federal and state criteria, including funds that go to local agencies. WSDOT acts as a fiscal agent for the federal government, ensuring that local agencies comply with the multitude of federal transportation and environmental laws and regulations. MPOs/RTPOs and transit agencies make many local funding decisions, and directly receive the majority of federal transit funds. For federal aviation funding, WSDOT receives funding for projects at eligible state-owned airports while the majority of aviation funds in Washington go directly to eligible locally-owned airports.

For more information on financing federal aid highways, see FHWA's Funding Federal-aid Highways, 2017 edition.

**Congressional Authorization Process**
There are two primary legislative vehicles for federal transportation funding: authorization bills that authorize policy, programs and funding ceilings over multiple years, such as Fixing America's Surface Transportation (FAST) Act, and annual appropriations bills that set annual spending levels for transportation programs.

The federal transportation financing cycle begins with Congressional authorization of a transportation act. Unlike many other federal programs, which require appropriation for states to begin spending funds, an authorization act for the federal-aid highway program permits states to commence programming funds beginning on the first day of the federal fiscal period. Called "contract authority," this feature of transportation funding recognizes the need for predictability by state transportation departments in order to plan and finance programs.

Once authorized, states receive a notice of their annual apportioned share of federal funds. The shares are established by programmatic statutory formulas, adjusted by penalties. States may then begin obligating funds to activities and projects in their approved transportation improvement plan. An "obligation" is a commitment by the federal government to pay for its share of an approved project's eligible costs. This commitment occurs when the project is approved, and the project agreement is executed. Obligated funds are considered used even though no cash has been transferred.

Federal transportation programs work as a reimbursement program; cash is not distributed to the states. Rather, after states pay expenses, the federal government will reimburse them, typically for 80 percent of project costs, though the federal share varies between programs. The rate may increase up to a total of 95 percent for states with large amounts of federally-owned lands (i.e. the sliding scale adjustment).The maximum federal share is specified in the federal legislation authorizing the program. Most projects have an 80 percent federal share, while Interstate rehabilitation and maintenance projects have typically been funded with a 90 percent federal share.

While states do not need to depend on the appropriations process to proceed with projects, Congress continues to be responsible for balancing federal transportation revenues and outlays and uses the annual appropriations process to achieve that balance. As such, states may not be permitted to use their full amount of apportionment. To control outlays, Congress sets obligation limitations on state apportionments. Each state receives a single, overall limitation that covers most programs, and they have some flexibility in how to allocate the limitation among programs. At times Congress exerts further control over outlays by rescinding unused balances of previously authorized funds.

Not all programs are subject to apportionment. Distributions of funds when there are no formulas in law are called "allocated" or "discretionary" funds. Examples of past discretionary programs include the Ferry Boat Discretionary, the Interstate Maintenance Discretionary, and the National Scenic Byways programs. The TIGER grant program created by the American Recovery and Reinvestment Act of 2009 is also a discretionary program, created outside of the general transportation authorization legislation, and is funded by the General Fund rather than the Highway Trust Fund. Typically, states and localities must compete for discretionary funds, either through earmarks or through competitive grants.

Annual appropriations bills are usually drafted in late spring, and debated during the summer and early fall. While the federal fiscal year runs from October 1st through September 30th, in recent years Congress has been unable to pass appropriations bills by the October 1st deadline and therefore bills are typically passed anywhere from several weeks to several months late.

The current surface transportation authorization bill is the Infrastructure Investments and Jobs Act (IIJA). The IIJA was passed on November 5, 2021 and will expire on September 30, 2026.

**Federal Highway Trust Fund**

The Highway Trust Fund (HTF) was established by the Highway Revenue Act of 1956 as a mechanism to fund construction of the Interstate Highway System. Taxes dedicated to the HTF are extended periodically by Congress—most recently as part of the FAST Act.

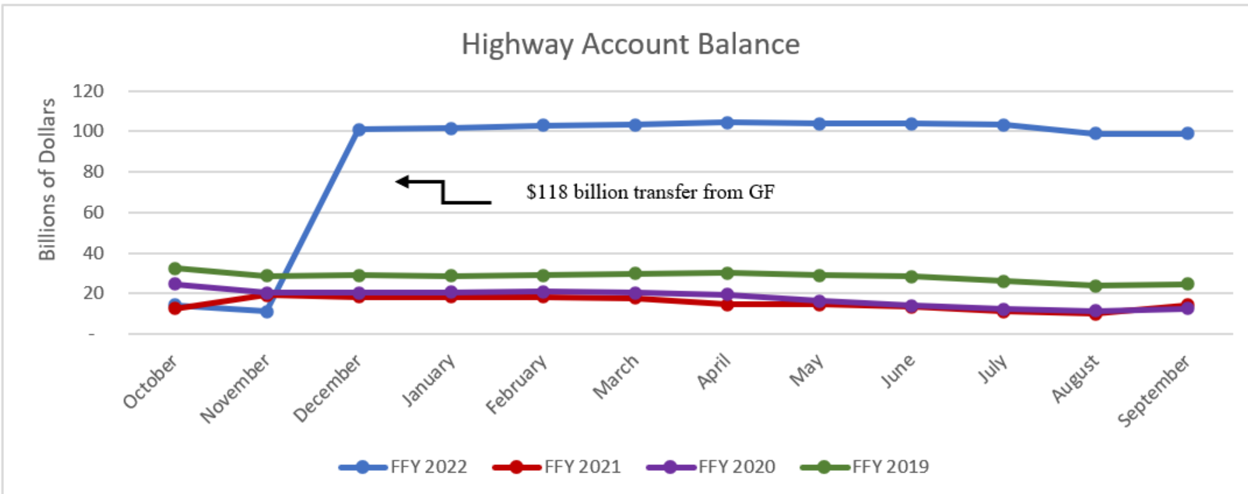
Like other federal trust funds, such as the Social Security Trust Fund, the HTF is a financing mechanism established by law to account for receipts that are collected by the federal government and designated for a specific purpose. The Federal-Aid Highway Act of 1956 provided that revenues from certain highway user taxes, primarily the federal gasoline tax and a variety of tire and truck sales taxes, would be credited to the HTF to finance the highway program that the legislation created.

Originally, the HTF focused solely on highways. In the early 1980's, Congress decided that some revenues should be used to fund transit needs. As a result, two separate accounts were created within the HTF—one for highways and the other for mass transit. Today the federal gasoline and diesel taxes are the primary source of revenue to the HTF accounts. The federal gasoline tax is 18.4¢ per gallon while the federal diesel tax is 24.4¢. Of each tax, 2.86¢ flows to the Mass Transit Account while the Highway Account receives 15.44¢ from gasoline tax and 21.44¢ from diesel tax. Other taxes and fees flowing into the HTF are displayed later in this section (see *Federal Surface Transportation User Fees* on page 194).

Each penny of federal motor fuel tax generates about $1.77 billion annually. Under current law, all but 0.1¢ of the federal gasoline and diesel tax revenues goes into the HTF and is directed to transportation (the remaining 0.1¢ per gallon of gasoline and 0.1¢ per gallon of diesel is deposited into the Leaking Underground Storage Tank Trust Fund). The federal gas tax was last raised in 1993 and is not indexed to inflation.

Congress transfers monies from the federal General Fund and the Leaking Underground Storage Tank fund into the HTF to keep it afloat.

**Monthly Federal Highway Trust Fund Account Balance**
**2019-2022** *billions of dollars*




**FFY 2022** includes a transfer of $118,000,000,000 to the Highway Account from the General Fund pursuant to Pub. L. No. 117-58, § 80103, 135 Stat. 429, 1328 (2021) (codified at 26 U.S.C. § 9503(f)(11)).

When there is a shortfall in HTF revenues, it does not mean the Trust Fund has no funds. Revenues still flow into the Trust Fund from the gas tax and truck taxes. The amounts, however, will not be sufficient to pay all bills that state and local governments are expected submit for construction work performed on highway and transit improvement projects. Once that happens, the FHWA will only be able to pay bills as new revenues come into the HTF.

The IIJA is funded with existing gas and truck taxes and a $118 billion transfer from the federal general fund into the HTF.

## State Revenue from the Federal Highway Administration and Federal Transit Administration

The state receives federal apportionments and allocations from a variety of Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) programs. Federal funding is an important supplement and complement to state transportation funding. Over the past 10 years, federal funds on average have made up 30% of Washington's highway budget. They provided 20.4% of WSDOT's 2019-21 budget and are projected to provide 25.7% of WSDOT's 2021-23 budget.

### Federal Aid Highway Funds/IIJA Forecast

The IIJA provides the majority of Federal-aid highway funds to the states through apportionment to core programs. The IIJA core programs are the following: National Highway Performance Program, National Highway Freight Program, Surface Transportation Block Grant Program, Congestion Mitigation & Air Quality Improvement Program, and Highway Safety Improvement Program. The IIJA added four new formula programs including: Carbon Reduction, Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT), Bridge Formula, and National Electric Vehicle Infrastructure (NEVI).

The IIJA requires FHWA to divide the total federal apportionment among the states using an allocation process specified in law. The federal apportionment is then distributed between the state's core programs using formula calculation set in the IIJA.

The following table shows the November 2022 forecast for anticipated apportionment distributions under the IIJA from FHWA for FFY 2022 through FFY 2026.

The November 2022 baseline core programs formula forecast for FFY 2022 has been updated to reflect actual apportionment distributions from FHWA. The November 2022 forecast for FFY 2023 is based on FHWA Notices N4510.870, N4510.871, N4510.872 and N4510.873. The forecast for FFY 2024 through 2026 will assume an annual growth rate of 2% which is consistent with the US funding levels set forth in the IIJA. FFY 2027 thru FFY 2031 forecast of federal highway apportionment will assume revenues growth matching the annual Washington State fuel consumption growth rates.

| **Federal Funds Forecast - Highways** | **2022** | **2023** | **2024** | **2025** | **2026** |
|---|---|---|---|---|---|
| **Washington Apportionment and Obligation Authority Forecast** | **Nov-22** | **Nov-22** | **Nov-22** | **Nov-22** | **Nov-22** |
| **Federal Aid Highway Core Programs Apportionment** | | | | | |
| National Highway Performance Program (NHPP) | $458,749,849 | $468,562,000 | $477,932,000 | $487,490,000 | $497,240,000 |
| *Interstate System Condition Penalty (23 U.S.C 119 (f)(1))* | | | | | |
| Surface Transportation Block Grant Program (STBGP) | 232,287,650 | 236,933,000 | 241,672,000 | 246,505,000 | 251,436,000 |
| *Bridge Program (15% off-system)* | *30,573,551* | *22,935,000* | *22,930,000* | *22,930,000* | *22,930,000* |
| *Population Distribution* | *116,153,304* | *105,080,000* | *105,080,000* | *105,080,000* | *105,080,000* |
| *Any Area of the State* | *64,460,971* | *87,429,000* | *91,781,000* | *96,214,000* | *100,737,000* |
| *STBGP Set Aside (previously Transportation Alternatives Program)* | *19,213,554* | *19,594,000* | *19,986,000* | *20,386,000* | *20,794,000* |
| *Recreational Trails Program* | *1,886,270* | *1,895,000* | *1,895,000* | *1,895,000* | *1,895,000* |
| Highway Safety Improvement Program (HSIP) | 67,918,279 | 77,124,000 | 78,666,000 | 80,240,000 | 81,844,000 |
| Rail-Highway Crossing Program | 4,418,093 | 4,200,000 | 4,284,000 | 4,370,000 | 4,457,000 |
| Congestion Mitigation and Air Quality Improvement Program (CMAQ) | 39,457,478 | 40,248,000 | 41,051,000 | 41,872,000 | 42,710,000 |
| National Highway Freight Program | 23,040,090 | 23,501,000 | 23,971,000 | 24,450,000 | 24,939,000 |
| Metropolitan Planning (MPO) | 9,659,520 | 9,853,000 | 10,050,000 | 10,251,000 | 10,456,000 |
| Statewide Planning & Research | 16,777,089 | 17,271,000 | 17,618,000 | 17,971,000 | 18,330,000 |
| Carbon Reduction Program | 21,135,016 | 21,558,000 | 21,989,000 | 22,429,000 | 22,878,000 |
| PROTECT | 24,032,027 | 24,513,000 | 25,003,000 | 25,503,000 | 26,013,000 |
| **Subtotal Core Programs Apportionment** | **897,475,091** | **923,763,000** | **942,236,000** | **961,081,000** | **980,303,000** |
| **Subtotal Core Programs Obligation Authority** | **810,323,930** | **906,230,000** | **924,351,000** | **942,838,000** | **961,695,000** |
| Bridge Formula Program | 158,734,409 | 130,679,000 | 133,293,000 | 135,959,000 | 138,678,000 |
| National Electric Vehicle Program | 10,489,000 | 15,094,000 | 15,396,000 | 15,704,000 | 16,018,000 |
| Ferry Boats and Terminals | 441,536 | 25,200,000 | 25,650,000 | 26,100,000 | 26,550,000 |
| Discretionary and Allocated Programs | 6,731,632 | - | - | - | - |
| **Total Washington Apportionment** | **1,073,871,668** | **1,094,736,000** | **1,116,575,000** | **1,138,844,000** | **1,161,549,000** |
| **Total Washington Obligation Authority *** | **1,052,394,000** | **1,072,842,000** | **1,094,244,000** | **1,116,067,000** | **1,138,318,000** |
| COVID-19 Stimulus Funds including ARPA | **$400,000,000** | | | | |

* Obligation Authority includes formula program, redistributed, allocated programs and exempt programs.
Note: Washington State is subject to a Section 164 penalty which is being taken 100% out of the NHPP program per the November 2022 shift letter and is being returned 100% into the HSIP program.

As noted on the previous table, the IIJA includes an annual obligation authority (OA) for the purpose of limiting highway spending each year (about $58 billion nationally for FFY 2022 divided among the states). Obligation authority is a mechanism for controlling spending by limiting Federal-aid highway and highway safety construction program obligations. The forecasts for 2022 through 2026 shown in the previous table assume a continuation of Washington State's historical 1.7% of national apportionment each year. Washington's federal funding level is assumed to grow at the same rates as state motor fuel consumption (same methodology as applied in prior forecasts).

## Federal Public Transportation Funding

In addition to the FHWA formula and non-formula programs governed by the IIJA, the Federal Transit Administration also provides program allocations to Washington for a variety of transit projects. The IIJA authorizes $91.2 billion for FFY 2022-2026 for public transportation programs nationwide. $69.9 billion federal public transportation program funding comes from the mass transit account of the highway trust fund and $21.3 billion comes from the general fund of the U.S. Treasury.

WSDOT each quarter forecasts the federal funds for public transportation for 6 different funding programs. The November 2022 Public Transportation federal funds forecast reflects actual apportionments for FY2020, FY2021 including CARES, CRRSAA, and ARPA funds. It also reflects increased funding levels provided under the IIJA for FY2022. An annual growth rate of 2% is assumed for FY2023-FY2026, which is consistent with the funding levels set forth in the IIJA.

The non-urbanized area formula program is the largest transit program, making up 70% of all federal public transportation revenue coming to WSDOT each year.

The funds authorized under the IIJA for the public transportation program were notably increased resetting the baseline for FY2022. Six major federal public transportation programs are funded through FTA (1) Urbanized Area Formula; (2) State of Good Repair (SGR); (3) New Starts; (4) Rural Area Formula; (5) Bus and Bus Facilities; and (6) Enhanced Mobility of Seniors and Individuals with Disabilities. Funding for all these programs, except New Starts, comes from the mass transit account of the Highway Trust Fund. New Starts funding comes from the federal general fund. Some of the programs are distributed based on formulas while other programs are distributed based on competitive grants. The table below includes projections for formula-driven programs as well as funds from competitive grant programs that have been received or awarded. In Washington State, most FTA funds are distributed directly to local transit agencies.

**Federal Transit Administration (FTA) Forecast - Public Transportation**
Novermber 2022

| Program | Program Name | 2020 Nov-22 | 2021 Nov-22 | 2022 Nov-22 | 2023 Nov-22 | 2024 Nov-22 | 2025 Nov-22 | 2026 Nov-22 |
|---|---|---|---|---|---|---|---|---|
| 5304 | Statewide Planning Program | $ 527,009 | $ 565,176 | $ 690,983 | $ 704,803 | $ 718,899 | $ 733,277 | $ 747,942 |
| 5310 | Enhanced Mobility for Elderly and Persons with Disabilities | 3,117,093 | 3,183,084 | 4,633,206 | $ 4,725,870 | $ 4,820,388 | $ 4,916,795 | $ 5,015,131 |
| 5311(a) | Nonurbanized Area Formula Program | 14,732,598 | 14,761,434 | 18,105,777 | $ 18,467,893 | $ 18,837,250 | $ 19,213,995 | $ 19,598,275 |
| 5311(b) | Rural Transit Assistance Program | 230,735 | 230,735 | 283,932 | $ 289,611 | $ 295,403 | $ 301,311 | $ 307,337 |
| 5329 | State Safety Oversight Program | 661,067 | 774,302 | 1,312,566 | $ 1,338,817 | $ 1,365,594 | $ 1,392,906 | $ 1,420,764 |
| 5339 | Bus and Bus Facilities Program | 3,500,000 | 3,500,000 | 4,000,000 | $ 4,080,000 | $ 4,161,600 | $ 4,244,832 | $ 4,329,729 |
| | CARES Act Federal Distribuiton (one time) | 44,121,608 | | | | | | |
| | CRRSSA Act Federal Distribuiton (one time) | | 84,001,414 | | | | | |
| | ARPA Act Federal Distribution (one time) | | 15,755,459 | | | | | |
| | **Totals** | **$66,890,110** | **$ 122,771,604** | **$ 29,026,464** | **$ 29,606,993** | **$ 30,199,133** | **$ 30,803,116** | **$ 31,419,178** |

## Federal Washington State Ferries Funding

In addition to the FHWA formula programs (Ferry Boat Program) governed by the IIJA, federal assistance to Washington State Ferries (WSF) is provided through the Federal Transit Administration's (FTA) public transportation program. Washington State Ferries is the primary state agency division that receives federal FTA funds. (WSDOT Planning, Public Transportation, and Local Programs do receive FTA funds as well, but pass most through to local jurisdictions, spending a small percentage to administer the distribution of the funds.) Some of FTA's funding is distributed based on formulas while other programs are discretionary and distributed based on national competitive grant processes.

WSF receives federal formula funds from two major federal public transportation programs - (1) Urbanized Area Formula; (2) State of Good Repair (SGR) High Intensity Fixed Guideway. Total federal formula program funds for WSF in FFY 2023 are anticipated to be $21.6 million increasing annually to $23 million in FFY 2026,based on the September 2022 forecast. The 5337 – State of Good Repair Program is the largest FTA program, making up 58% of all federal transit administration revenue coming to Washington state each year. WSDOT has not received a discretionary funding award from FTA in FFY 2022 . This federal forecast only projects the formula driven programs authorized under IIJA while showing actual funding awarded for competitive grant funds.

| Federal Transit Administration (FTA) Forecast - Washington State Ferries | | | | | | |
|---|---|---|---|---|---|---|
| | | Actual | | | | |
| September 2022 Forecast | | 2022 | 2023 | 2024 | 2025 | 2026 |
| | | Nov | Nov | Nov | Nov | Nov |
| Program | Program Name | | | | | |
| 5307 | Urbanized Area Formula Funding | $ 6,890,570 | $7,028,382 | $7,168,949 | $7,312,328 | $7,458,575 |
| 5337 | SGR High-Intesity Fixed Guideway | $ 14,333,036 | $14,619,697 | $14,912,091 | $15,210,332 | $15,514,539 |
| | Discretionary | $0 | | | | |
| Totals | | $ 21,223,606 | $ 21,648,078 | $ 22,081,040 | $ 22,522,661 | $ 22,973,114 |

## Discretionary Grants

Discretionary grant programs award funding to support projects addressing specific program purposes. Discretionary grants are distributed through a competitive selection process targeted to interested and eligible applicants, including State, tribal, and local governments, transit providers, universities, research institutions, law enforcement agencies, non-profit organizations, and others.

The number of competitive grant programs administered by USDOT increased significantly under IIJA. USDOT issues a Notice of Funding Opportunity (NOFO) for each program that outlines those requirements and criteria for the grant. Most USDOT grant programs limit the federal share of a project's cost to 80%, with an expected 20% local match. Funding is available on a reimbursable basis.

The White House issued a Bipartisan Infrastructure Law Guidebook that includes fact sheet for each of the IIJA's grant programs. USDOT also publishes a calendar with anticipated dates for NOFOs for key IIJA programs.

# Federal Surface Transportation User Fees

### Motor Fuel

Gasoline: 18.4¢ per gallon

- 15.44¢ for Highway Account
- 2.86¢ for Mass Transit Account
- 0.1¢ for Leaking Underground Storage Tank Trust Fund

Diesel Fuel: 24.4¢ per gallon

- 21.44¢ for Highway Account
- 2.86¢ for Mass Transit Account
- 0.1¢ for Leaking Underground Storage Tank Trust Fund

Special Fuels: 18.4¢ per gallon

- 15.44¢ for Highway Account
- 2.86¢ for Mass Transit Account
- 0.1¢ for Leaking Underground Storage Tank Trust Fund

Gasohol (10% Gasohol made with Ethanol): 18.44¢ per gallon

- 15.44¢ for Highway Account
- 2.86¢ for Mass Transit Account
- 0.1¢ for Leaking Underground Storage Tank Trust Fund

### Other Highway User Fees (Dedicated to Highway Account)

Tires

- 9.45¢ for each 10 lbs. of the maximum rated load capacity over 3,500 lbs.

Truck and Trailer Sales

- 12% of retailer's sales price for all tractors and trucks over 33,000 lbs. gross vehicle weight (GVW) and trailers over 26,000 lbs. GVW.

Heavy Vehicle Use (Annual Tax)

- Trucks 55,000–75,000 lbs. GVW, $100 plus $22 for each 1,000 lbs. over 55,000 lbs.
- Trucks over 75,000 lbs. GVW, $550.

# Federal Transportation Program Highlights

FEDERAL PROGRAM: **Airport Improvement Program**

FEDERAL AGENCY: Federal Aviation Administration

PROGRAM DESCRIPTION

The Airport Improvement Program (AIP) provides grants to public agencies — and, in some cases, to private owners and entities — for the planning and development of public-use airports that are included in the National Plan of Integrated Airport Systems (NPIAS). Eligible projects include those improvements related to enhancing airport safety, capacity, security, and environmental concerns. In general, sponsors can use AIP funds on most airfield capital improvements or repairs and in some specific situations, for terminals, hangars, and non-aviation development. Projects related to airport operations and revenue-generating improvements are typically not eligible for funding (specific to operational costs, items such as salaries, equipment, and supplies, are also typically not eligible for AIP grants).

The AIP program was established by the Airport and Airway Improvement Act of 1982 (Public Law 97-248). Since then, the program has been amended several times, most recently with the passage of the FAA Reauthorization Act of 2018. Funds obligated for the AIP are drawn from the Airport and Airway Trust fund, which is supported by user fees, fuel taxes, and other similar revenue sources.

AIP grants for planning, development, or noise compatibility projects are at or associated with individual public-use airports (including heliports and seaplane bases). A public-use airport is an airport open to the public that also meets the following criteria:

- Publicly owned, or
- Privately owned but designated by FAA as a reliever, or
- Privately owned but having scheduled service and at least 2,500 annual enplanements.

To be eligible for an AIP grant, an airport must be included in the NPIAS. The NPIAS, which is prepared and published every two years, identifies public-use airports that are important to public transportation and contribute to the needs of civil aviation, national defense, and the Postal service. Recipients of grants are referred to as "sponsors."

DISTRIBUTIONS

Because the demand for AIP funds exceeds the availability, FAA bases distribution of these funds on current national priorities and objectives. AIP funds are typically first apportioned into major entitlement categories such as primary, cargo, and general aviation (non-primary). Remaining funds are distributed to a discretionary fund. Set-aside projects (airport noise and the Military Airport Program) receive first attention from this discretionary distribution. The remaining funds are true discretionary funds that are distributed according to a national prioritization formula.

MATCHING REQUIREMENTS

For large and medium primary hub airports, the grant covers 75 percent of eligible costs (or 80 percent for noise program implementation). For small primary, reliever, and general aviation airports, the grant covers a range of 90-95 percent of eligible costs, based on statutory requirements (normally 90 percent for airports in Washington State with the exception of Pullman-Moscow and Walla Walla Regional Airports, which receive 91.88 percent).

WASHINGTON STATE RECIPIENTS

The Methow Valley State Airport is the only state-owned airport that is eligible for AIP funding. The airport qualifies for $150,000 annually in non-primary entitlement funding. The WSDOT Aviation Division also receives AIP funding for system planning studies such as the Economic Impact Study, Statewide Airport Pavement Management System, and the Washington Aviation System Plan.

Of the 65 Washington airports included in the FAA's 2021-2025 NPIAS report to congress released September 30, 2020, 11 airports are classified as 'Primary' airports and receive an annual minimum entitlement of $650,000 to $1 million. Of the remaining 54 locally owned airports, 49 are eligible for an annual non-primary entitlement funding of up to $150,000. The remaining five airports are categorized as "Unclassified" and are not eligible for the non-primary entitlement funding.

SOURCES:

FAA's Overview: What is AIP?

National Plan of Integrated Airport Systems (NPIAS), 2021-2025 Report

FEDERAL PROGRAM: **Congestion Mitigation and Air Quality Improvement Program (CMAQ)**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

The Congestion Mitigation and Air Quality Improvement Program (CMAQ) was established in the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA). The CMAQ Program provides funds to states for transportation projects and programs that help meet the requirements of the Clean Air Act. Funding is available for areas that do not meet the National Ambient Air Quality Standards (non-attainment areas), as well as former non-attainment areas that are now in compliance (maintenance areas). The IIJA continues most funding features that applied to CMAQ under the FAST Act. Eligible activities include:

- Acquisition of diesel retrofits, including tailpipe emissions control devices, and the provision of diesel-related outreach activities;
- Intermodal equipment and facility projects that target diesel freight emissions through direct exhaust control from vehicles or indirect emissions reductions through improvements in freight network logistics;
- Alternative fuel projects including participation in vehicle acquisitions, engine conversions, and refueling facilities;
- Conversion of diesel engine ferries to liquefied natural gas (LNG) or diesel/LNG combined;
- Establishment or operation of a traffic monitoring, management, and control facility, including the installation of advanced truck stop electrification systems;
- Projects that improve traffic flow, including efforts to provide signal systemization, construct HOV lanes, streamline intersections, add turning lanes, improve transportation systems management and operations that mitigate congestion and improve air quality, and implement ITS and other CMAQ-eligible projects, including efforts to improve incident and emergency response or improve mobility, such as through real time traffic, transit and multimodal traveler information;
- Projects or programs that shift travel demand to nonpeak hours or other transportation modes, increase vehicle occupancy rates, or otherwise reduce demand through initiatives, such as teleworking, ridesharing, pricing, and others;
- Transit investments, including transit vehicle acquisitions and construction of new facilities or improvements to facilities that increase transit capacity, and operating assistance;
- Passenger rail operating costs for up to three years;
- Non-recreational bicycle transportation and pedestrian improvements that provide a reduction in single-occupant vehicle travel;
- Vehicle inspection and maintenance programs;
- NEW - Shared micromobility, including bikesharing and shared scooter systems;
- NEW - The purchase of diesel replacements, or medium-duty or heavy-duty zero emission vehicles and related charging equipment;
- NEW - Modernization or rehabilitation of a lock and dam, or a marine highway corridor, connector, or crossing if functionally connected to the Federal-aid highway system and likely to contribute to attainment or maintenance of national ambient air quality standards (capped at 10% of CMAQ apportionment); and
- NEW - In alternative fuel projects, vehicle refueling infrastructure that would reduce emissions from nonroad vehicles and nonroad engines used in construction projects or port-related freight operations.

No funds may be used to add capacity except for HOV facilities that are available to single-occupancy vehicles only at off-peak times.

The Federal Highway Administration (FHWA) established CMAQ performance measures on May 20, 2017, for states to assess traffic congestion and on-road mobile source emissions. States established targets within one year of the final FHWA rule on national performance measures and are responsible for meeting the performance targets for each measure. Once the State has set its performance targets metropolitan planning organizations (MPOs) have 180 days to set their own targets. Each MPO serving a Transportation Management Area (TMA) with a population of more than one million and also representing a non-attainment or maintenance area (e.g., PSRC) is required to develop a performance plan to achieve emission and congestion reduction targets. The MPO plans must be updated biennially, and each update must include a retrospective assessment of the progress made toward the air quality and traffic congestion performance targets through the last program of projects.

DISTRIBUTIONS

The IIJA provides a total apportionment for each state and then divides that state amount among individual apportioned programs. Washington received $39.5 million in CMAQ funding in federal fiscal year (FFY) 2022 and anticipates to receive a similar amount through FFY 2026, which will all be sub-allocated to MPOs that qualify as maintenance or non-attainment areas.

The State sub-allocates all of its CMAQ apportionment to five MPOs that qualify as maintenance areas (the state has no non-attainment areas): Puget Sound Regional Council (PSRC), Spokane Regional Transportation Council (SRTC), Southwest Washington Regional Transportation Council (RTC), Yakima Valley Conference of Governments (YVCOG) and Thurston Regional Planning Council (TRPC). Each MPO issues a regional call for projects involving local agencies and WSDOT. Projects are prioritized based on criteria developed by each MPO that provides sustainable reductions in emissions. Project selections are made in consultation with the State. The JTC IIJA Advisory Group[1] recommended continuing to sub-allocate 100 percent of CMAQ funding to MPOs in maintenance areas under the IIJA Act.

MATCHING REQUIREMENTS

The federal share is generally 80 percent, with an increased share up to 95 percent for states with large amounts of federally-owned lands (i.e. the sliding scale adjustment). Washington's federal share with the sliding scale adjustment is 86.5%. Certain safety projects that include an air quality or congestion relief component (e.g. carpool/vanpool projects, as provided in 23 USC 120(c)) may have a federal share of 100 percent, with limits.

SET-ASIDES

- 2% for State Planning and Research (SPR).
- For a State that has a nonattainment or maintenance area for fine particulate matter (PM2.5), IIJA requires that an amount equal to 25% of the amount of the State's CMAQ apportionment attributable to the weighted population of such areas in the State must be used for projects targeting PM2.5 reductions in those PM2.5 nonattainment and maintenance areas, including for diesel replacements (in addition to retrofits), and the IIJA requires States to prioritize benefits to disadvantaged communities or low-income populations living in or adjacent to such area, to the extent practicable. States with low population density are not subject to this set-aside under certain conditions.

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[1] The IIJA Work Group was convened in mid-2022 to review the distribution of federal highway formula funds between state and local governments under the IIJA. The Work Group was led by the Chairs and Ranking Members of the House and Senate Transportation Committees and included representatives of the Governor's Office and Office of Financial Management, the Secretary of Transportation, and representatives of cities, counties, ports, tribes, MPOs/RTPOs, and transit agencies.

WASHINGTON STATE RECIPIENTS

The WSDOT Improvement Program (I1) receives the funding which is then entirely distributed (sub-allocated) to the five qualifying MPOs.

FEDERAL PROGRAM: **Emergency Relief Program**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

The Emergency Relief Program authorizes the Federal Highway Administration (FHWA) to render assistance for repair and reconstruction of federal-aid highways that have been damaged due to a natural disaster such as flooding or as a result of catastrophic failures from an external cause. In order to receive federal Emergency Relief funds, the Governor must declare an emergency; the U.S. Secretary of Transportation must concur; and the FHWA must receive an application from the Washington State Department of Transportation (WSDOT). If the President has declared the emergency to be a major disaster for purposes of federal law, no concurrence of the U.S. Department of Transportation is required.

The Emergency Relief Program is authorized at $100 million per year. Debris removal is eligible only if the event is not declared a major disaster by the President, or where the event is declared a major disaster by the President, but the debris removal is not eligible for assistance under the federal Disaster Relief Act ("Stafford Act"). Emergency Relief funds may be used to repair or reconstruct a comparable facility, which is defined as "a facility that meets the current geometric and construction standards required for the types and volume of traffic that the facility will carry over its design life." No funds may be used for repair or reconstruction of a bridge if the construction phase of a replacement structure is included in a state's approved transportation improvement program at the time of the event. A state's application for Emergency Relief funds must include a comprehensive list of all eligible project sites and repair costs within two years after the event. The total cost of an ER project may not exceed the cost of repair or reconstruction of a comparable facility (further defined in the IIJA). Tribal transportation facilities, federal lands transportation facilities, and other federally owned roads open to public travel are eligible for Emergency Relief funding.

The IIJA continues all prior ER eligibilities and adds the following expansions:

- NEW - Adds wildfire to the examples of natural disasters for which ER funding is authorized. [§11106(1); 23 U.S.C 125(a)(1)]
- NEW - Removes the restriction on ER eligibility for the repair or reconstruction of a bridge if the construction phase of a replacement structure is included in the approved Statewide transportation improvement program at the time of the event. [§11106(2)]
- NEW - Provides that the cost of an improvement that is part of an ER project shall be an eligible expense under the ER program if the improvement is a protective feature that will mitigate the risk of recurring damage or the cost of future repair from extreme weather, flooding, and other natural disasters. Protective features include:
  - Raising roadway grades
  - Relocating roadways in a floodplain to higher ground above projected flood elevation levels or away from slide prone areas
  - Stabilizing slide areas
  - Stabilizing slopes
  - Lengthening or raising bridges to increase waterway openings
  - Increasing the size or number of drainage structures

- Replacing culverts with bridges or upsizing culverts
- Installing seismic retrofits on bridges
- Adding scour protection at bridges, installing riprap, or adding other scour, stream stability, coastal or other hydraulic countermeasures, including spur dikes
- The use of natural infrastructure to mitigate the risk of recurring damage or the cost of future repair from extreme weather, flooding, and other natural disasters.

The state has received Emergency Relief (ER) funds for a number of natural calamities, including the Hood Canal Bridge failure in 1979, (SR 104), the Mt. St. Helens eruption in 1980 (SR 504), the sinking of the Lacey V. Murrow Bridge in 1990 (I-90) and the Nisqually Earthquake in 2001. More recently, Washington received substantial funding for flood-related damage occurring in 2006 through 2008. In 2018, Washington received $73.7M for events that occurred as far back as 2006, including the I-5 Skagit River Bridge collapse and the Oso mudslide. Washington received $19.9M in FFY 2021 for severe flooding and bridge damages and $43.4M in 2022 for wildfires, bridge damages, flooding, and other severe weather events.

<u>DISTRIBUTIONS</u>

Distribution of Emergency Relief funds to the states is at the discretion of the U.S. Secretary of Transportation based on a declaration of emergency by the Governor (with concurrence of the Secretary) and application of the state. In the event the President has declared the emergency to be a major disaster, concurrence of the U.S. Secretary is not required.

<u>MATCHING REQUIREMENTS</u>

The federal share is 100 percent of the costs incurred to minimize damage, protect facilities, or restore essential traffic services during the first 270 days after the occurrence. Thereafter, the federal share is equal to the federal share payable on a project on the federal-aid system (in Washington it is generally, 90.66 percent on the Interstate System and 86.5 percent on all other routes). FHWA may extend this time period taking into consideration any delay in the ability of the State to access damaged facilities to evaluate damage and the cost of repair.

<u>WASHINGTON STATE RECIPIENTS</u>

WSDOT Improvement, Preservation, Maintenance (WSDOT Programs I2, P1, P2, P3, M2) receive and utilize this funding. WSDOT also allocates funds to local agencies with approved qualifying sites.

FEDERAL PROGRAM: **Federal Lands Access Program**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

The Federal Lands Access Program (Access Program) provides funds for projects that are located on or adjacent to, or that provide access to federal lands. Under IIJA, $286 M was authorized for FY22.

Eligible activities include:

- Transportation planning, research, engineering, preventive maintenance, rehabilitation, restoration, construction, and reconstruction of federal lands access transportation facilities located on or adjacent to, or that provide access to, federal land, and—
  - adjacent vehicular parking areas;
  - acquisition of necessary scenic easements and scenic or historic sites;
  - provisions for pedestrians and bicycles;
  - environmental mitigation in or adjacent to federal land to improve public safety and reduce vehicle-caused wildlife mortality while maintaining habitat connectivity;
  - construction and reconstruction of roadside rest areas, including sanitary and water facilities; and
  - other appropriate public road facilities, as determined by the Secretary of USDOT.
- Operation and maintenance of transit facilities.
- Any transportation project eligible for assistance under title 23 of the United States Code that is within or adjacent to, or that provides access to, federal land.
- NEW - contextual wayfinding markers.
- NEW - landscaping.
- NEW - cooperative mitigation of visual blight, including screening or removal, and other appropriate public road facilities, as determined by the Secretary.

Projects are selected by a Programing Decisions Committee that each State is required to create. The committee is composed of a representative of the FHWA, a representative of the state DOT, and a representative of the appropriate political subdivisions of the State. For the state of Washington, a county representative fills the role of appropriate political subdivision. This committee will make programming decisions for Access Program funds.

- The committee is required to cooperate with applicable Federal agencies within the State prior to any joint discussion or final programming decision.
- The committee shall give preference to projects that provide access to, are adjacent to, or are located within high-use federal recreation sites or federal economic generators, as identified by the Federal Lands Management Agencies.

DISTRIBUTIONS

Funds are distributed by formula among States that have federal lands managed by the National Park Service, the U.S. Forest Service, the U.S. Fish and Wildlife Service, the Bureau of Land Management, and the U.S. Army Corps of Engineers.

80% of funds go to States that contain at least 1.5% of the national total of public lands, and the remaining 20% going to States with less than 1.5% of the national total. Funds are distributed by formula based on the following factors:

- 30% based on the State's share of total recreational visitation in all States.
- 5% based on the State's share of total federal land area in all States.
- 55% based on the State's share of total federal public road miles in all States.
- 10% based on the State's share of total number of federal public bridges in all States.

MATCHING REQUIREMENTS

The federal share is equal to the federal share payable on a project on the federal-aid system (in Washington it is generally 90.66 percent on the Interstate System and 86.5 percent on all other routes).

SET-ASIDE REQUIREMENTS

Prior to distribution of Access Program and Federal Lands Transportation Program (FLTP) funds, the U. S. Secretary shall (under the FAST Act) combine and use no more than 5% of funds each fiscal year under both programs to conduct, in relation to Tribes and Federal land management agencies.

WASHINGTON STATE RECIPIENTS

WSDOT Improvement and Preservation Programs (I-1, I-2, P1, P2, P3) receive and utilize these funds. WSDOT also allocates funds to local agencies. Local agencies may also receive funds directly from FHWA in this program.

FEDERAL PROGRAM: **Ferry Boat Formula Program**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

PROGRAM DESCRIPTION

Over the five years of the IIJA, the Ferry Boat Formula Program provides $570 million nationwide for public ferry systems to construct ferry boat and ferry terminal facilities, including ferry maintenance facilities. The ferry boat or ferry terminal facility using federal funds must be publicly owned or operated, or be majority publicly owned and be found by the U.S. Department of Transportation Secretary to provide a substantial public benefit. The operation of the ferry shall be on a route classified as a public road within the state and it must not be designated as a route on the Interstate System. Ferry boats carrying cars and passengers and ferry boats carrying passengers only on a fixed route are eligible. Temporary ferry operations are not eligible for this program.

DISTRIBUTIONS

Funds are distributed to eligible public ferry systems based on the number of passengers carried (35 percent), vehicles carried (35 percent), and total route miles (30 percent). The formula is applied using the latest data collected in the National Census of Ferry Operators as implemented by the Bureau of Transportation Statistics at the U.S. Department of Transportation. The FAST Act also newly guarantees that a State with an eligible entity under the program will receive a minimum of $100,000 in FBP funding each fiscal year.

The State is the recipient of Ferry Boat Formula funds and funds are sub-allocated to specified ferry systems and public entities responsible for developing ferries. Washington State was allocated $23.4M of Ferry Boat Formula Program apportionment in federal fiscal year (FFY) 2020, $19.4 million in FFY2021 and $24.8 million in FFY2022.

MATCHING REQUIREMENTS

The federal share is limited to 80 percent.

WASHINGTON STATE RECIPIENTS

WSDOT Washington State Ferries (Program W). WSDOT also allocates Ferry Boat funds to local agencies that are direct recipients of the Ferry Boat funds.

FEDERAL PROGRAM: **Highway Safety Improvement Program**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

The Highway Safety Improvement Program (HSIP) is designed to achieve a significant reduction in traffic fatalities and serious injuries on all public roads. The program provides the flexibility to allow states to target safety funds to their most critical safety needs. As part of this flexibility, each state is required to develop and implement a Strategic Highway Safety Plan that includes all public roads in the state. Target Zero is Washington State's Strategic Highway Safety Plan. States may use HSIP funds to carry out strategies, activities, and projects on a public road that are consistent with a state strategic highway safety plan and correct or improve a hazardous road location or feature, or address a highway safety problem. The FAST Act limited HSIP eligibility to only those strategies, activities and projects listed in statute – most of which are infrastructure-safety related. The IIJA maintains the definition of highway safety improvement project and adds under that definition several additional types of projects:

- Installation of vehicle-to-infrastructure communication equipment.
- Pedestrian hybrid beacons.
- Roadway improvements that provide separation between pedestrians and motor vehicles, including medians and pedestrian crossing islands.
- Other physical infrastructure projects not specifically enumerated in the list of eligible projects.
- NEW - intersection safety improvements that provide for the safety of all road users, as appropriate, including multimodal roundabouts;
- NEW - construction and improvement of a railway-highway grade crossing safety feature, including installation of protective devices, or a grade separation project;
- NEW - construction or installation of features, measures, and road designs to calm traffic and reduce vehicle speeds;
- NEW - installation or upgrades of traffic control devices for pedestrians and bicyclists including pedestrian hybrid beacons and the addition of bicycle movement phases to traffic signals;
- NEW - roadway improvements that provide separation between motor vehicles and bicyclists, including medians, pedestrian crossing islands, protected bike lanes, and protected intersection features; and
- NEW - pedestrian security features designed to slow or stop a motor vehicle.

The IIJA does not extend the FAST Act prohibition on using HSIP funds to purchase, operate, or maintain an automated traffic enforcement system.

Also continued is a set-aside from the State's HSIP apportionment for the Railway Highway Crossings Program (Section 130 funds), approximately $4.4 million/year. The IIJA continues all prior program eligibilities. It also includes the relocation of highways to eliminate railway-highway grade crossings and projects at railway-highway grade crossings to eliminate hazards posed by blocked crossings due to idling trains.

*Performance Measures*
The Federal Highway Administration (FHWA) established traffic safety performance on April 16, 2016, measures for states to measure the following items on all public roads: 1) number of fatalities, 2) number of fatalities per 100 million vehicle miles traveled, 3) number of serious injuries, 4) number of serious injuries per 100 million vehicle miles traveled, and 5) number of non-motorist (i.e., pedestrian and bicyclists) fatalities and serious injuries. States must establish targets, in cooperation with Metropolitan Planning Organizations (MPOs) on an annual basis. Once the State has set its performance targets, MPOs have 180 days to establish targets by either agreeing to plan and program projects so they contribute toward accomplishing the state target or by setting their own quantifiable target. If a state does not meet or make

significant progress on at least four of the five state targets within two years of their establishment, the state must use an amount of its formula obligation limitation equal to its prior year HSIP apportionment only for obligation of its HSIP funding and submit an annual plan on how it will make progress to meet the targets. Additionally, if traffic fatalities and serious injuries per capita for older drivers and pedestrians increases, a state must include in its next Strategic Highway Safety Plan strategies to address the increase. Finally, if the fatality rate on rural roads in a state increase over the most recent two-year period, the state must obligate in the next fiscal year an amount equal to 200 percent of the amount of funds the state received for high-risk rural roads in federal fiscal year (FFY) 2009 for projects on high-risk rural roads.

DISTRIBUTIONS

The IIJA provides a total apportionment for each state and then divides that state amount among individual apportioned programs. Washington received $49.8 million in HSIP funding in federal fiscal year (FFY) 2022. Of that amount, locals received $34.9 million.

The outcome of the IIJA Workgroup process continues the same federal funding splits provided under the FAST Act. The local responsibility includes city streets, county roads, tribal roadways and city streets designated as state highways in cities that exceed 25,000 population.

MATCHING REQUIREMENTS

The federal share is 90% for most projects and 100% federal share for certain safety projects involving traffic control signalization, pavement marking, commuter carpooling and vanpooling, and certain safety improvements at signalized intersections.

WASHINGTON STATE RECIPIENTS

WSDOT Improvement Program (I1). WSDOT also allocates safety funds to cities and counties based upon the strategies in Target Zero to reduce fatal and serious injury collisions to zero by the year 2030.

FEDERAL PROGRAM: **National Highway Freight Program**

FEDERAL AGENCY: U.S. Department of Transportation

PROGRAM DESCRIPTION

PROGRAM DESCRIPTION

Continued in the IIJA, the National Highway Freight Program (NHFP) focuses on improving the efficient movement of freight on the National Highway Freight Network.

Projects eligible for NHFP funding must be identified in a freight investment plan included in a State's freight plan. Up to 30 percent of a State's NHFP funding may be obligated for freight intermodal or freight rail projects. Funds may be used for a large number of 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 and adds eligibility for the modernization or rehabilitation of a lock and dam and on a marine highway corridor, connector, or crossing (including an inland waterway corridor, connector, or crossing).

The IIJA continued the requirement that states cannot obligate NHFP funds unless it has developed a freight plan meeting the conditions outlined in the freight policy section of the Act. The state plan must provide a comprehensive strategy for the immediate and long-range planning activities and investments of the State with respect to Freight. WSDOT completed a federally-compliant state freight mobility plan in 2022 per the requirements outlined in the IIJA.

*National Highway Freight Network*

The Federal Highway Administration (FHWA) is directed to establish a National Highway Freight Network, which will consist of:

- The Primary Highway Freight System (816.4 miles in Washington);
- Critical Rural Freight Corridors (163.2 miles in Washington);
- Critical Urban Freight Corridors (81.6 miles in Washington); and
- Those portions of the Interstate System not designated as part of the Primary Highway Freight System.

The Primary Highway Freight System consists of the 41,518-mile national network established in MAP-21 and will be re-designated every five years. Each re-designation may increase the total mileage up to three percent of the total mileage of the system. Critical Rural Freight Corridors are defined as rural public roads outside an urbanized area that meet certain criteria, and are limited to a maximum of 300 miles 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 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 two percent, 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 the FHWA Administrator.
Biennial reporting will 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.

MAP-21 established the performance measure for national freight movement and directed USDOT to establish measures for States to use to assess freight movement on the Interstate. State and MPOs are required to set their own targets.

DISTRIBUTIONS
IIJA directs FHWA to apportion funding as a lump sum for each State then divide that total among apportioned programs. A specified national amount for the NHFP is deducted from the States' base apportionments proportional to each State's share of total FFY 2015 highway apportionments. Washington received $23 million in NHFP funding in FFY 2022.

Under the IIJA, state freight plans must include a freight investment plan with a list of priority projects. WSDOT worked with the Washington State Freight Advisory Committee, MPOs, RTPOs, tribes, local governments and ports to provide a list by the deadline.

MATCHING REQUIREMENTS
The federal share is generally 80 percent, with an increased share for states with large amounts of federally-owned lands (i.e. the sliding scale adjustment). 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 percent (as listed in 23 U.S.C. 120(c) (1)), with limits.

WASHINGTON STATE RECIPIENTS
The FFY 2022 NHFP funding was distributed equally for use by local entities and for highway preservation on the State system. $11.5 M was distributed for state highway preservation and $11.5M was distributed for use by local entities. An equal split will be maintained each year of the IIJA.

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.

FEDERAL PROGRAM: **Metropolitan Planning Program**

FEDERAL AGENCY: Federal Highway Administration and Federal Transit Administration

## PROGRAM DESCRIPTION

The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) jointly administer the Metropolitan Planning Program which provides funds for each MPO to perform transportation planning activities required by the FAST Act. Funds may be spent to develop these required documents: Unified Planning Work Program (UPWP); Transportation Plan; Transportation Improvement Program (TIP); Public Participation Plan; and Congestion Management Process, and other planning activities as approved by FHWA and FTA. Funds may also be spent to perform federally-required coordination with WSDOT, transit agencies, tribes, local governments, and the public. FHWA, FTA, and WSDOT maintain a complete list of eligible activities.

FHWA and FTA require state departments of transportation to monitor and report on all the MPOs activities as per 23 CFR §420.117. WSDOT assigns regional coordinators to each MPO to assist with compliance and to act as a liaison with FHWA and FTA. WSDOT regional coordinators review the UPWP Annual Reports before submitting them to FHWA and FTA.

The IIJA continued requirements for MPOs and states to establish and report on performance targets that meet federally-set performance measures.

- The US Department of Transportation released final rules on performance measures in 2017.
- States were required to establish targets within 1 year after the final performance measures and rules were released.
- MPOs can adopt state's targets or set their own within 18 months after the final performance measures and rules are released (6 months after the State adopts targets).
- WSDOT and MPOs have a collaborative process in place to achieve common goals in setting targets. For more information, please see the Transportation Performance Management Reports.
- MPOs must address how targets are being met in their Transportation Improvement Programs (TIPs) and their Metropolitan Transportation Plans.

For more information on MPOs, see the *Local Jurisdictions section* on page 389.

## DISTRIBUTIONS

FHWA and FTA combine their funds and FHWA apportions funds to WSDOT. WSDOT then sub-allocates planning funds to each MPO using a formula developed with MPOs and approved by FHWA as per 23 CFR§ 420.109. The formula considers each MPO's urbanized area population, the metropolitan planning area boundary, their individual planning needs, and a minimum distribution.

## MATCHING REQUIREMENTS

For Washington, the federal share is 86.5% and the match is equal to 13.5%.

WASHINGTON STATE RECIPIENTS

The following amounts are the total estimated apportionments for Washington State's Metropolitan Planning Program:

| | |
|---|---|
| FY 2023 | $9,900,000 |
| FY 2024 | $10,100,000 |
| FY 2025 | $10,300,000 |
| FY 2026 | $10,500,000 |
| TOTAL | $40,800,000 |

There are twelve MPOs in Washington that receive funds:

- Benton Franklin Council of Governments
- Cowlitz-Wahkiakum Council of Governments
- Chelan Douglas Transportation Council
- Lewis Clark Valley MPO
- Puget Sound Regional Council
- Skagit Council of Governments
- Southwest Washington Regional Transportation Council
- Spokane Regional Transportation Council
- Thurston Regional Planning Council
- Walla Walla Valley MPO
- Whatcom Council of Governments
- Yakima Valley Conference of Governments

FEDERAL PROGRAM: **National Highway Performance Program**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

The National Highway Performance Program (NHPP) has four purposes:

1. provide support for the condition and performance of the National Highway System (NHS);
2. provide support for the construction of new facilities on the NHS;
3. ensure that investments of federal-aid funds in highway construction are directed to support progress toward the achievement of performance targets established in a state's asset management plan for the NHS; and
4. NEW **-** to provide support for activities to increase the resiliency of the NHS to mitigate the cost of damages from sea level rise, extreme weather events, flooding, wildfires, or other natural disasters.

NHPP funds may generally only be spent on facilities located on the NHS and must be for a project, or part of a program of projects, supporting progress towards the achievement of national performance goals for improving infrastructure condition, safety, mobility or freight movement on the NHS and are consistent with federal planning requirements. Eligible activities are listed in 23 USC sec 119 (d).

The IIJA continues all prior NHPP eligibilities and adds three new eligibilities:

- NEW - undergrounding public utility infrastructure carried out in conjunction with an otherwise eligible project;
- NEW **-** resiliency improvements on the NHS, including protective features; and
- NEW **-** activities to protect NHS segments from cybersecurity threats

*Performance Measures*
The Federal Highway Administration (FHWA) established pavement and bridge condition performance measures on May 20, 2017, for states to measure the following items specifically on the National Highway System: 1) percent of Interstate pavement in good condition, 2) percent of Interstate pavement in poor condition, 3) percent of Non-interstate in good condition, 4) percent of Non-interstate in poor condition, 5) bridges in good condition (weighted by deck area), and 6) bridges in poor condition (weighted by deck area). States established targets within one year of the final FHWA rule on these national performance measures and are responsible for meeting the performance targets for each measure. Once the State has set its performance targets, Metropolitan Planning Organizations (MPOs) have 180 days to establish targets by both agreeing to plan and program projects, so they contribute toward accomplishing the state target or by setting their own quantifiable target. The State must report to FHWA on its progress towards achieving the targets every two years. MPOs will report to FHWA on progress in their Metropolitan Transportation Plan on a four or five-year frequency, depending on the size of the area. If the State does not meet or make significant progress toward the performance targets for two consecutive reporting periods, the State must document in its next report the actions it will take to achieve the targets.

*State Asset Management Plans*
Under the NHPP the State is required to develop a risk-based asset management plan that prioritizes urgent repairs to help improve the overall condition of the State's pavement and bridges on the National Highway System. Once established, the State's process must be reviewed and recertified at least every four years. If certification is denied, the State has 90 days to cure deficiencies. If the State has not developed and implemented an asset management plan consistent with requirements, the federal share for NHPP projects in that fiscal year is reduced to 65%.

*Minimum Interstate Pavement and NHS Bridge Conditions*
FHWA is directed to establish a minimum level of condition for Interstate pavements. If during two consecutive reporting periods Interstate pavement conditions in the State exceed five percent in poor condition, the State must, at a minimum, devote the following resources to improve Interstate pavement conditions during the following fiscal year (and each year thereafter if the condition remains below the minimum):

- NHPP funds in an amount equal to the state's FFY 2009 Interstate Maintenance (IM) apportionment ($94.6 million in Washington), to increase by 2% per year for each year after FFY 2013.
- Funds transferred from the Surface Transportation Program to the NHPP in an amount equal to 10% of the amount of the state's FFY 2009 IM apportionment ($9.46 million in Washington).

Federal law also establishes a minimum standard for NHS bridge conditions. If more than 10% of the total deck area of NHS bridges in the State is on structurally deficient bridges (poor condition) for three consecutive years, the State must devote NHPP funds in an amount equal to 50% of the State's FFY 2009 Highway Bridge Program apportionment to improve bridge conditions during the following fiscal year ($73 million in Washington), and each year thereafter if the condition remains below the minimum.

DISTRIBUTIONS

Washington received $477.5 million in NHPP funding in FFY 2022. Of that amount, locals received $51.3 million. Currently, WSDOT is out of compliance with safety regulations related to impaired drivers which results in a re-classification of NHPP funds to Section 164 funds. These funds are more restrictive and can only be used for Highway Safety projects. In FFY 2022, Washington State was assessed a penalty of $ million.

The outcome of the IIJA Workgroup process maintained the historic split between the State and local governments. The local share of the NHPP program is for locally-owned bridges.

MATCHING REQUIREMENTS

The federal share is generally 80 percent, with an increased share up to 95 percent 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 percent, 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 percent federal share participation level. Washington's federal share is 86.5%. For NHPP 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 percent (as listed in 23 U.S.C. 120(c) (1)), with limits. As noted above, for states that have not developed and implemented a state asset management plan by October 1, 2015, the federal share is limited to 65 percent.

WASHINGTON STATE RECIPIENTS

WSDOT Improvement (I) and Preservation (P) programs receive and utilize this funding. WSDOT also allocates NHPP funds to cities and counties for improvements to their bridges.

FEDERAL PROGRAM: **State Planning and Research Program**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

The State Planning and Research Program (SPR) funds are used to establish a cooperative, continuous, and comprehensive framework for making transportation investment decisions and to carryout transportation research activities throughout the State.

Funding is provided for SPR by a 2% set-aside from each State's apportionments of four programs: the National Highway Performance Program (NHPP); the Surface Transportation Program (STP); the Highway Safety Improvement Program (HSIP); and the Congestion Mitigation Air Quality Improvement Program (CMAQ) Program. Of the funds that are set aside, a minimum of 25% must be used for research purposes, unless the State certifies that more than 75% of the funds are needed for statewide and metropolitan planning and the Secretary accepts such certification.

Eligible Activities

- Planning of future highway programs and local public transportation systems and planning of the financing of such programs and systems, including metropolitan and statewide planning;
- Development and implementation of management systems, plans and processes under the NHPP, HSIP, CMAQ, and the National Freight Policy;
- Studies of the economy, safety, and convenience of surface transportation systems and the desirable regulation and equitable taxation of such systems;
- Research, development, and technology transfer activities necessary in connection with the planning, design, construction, management, and maintenance of highway, public transportation, and intermodal transportation systems;
- Study, research, and training on the engineering standards and construction materials for transportation systems described in the previous bullet, including the evaluation and accreditation of inspection and testing and the regulation and taxation of their use;
- Engineering and economic surveys and investigations;
- Conduct of activities relating to the planning of real-time monitoring elements; and
- Implementation by the Secretary of the findings and results of the Future Strategic Highway Research Program.

MATCHING REQUIREMENTS

The Federal share of the cost of a project carried out with SPR funds shall be 80% unless the Secretary determines that the interests of the Federal-aid highway program would be best served by decreasing or eliminating the non-Federal share.

WASHINGTON STATE RECIPIENTS

The following WSDOT organizations receive this funding (Program T): Multimodal Planning Division; Region Planning Offices; Management of Mobility Division; Regional Transit Coordination Division; Transportation Safety and System Analysis Division; Traffic Operations Division; Capital Program Development and Management Division; Budget and Financial Analysis Division; Rail Freight and Ports Division; Active Transportation Division; Washington State Ferries; Office of Assistant Secretary of Multimodal Development and Delivery.

FEDERAL PROGRAM: **Surface Transportation Block Grant Program**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

The IIJA Act continues the Surface Transportation Block Grant Program (STBG) which was originally established in the Intermodal Surface Transportation Efficiency Act of 1991 (originally the Surface Transportation Program). This program has the most flexible eligibilities of all the federal-aid programs, allowing for the widest array of transportation projects. Eligible projects include:

- Construction, reconstruction, rehabilitation, resurfacing, restoration, preservation, or operational improvements for highways;
- Replacement (including replacement with fill material), rehabilitation, preservation, protection for bridges (and approaches to bridges and other elevated structures) and tunnels on public roads of all functional classifications, including any such construction or reconstruction necessary to accommodate other transportation modes;
- Construction of a new bridge or tunnel at a new location on a federal-aid highway;
- Inspection and evaluation of bridges and tunnels and training of bridge and tunnel inspectors;
- Capital costs for transit projects, which includes vehicles and facilities (publicly or privately owned) that are used to provide intercity passenger bus service;
- Carpool projects, fringe and corridor parking facilities and programs, including electric vehicle and natural gas vehicle infrastructure;
- Bicycle transportation and pedestrian walkways, and the modification of public sidewalks to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);
- Highway and transit safety infrastructure improvements and programs, installation of safety barriers and nets on bridges, hazard eliminations, projects to mitigate hazards caused by wildlife, and railway-highway grade crossings;
- Highway and transit research and development and technology transfer programs;
- Capital and operating costs for traffic monitoring, management, and control facilities and programs, including advanced truck stop electrification systems;
- Surface transportation planning programs;
- Transportation alternatives (*see Transportation Alternatives Program* on page 218);
- Transportation control measures listed in section 108 (f)(1)(A) (other than clause (xvi)) of the Clean Air Act;
- Development and establishment of management systems;
- Environmental mitigation efforts relating to federal-aid highway projects;
- Projects relating to intersections that have – disproportionately high accident rates; high levels of congestion, as evidenced by interrupted traffic flow at the intersection and a level of service rating of "F" during peak travel hours, calculated in accordance with the Highway Capacity Manual; and are located on a federal-aid highway;
- Infrastructure-based intelligent transportation systems capital improvements;
- Environmental restoration and pollution abatement;
- Control of noxious weeds and aquatic noxious weeds and establishment of native species;
- Projects and strategies designed to support congestion pricing, including electronic toll collection and travel demand management strategies and programs;
- Recreational trails projects;
- Construction of ferry boats and ferry terminal facilities;
- Border infrastructure projects;

- Truck parking facilities;
- Development and implementation of a state asset management plan for the National Highway System as required by the *National Highway Performance Program* on page 199;
- A project that, if located within the boundaries of a port terminal, includes only such surface transportation infrastructure modifications as are necessary to facilitate direct intermodal interchange, transfer, and access into and out of the port;
- Construction and operational improvements for any minor collector if – the minor collector and the project to be carried out are in the same corridor and in proximity to a National Highway System route; the construction or improvements will enhance the level of service on the National Highway System route and improve regional traffic flow; and the construction or improvements are more cost-effective, as determined by a benefit-cost analysis, than an improvement to the National Highway System route; and
- Workforce development, training, and education activities.

From its STP apportionment, the State is required to spend the equivalent of not less than 15 percent of its FFY 2009 Highway Bridge Program apportionment ($30.6 million for Washington in FFY 2022) on bridges off the federal-aid system (i.e. the off-system bridge set-aside).

DISTRIBUTIONS

The IIJA provides a total apportionment for each state and then divides that state amount among individual apportioned programs. Washington received $211.2 million in STBG funding in FFY 2022. Of that amount, locals received $165.7 million.

Over the course of the IIJA, 79%of a State's STBG apportionment (after set-asides for Transportation Alternatives) is obligated to areas in proportion to their relative shares of the State's population. The remaining percentage may be spent in any area of the State.

The funds distributed based on population are divided into four categories:

1. Urbanized areas with a population over 200,000;
2. Areas with a population of 5,000 or less; and
3. NEW - Urbanized areas with population of at least 50,000 but no more than 200,000: The State is to establish a process to consult with relevant metropolitan planning organizations and describe how funds will be allocated equitably.
4. NEW - Urbanized areas with population of at least 5,000 but no more than 49,999: The State is to consult with regional transportation planning organizations, if any, before obligating funds for projects in these areas.

The outcome of the IIJA Workgroup process was to sub-allocate STBG apportionment based on population at 39% over the course of the IIJA.

MATCHING REQUIREMENTS

The federal share is generally 80 percent, with an increased share up to 95 percent 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 percent, 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, that portion of the project that increases single occupancy vehicle capacity will revert to the 80 percent federal share. Washington's federal share is 86.5%. For STP 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 (as listed in 23 U.S.C. 120(c) (1)) may have a federal share of 100 percent, with limits. The federal share for workforce development, training, and education activities carried out with STP funds is 100 percent. The federal share for projects located on toll roads is limited to 80 percent. Projects that demonstrate an improvement to the efficient movement of freight and are identified in a state freight plan are eligible for an increased federal share, at the discretion of the U.S. Secretary of Transportation: 95 percent for projects on the Interstate System and 90 percent for all other projects.

WASHINGTON STATE RECIPIENTS

WSDOT Capital Improvement, Preservation, and Ferry Programs (I1, I2, I3, I4, P1, P3, W) and Planning utilizes STP funds. WSDOT also allocates STP funds to MPO/RTPO/County lead agencies for project selection.

FEDERAL PROGRAM: **Transportation Alternatives Program**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

The Transportation Alternatives Program (TAP) is a set-aside of Surface Transportation Block Grant (STBG) funds for programs and projects defined as "transportation alternatives," including, but not limited to:

- On- and off-road pedestrian and bicycle facilities, infrastructure projects for improving non-driver access to public transportation and enhanced mobility, community improvement activities, and environmental mitigation;
- Conversion of abandoned railroad corridors to trails;
- Historic preservation and rehabilitation of transportation facilities;
- Construction of turnouts, overlooks, and viewing areas;
- Recreational trail program projects;
- Safe routes to school projects; and
- Projects for the planning, design or construction of boulevards and other roadways largely in the right-of-way of former Interstate System routes or other divided highways (Washington has no such roads).

Funds are to be competitively awarded by Regional Transportation Planning Organizations (RTPOs) or County leady agency.

DISTRIBUTIONS

The IIJA directs the Secretary to set aside for TAP an amount from the State's STBG apportionment that is equal to the ratio of FY 2009 transportation enhancements (TE) funding that individual State received of the total TE funds apportioned to all States in FY 2009.

The national total for TAP funds is approximately $1.4 billion million in FYs 2021-2026.

Each state must obligate the same amount of funding to the Recreational Trails Program that it received in 2009 (approximately $1.9 million in Washington) and return 1% of the funds (approximately $19,000 in Washington) to FHWA for administration of the program. The governor of a state may choose to opt out of the Recreational Trails set-aside not later than 30 days prior to apportionments being made for any fiscal year (no later than the September 1st prior to the fiscal year in which the state wishes to opt out). Since the program's creation in FFY 2013, Washington has opted into the Recreational Trails component of the program – no action is necessary to opt in.

The outcome of the IIJA Workgroup process continues funding of the Recreational Trails set-aside of the Transportation Alternatives Program and sub-allocating the required 50 percent to MPO/RTPOs based on their relative share of the total state population. The funds distributed based on population are divided into four categories: 1) urbanized areas with a population over 200,000; 2) urban areas with a population of 50,001 to 200,000; 3) areas with a population of 5,000 to 49,999 and 4) areas with a population of 5,000 or fewer. The remaining Transportation Alternatives Program funding is split by continuing the same level of funding provided in the 2015-17 biennium of federal funding for Safe Routes to Schools and the remainder sub-allocated to MPO/RTPOs.

Washington received $19.2 million in FFY 2022 for this program. Of that amount, RTPO/County lead agencies received $19.2 million.

MATCHING REQUIREMENTS

The federal share is generally 80 percent, with an increased share up to 95 percent for states with large amounts of federally-owned lands (i.e. the sliding scale adjustment). Washington's federal share is 86.5%.

WASHINGTON STATE RECIPIENTS

The State allocates TAP funds to RTPO/County lead agencies for project selection.

Entities eligible to apply to the RTPO or County lead agency for TAP funding are: local governments, regional transportation authorities, transit agencies, natural resource or public land agencies, school districts, tribal governments and any other local or regional governmental entity responsible for oversight of transportation or recreational trails (other than an MPOs or a state DOT) that a state determines to be eligible. Non-profits that are responsible for the administration of local transportation safety programs are eligible to apply.

FEDERAL PROGRAM: **Motor Carrier Safety Assistance Program (MCSAP)**

FEDERAL AGENCY: Federal Motor Carrier Safety Administration

PROGRAM DESCRIPTION

The National Motor Carrier Safety Assistance Program (MCSAP) is a Federal grant program that provides financial assistance to states to reduce the number and severity of crashes and hazardous materials incidents involving commercial motor vehicles (CMV) on Washington State roadways. The goal of the MCSAP program is to reduce CMV-involved crashes, fatalities, and injuries through consistent, uniform, and effective CMV safety programs. Additional emphasis is given to targeting unsafe carriers, improving information systems, and programs or projects that support national motor carrier safety activities.

The FAST Act consolidated several previously stand-alone FMCSA grant programs. The MCSAP grant now includes the Border Enforcement Grant, which assist the States and local jurisdictions in carrying out their responsibilities of ensuring foreign and international motor carriers and drivers, who operate within their jurisdiction, are in compliance with all federal and state commercial motor vehicle requirements.

**High Priority (HP) Grant**

High Priority is a Federal competitive grant program which provides financial assistance to States, local governments, federally recognized Indian tribes, other political jurisdictions as necessary, and other persons to carry out high priority activities and projects that augment motor carrier safety activities and projects:

1. To carry out activities and projects that augment motor carrier safety;
2. To advance the technological capability and promote the deployment of intelligent transportation system applications for CMV operations, including CMV, commercial driver, and carrier-specific information systems/networks; and to support and maintain CMV information systems and networks.

**Partnering With Other State Agencies to Enhance MCSAP**

The Washington State Patrol (WSP) partners with the Utilities and Transportation Commission (UTC) on compliance reviews of solid waste companies, household goods movers, and passenger motor carriers. This partnership helps decrease the number of high-risk carriers and improves safety ratings.

DISTRIBUTIONS

Federal funding is distributed to states based on a formula that includes factors such as the number of commercial vehicles, miles driven, etc. These funds are then deposited into and appropriated from the State Patrol Highway Account-Federal.

For FFY 2022 grant, Washington State received $9,722,418 in MCSAP funding, which the state must match with $511,706 in State funds for a total of $10,234,124. WSP is the lead agency for MCSAP grants in Washington State and provides up to $110,000 to the UTC for activities relating to UTC-regulated carriers. Representatives of both agencies sign a contract detailing UTC’s scope of work. The remaining funds are used by the WSP Commercial Vehicle Enforcement Bureau.

MATCHING REQUIREMENTS

For FFY22 grant, up to 95% federal funding; 5% state match is required.

WASHINGTON STATE RECIPIENTS:

The WSP is the "designated state lead agency" for the Federal Motor Carrier Safety Assistance Program. The funds are spent by WSP and also distributed by WSP to the UTC.

FEDERAL PROGRAM: **Enhanced Mobility of Seniors and Individuals with Disabilities (49 USC Sec 5310)**

FEDERAL AGENCY: Federal Transit Administration (FTA)

PROGRAM DESCRIPTIONS

The Enhanced Mobility of Seniors and Individuals with Disabilities Program (section 5310) is a formula program intended to enhance mobility for seniors and persons with disabilities by providing funds for programs to serve the special needs of transit-dependent populations beyond traditional public transportation services and Americans with Disabilities Act (ADA) complementary paratransit services.

Eligible activities include: capital projects that are public transportation projects planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable; public transportation projects that exceed the requirements of the ADA; public transportation projects that improve access to fixed-route service and decrease reliance by individuals with disabilities on complementary paratransit; alternatives to public transportation that assist seniors and individuals with disabilities; and operating assistance.

DISTRIBUTIONS

Funds are apportioned based on each State's share of the targeted populations and are apportioned to both States (for all areas under 200,000 population) and large urbanized areas (over 200,000 population).

- At least 55% of program funds must be used on capital projects that are:
  - Public transportation projects planned, designed, and carried out to meet the special needs of seniors and individuals with disabilities when public transportation is insufficient, inappropriate, or unavailable.
- The remaining 45% may be used for:
  - Public transportation projects that exceed the requirements of the ADA.
  - Public transportation projects that improve access to fixed-route service and decrease reliance by individuals with disabilities on complementary paratransit.
  - Alternatives to public transportation that assist seniors and individuals with disabilities.

For federal fiscal year (FFY) 2022 Washington received $9.4 million in section 5310 funding. WSDOT's Public Transportation Division awards 5310 funds through the Statewide Consolidated Grant Program. Information regarding the Statewide Consolidated Grant Program can be found online at http://www.wsdot.wa.gov/Transit/Grants/competitive.htm.

MATCHING REQUIREMENTS

The federal share for capital projects (including acquisition of public transportation services) is 80%. The federal share for operating assistance is 50%.

WASHINGTON STATE RECIPIENTS

WSDOT Public Transportation Division (Program V). For this program, the State is the recipient of section 5310 funding for all areas under 200,000 in population. It is then allocated by the State to sub-recipients. Sub-recipients are defined as states or local government authorities, private non-profit organizations, or operators of public transportation.

FTA designated recipients receive section 5310 funding for areas above 200,000 in population. PSRC delegated the responsibility of obligating and distributing the funds for their designated areas to WSDOT.

FEDERAL PROGRAM: **Public Transportation Emergency Relief Program (49 USC Sec 5324)**

FEDERAL AGENCY: Federal Transit Administration (FTA)

## PROGRAM DESCRIPTIONS

Modeled on the Federal Highway Administration's (FHWA) Emergency Relief Program, the Public Transportation Emergency Relief Program assists states and public transportation systems with emergency-related expenses. In section 5324, emergencies are defined as natural disasters affecting a wide area or a catastrophic failure from an external cause for which the governor of a state has declared an emergency or the President has declared a major disaster.

The program funds capital projects to protect, repair, reconstruct, or replace equipment and facilities. It also funds transit agency operating costs related to evacuation, rescue operations, temporary public transportation service, or changing public transportation route service before, during, or after an emergency in an area directly affected. The grants only cover expenses not reimbursed by the Federal Emergency Management Agency (FEMA).

## DISTRIBUTIONS

The program will provide immediate funding, similar to the FHWA Emergency Relief Program, as described on page 201. Funding is appropriated by Congress as needed, based on a declaration of an emergency by the governor of a State or the President of the United States and the following considerations:

- The grants are only for expenses that are not reimbursed by the Federal Emergency Management Agency (FEMA).
- Grants made under this program are subject to terms and conditions that the U.S. Secretary of Transportation determines are necessary.
- Operating costs are eligible for one year beginning on the date of declaration or for two years if the U.S. Secretary of Transportation determines there is a compelling need.

## MATCHING REQUIREMENTS

The federal share for capital and operating costs is 80 percent, with a 20 percent non-federal share, although FTA may waive the local match.

## RECIPIENTS

States and governmental authorities are eligible to receive Public Transportation Emergency Relief funds, including public transportation agencies.

FEDERAL PROGRAM: **Rural Transportation Assistance Program (49 USC Sec 5311)**

FEDERAL AGENCY: Federal Transit Administration (FTA)

PROGRAM DESCRIPTIONS

Rural Transportation Assistance Program, also known as Section 5311 grants, provide formula funding for public transportation projects in rural areas under 50,000 in population. Eligible activities include planning, capital, operating, job access and reverse commute projects, and the acquisition of public transportation services. The program must provide a fair and equitable distribution of funds within the state, including Indian reservations, and provides the maximum feasible coordination of public transportation services assisted by this program and other federal sources. Within the 5311 program there is a tribal program that provides formula and discretionary funding for project awards.

DISTRIBUTIONS

Funds are apportioned to states based on the population of rural areas. For the rural program formula, 83 percent of funds are apportioned based on land area and population in rural areas and 17 percent of funds are apportioned based on land area, revenue-vehicle miles, and low-income individuals in rural areas. For the tribal program the formula factors are vehicle revenue miles and number of low-income individuals residing on tribal lands. For federal fiscal year (FFY) 2022, Washington received $ 18 million and the tribes residing in Washington received $2.4 million in formula funds.

WSDOT's Public Transportation Division awards all section 5311 funds to sub-recipients through the Statewide Consolidated Grant Program. Instructions and information regarding the Statewide Consolidated Grant Program can be found at http://www.wsdot.wa.gov/Transit/Grants/competitive.htm.

MATCHING REQUIREMENTS

The federal share is 80 percent for capital projects, 50 percent for operating assistance, and 80 percent for American with Disabilities Act (ADA) non-fixed-route paratransit service, using up to 10% of a recipient's apportionment. The cost of the unsubsidized portion of privately provided intercity bus service that connects feeder service is eligible as in-kind local match. Certain expenditures by vanpool operators may be used as local match.

WASHINGTON STATE RECIPIENTS

WSDOT Public Transportation Division (V). Eligible sub-recipients include state or local government authorities, nonprofit organizations, and operators of public transportation or intercity bus service.

FEDERAL PROGRAM: **State of Good Repair Grants (49 USC Sec 5337)**

FEDERAL AGENCY: Federal Transit Administration (FTA)

PROGRAM DESCRIPTIONS

The State of Good Repair Grants Program, authorized by Section 5337, is a formula-based grant program used to maintain, repair, and upgrade the nation's rail transit systems along with high-intensity motor bus systems that use high-occupancy vehicle lanes, including bus rapid transit (BRT).

Eligible projects include capital projects to maintain a system in a state of good repair, including projects to replace and rehabilitate: rolling stock; track; line equipment and structures; signals and communications; power equipment and substations; passenger stations and terminals; security equipment and systems; maintenance facilities and equipment; and operational support equipment, including computer hardware and software. Projects must be included in a transit asset management plan to receive funding.

DISTRIBUTIONS

Eligible recipients include state and local government authorities in urbanized areas with fixed guideway public transportation facilities operating for at least 7 years.

The program comprises two separate formula programs:

- High Intensity Fixed Guideway
  - Comprises 76% of the $108 million total FFY 2022 apportionment.
  - 50 percent based on formula under the Fixed Guideway Rail Modernization Program.
  - 50 percent based on revenue vehicle miles and route miles.

- High Intensity Motorbus
  - Comprises 24% of the $108 million total FFY 2022 apportionment.
  - Based on revenue miles and route miles as reported to NTD.

MATCHING REQUIREMENTS

The federal share is 80 percent with a required 20 percent match.

FEDERAL PROGRAM: **Transit-Oriented Development Planning Pilot (MAP-21 Sec 20005(b))**

FEDERAL AGENCY: Federal Transit Administration (FTA)

PROGRAM DESCRIPTIONS

The IIJA continues the competitive Transit-Oriented Development Planning Pilot program. Planning funds are available through this discretionary program for transit-oriented development (TOD). Eligible activities include comprehensive planning in corridors with new rail, bus rapid transit, or core capacity projects. This pilot program focuses growth around transit stations to promote ridership, affordable housing near transit, revitalized downtown centers and neighborhoods, and encourage local economic development. $13 million was authorized for federal fiscal year (FFY) 2022.

DISTRIBUTIONS

FTA will award competitive grants for comprehensive planning based on the following criteria:

- Enhancement of economic development, ridership, and other goals established during the project development and engineering processes;
- Facilitation of multimodal connectivity and accessibility;
- Increases access to transit hubs for pedestrian and bicycle traffic;
- Enables mixed-use development;
- Identifies infrastructure needs associated with the eligible project; and
- Includes private-sector participation.
- NEW - federal financing is now available for site-specific as well as comprehensive planning. *Previously only comprehensive planning was eligible for federal funds.*

MATCHING REQUIREMENTS

No matching funds are required for this competitive grant program.

RECIPIENTS

State and local government agencies are eligible to apply to FTA for these grants.

FEDERAL PROGRAM: **Urbanized Area Formula Grants (49 USC Sec 5307)**

FEDERAL AGENCY: Federal Transit Administration (FTA)

PROGRAM DESCRIPTIONS

This program provides formula grants to Urbanized Areas (UZA), defined as areas with a population of 50,000 or more, for public transportation capital, planning, job access and reverse commute projects, as well as operating expenses in certain circumstances.

For urbanized areas with populations less than 200,000, operating assistance is an eligible expense. Transit systems in urbanized areas over 200,000 can use their Section 5307 formula funding for operating expenses if they operate no more than 100 buses during peak hours.

The Section 5307 formula program includes a $30 million per year set-aside to support passenger ferries, to be awarded on a competitive selection basis

DISTRIBUTIONS

In Washington State, transit agencies in large urban areas over 200,000 population identify projects for funding through their metropolitan planning organizations (MPO) such as the Puget Sound Regional Council and Spokane Regional Council. The apportionment of funding for the small urban areas under 200,000 population is granted to the Governor. The Governor has delegated the authority for federal transit funds to WSDOT. WSDOT, as a matter of policy, allows the small urban transit agencies to work with their MPOs to select projects for the Section 5307 funding that is reported in the Federal Register. In most cases, in the small urban areas there is only a single direct recipient. In federal fiscal year (FFY) 2022, Washington's large urbanized areas received $167 million and the State's small urbanized areas received $ 33 million in Section 5307 apportionment.

MATCHING REQUIREMENTS

The federal share is 80 percent for capital assistance, 50 percent for operating assistance, and 80 percent for Americans with Disabilities Act (ADA) non-fixed-route paratransit service, using up to 10 percent of a recipient’s apportionment.

RECIPIENTS

FTA apportions funds to designated recipients, which then sub-allocate funds to state and local governmental authorities, including public transportation providers. In Washington State, the large urban area (over 200,000 population) recipients of Section 5307 funds in Vancouver, Seattle-Tacoma-Everett-Bremerton, Richland-Kennewick-Pasco, and Spokane, are determined by the state’s four Transportation Management Areas (TMAs). The Governor has delegated authority to WSDOT for the apportioned amounts for distribution to the state's smaller urbanized areas (under 200,000 population). Washington State Ferries receives funding through Seattle-Everett and Tacoma TMA. WSDOT Public Transportation Division (Program V) and Local Programs (Program Z) manage this funding for Washington State.

FEDERAL PROGRAM: **Metropolitan Planning Grants (49 USC Sec 5303/5305d)**

FEDERAL AGENCY: Federal Transit Administration (FTA)

PROGRAM DESCRIPTIONS

Section 5303/5305(d) Metropolitan Planning Grants provide funding and procedural requirements for multimodal transportation planning in metropolitan areas and states that is cooperative, continuous, and comprehensive, resulting in long-range plans and short-range programs of transportation investment priorities. The planning programs are jointly administered by FTA and the Federal Highway Administration (FHWA), which provides additional funding.

DISTRIBUTIONS

Under a formula-based distribution, Washington received $3.4 million in FFY 2022.

MATCHING REQUIREMENTS

Federal share is 80% formula-based with a required 20% non-federal match.

RECIPIENTS

States, Metropolitan Planning Organizations, and Transportation Management Areas. The lead program at WSDOT for this grant is Planning and Research Division (Program T). The funds are pass through to MPOs and they are usually transferred to FHWA via the consolidated planning grant process.

FEDERAL PROGRAM: **State Planning Grants (49 USC Sec 5304/5305e)**

FEDERAL AGENCY: Federal Transit Administration (FTA)

PROGRAM DESCRIPTIONS

Section 5304/5305(e) State Planning Grants provide funding and procedural requirements for multimodal transportation planning in metropolitan areas and states that is cooperative, continuous, and comprehensive, resulting in long-range plans and short-range programs of transportation investment priorities. The planning programs are jointly administered by FTA and the Federal Highway Administration (FHWA), which provides additional funding.

DISTRIBUTIONS

Under a formula based distribution, Washington received $700 thousand in FFY 2022.

MATCHING REQUIREMENTS

Federal share is 80% formula-based with a required 20% non-federal match.

RECIPIENTS

States, Planning Agencies, Transit Agencies, and Non Profits. The lead program at WSDOT for this grant is Public Transportation (Program V).

FEDERAL PROGRAM: **Railroad Rehabilitation and Improvement Financing**

FEDERAL AGENCY: Federal Railroad Administration (FRA)

PROGRAM DESCRIPTION

The Railroad Rehabilitation and Improvement Financing (RRIF) Program is intended to make funding available through loans and loan guarantees for railroad capital improvements.

This loan program was originally established in 1998 under the Transportation Equity Act for the 21st Century (Public Law 105-178) to provide direct loans and loan guarantees. FRA can provide up to $35.0 billion to finance development of railroad infrastructure. Not less than $7.0 billion is reserved for projects benefiting freight railroads other than Class I carriers.

The funding may be used to:

- Acquire, improve, or rehabilitate intermodal or rail equipment or facilities, including track, components of track, bridges, yards, buildings and shops
- Refinance outstanding debt incurred for the purposes listed above
- Develop or establish new intermodal or railroad facilities

Direct loans can fund up to 100% of a railroad project with repayment periods of up to 35 years and interest rates equal to the cost of borrowing to the government.

Eligible borrowers include railroads, state and local governments, government-sponsored authorities and corporations, joint ventures that include at least one railroad, and limited option freight shippers who intend to construct a new rail connection.

DISTRIBUTIONS

Loans and loan guarantees are at the discretion of the U.S. Secretary of Transportation based on application.

Washington State has not applied for a RRIF loan.

The Port of Everett submitted a final application in 2018 for $5.9 million.

WASHINGTON STATE RECIPIENT

WSDOT Rail Program (Program Y)

FEDERAL PROGRAM: **TIFIA Loan Program (23 USC Ch. 6)**

FEDERAL AGENCY: Federal Highway Administration

PROGRAM DESCRIPTION

The Transportation Infrastructure Finance and Innovation Act (TIFIA) Program was originally authorized through the Transportation Equity Act for the 21st Century (TEA-21) in 1998 (23 USC Chapter 6). It provides federal credit assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance eligible surface transportation projects of national and regional significance. Highway, transit, intercity passenger rail, some types of freight rail, intermodal freight, and port access projects are eligible for assistance. TIFIA can help advance qualified, large-scale projects that otherwise might be delayed or deferred because of size, complexity, or uncertainty over the timing of revenues. Each dollar of federal funds can provide up to $10 in TIFIA credit assistance and leverage $30 in transportation infrastructure investment. TIFIA assistance must be repaid through dedicated revenue sources that secure project obligations, such as tolls, other user fees, or payments received under a public-private partnership agreement. Repayment of a TIFIA loan must begin by five years after the substantial completion of the project, and the loan must be fully repaid within 35 years after the project's substantial completion or by the end of the useful life of the asset being financed, if that life is less than 35 years.

DISTRIBUTIONS

TIFIA credit assistance is awarded by FHWA based on strengths of applications in meeting the following eligibility criteria provided in MAP-21:

- Credit worthiness,
- Fostering partnerships that attract public and private investment for the project,
- Ability to proceed at an earlier date or reduced lifecycle costs,
- Reduces contribution of Federal grant assistance for the project,
- Project readiness.

MATCHING REQUIREMENTS

TIFIA credit assistance may cover the following portions of the total cost of a project:

- TIFIA line of credit: up to 33%
- TIFIA loan: up to 49%
- TIFIA loan and TIFIA line of credit, combined: up to 49%
- Total Federal assistance (grants and loans) to a project receiving a TIFIA loan: up to 80%

STATE OF WASHINGTON TIFIA LOAN

In October 2012, WSDOT received a $300 million TIFIA loan that funded design and construction of a portion of the SR 520 project – a westbound bridge between the west-end landing of the new floating bridge and Montlake in Seattle. The loan is being repaid with toll revenues.

# Infrastructure Investment and Jobs Act - NEW

FEDERAL PROGRAM: **Bridge Formula Program (BFP)**

FEDERAL AGENCY: U.S. Department of Transportation

PROGRAM DESCRIPTION:

The Bridge Formula Program was established under the IIJA to provide funding for highway bridge replacement, rehabilitation, preservation, protection, and construction of highway bridges.

*Apportionment Levels **

| ***IIJA Estimated Apportionments*** | | | | | | |
|---|---|---|---|---|---|---|
| *$ in millions* | ***2022*** | ***2023*** | ***2024*** | ***2025*** | ***2026*** | ***IIJA Total*** |
| *WA* | *121.0* | *123.4* | *126.0* | *128.4* | *131.0* | *629.8* |

*The amounts for FFY2022 come from FHWA apportionment notice N4510.867 found at https://www.fhwa.dot.gov/legsregs/directives/notices/n4510867.cfm.

The amounts for FFY2023 – FFY2026 come from FHWA Estimated Highway Apportionments under the IIJA (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. 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, annual estimates remain constant.

The construction of a new highway bridge on a new alignment is an eligible project under the BFP, but states are encouraged to first focus their BFP funding on projects that improve the condition of in-service highway bridges classified in poor condition and that preserve or improve the condition of in-service highway bridges classified in fair condition.

States are encouraged to use BFP funds for projects that:

- Address equity, barriers to opportunity, and lack of community connectivity;
- Improve the mobility of goods and services,
- Increase resiliency of bridges to multiple hazards and risks; and
- Reduce greenhouse gas emission through us of materials or improvements in multimodal access.

SET-ASIDES

Sets aside 3% of BFP funding each fiscal year for Tribal transportation facility bridges, which shall be administered under the Tribal Transportation Program. BFP apportionment includes a 15% set-aside for off-system bridges which provides funding for highway bridges located on public roads, other than those located on Federal-aid highways.

DISTRIBUTIONS

Each state is guaranteed a minimum annual distribution of $45 million. In FFY 2022 Washington received $130.7 million, $19.6 million of which was set aside for obligation on off-system bridges.

BFP funds are apportioned to the states via a formula based on the relative costs of replacing a state's bridges classified as in poor condition and rehabilitating a state's bridges classified as in fair condition.

- 75% by the proportion the total cost of replacing all bridges classified in poor condition in the State bears to the total cost to replace all bridges classified in poor condition in all States.

- 25% by the proportion the total cost of rehabilitating all bridges classified in fair condition in the State bears to the total cost to rehabilitate all bridges classified in fair condition in all States.

The federal share is up to 100% of the total eligible project costs when used on locally or tribally-owned, off-system bridges. Funds may not be transferred between federal programs.

FEDERAL PROGRAM: **Carbon Reduction Program (CRP)**

FEDERAL AGENCY: U.S. Department of Transportation

PROGRAM DESCRIPTION:

The purpose of the Carbon Reduction Program is to reduce transportation emissions through the development of State carbon reduction strategies and by funding projects designed to reduce transportation emissions as established by the Infrastructure Investment and Jobs Act. If the Secretary determines the State has demonstrated a reduction in transportation emissions, as estimated on a per capital and per unit of economic output basis (FHWA guidance is pending), the funds may be used for any STBG eligible project.

*Apportionment Levels **

| ***IIJA Estimated Apportionments*** | | | | | | |
|---|---|---|---|---|---|---|
| *$ in millions* | ***2022*** | ***2023*** | ***2024*** | ***2025*** | ***2026*** | ***IIJA Total*** |
| *WA* | *21.1* | *21.6* | *22.0* | *22.4* | *22.9* | *110.0* |

*The amounts for FFY2022 come from FHWA apportionment notice N4510.858 found at https://www.fhwa.dot.gov/bipartisan-infrastructure-law/funding.cfm.

The amounts for FFY2023 – FFY2026 come from FHWA Estimated Highway Apportionments under the IIJA (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.

No later than November 15, 2023, States, in consultation with any metropolitan planning organization designated within the State, shall develop a carbon reduction strategy. In rural areas, a State shall consult with any regional transportation planning organization or MPO that represents the rural area prior to determining which activities should be carried out under the project.

Development of a Carbon Reduction Strategy is an allowable use of CRP funds.

The strategy of the State must:

- support efforts to reduce transportation emissions;
- identify projects and strategies to reduce transportation emissions, which may include projects and strategies for safe, reliable, and cost-effective options—
  - to reduce traffic congestion by facilitating the use of alternatives to single-occupant vehicle trips, including public transportation facilities, pedestrian facilities, bicycle facilities, and shared or pooled vehicle trips within the State or an area served by the applicable metropolitan planning organization, if any;
  - to facilitate the use of vehicles or modes of travel that result in lower transportation emissions per person-mile traveled as compared to existing vehicles and modes; and
  - to facilitate approaches to the construction of transportation assets that result in lower transportation emissions as compared to existing approaches;
- support the reduction of transportation emissions of the State;
- at the discretion of the State, quantify the total carbon emissions from the production, transport, and use of materials used in the construction of transportation facilities within the State; and

- be appropriate to the population density and context of the State, including any metropolitan planning organization designated within the State.

The carbon reduction strategy must be updated not less than once every four years. Each state and affected metropolitan planning organization shall jointly ensure compliance with the plan.
CRP funds may be obligated for projects that support the reduction of transportation emissions, including but not limited to:

- a project to establish or operate a traffic monitoring, management and control facility of program, including advance truck stop electrification systems and per 23 USC 149(b)(4)
- a public transportation project eligible under 23 U.S.C. 142;
- a transportation alternative including, but not limited to, the construction, planning, and design of on-road and off-road trail facilities for pedestrians, bicyclists, and other nonmotorized forms of transportation (as defined under the Moving Ahead for Progress under the 21st Century Act [23 U.S.C. 101(a)(29), as in effect on July 5, 2012]);
- a project for advanced transportation and congestion management technologies - described in 23 U.S.C. 503(c)(4)(E);
- deployment of infrastructure-based intelligent transportation systems capital improvements and the installation of vehicle-to-infrastructure communications equipment;
- a project to replace street lighting and traffic control devices with energy-efficient alternatives;
- development of a carbon reduction strategy developed by a State per requirements in 23 U.S.C. 175(d);
- a project or strategy designed to support congestion pricing, shifting transportation demand to nonpeak hours or other transportation modes, increasing vehicle occupancy rates, or otherwise reducing demand for roads, including electronic toll collection, and travel demand management strategies and programs;
- efforts to reduce the environmental and community impacts of freight movement;
- a project that supports deployment of alternative fuel vehicles, including–

  - acquisition, installation, or operation of publicly accessible electric vehicle charging infrastructure or hydrogen, natural gas, or propane vehicle fueling infrastructure; and
  - purchase or lease of zero-emission construction equipment and vehicles, including the acquisition, construction, or leasing of required supporting facilities;

- a project for a diesel engine retrofit described in 23 U.S.C. 149(b)(8);
- certain types of projects to improve traffic flow that are eligible under the CMAQ program, and that do not involve construction of new capacity; [§ 11403; 23 U.S.C. 149(b)(5); and 175(c)(1)(L)]; and
- a project that reduces transportation emissions at port facilities, including through the advancement of port electrification.

<u>DISTRIBUTIONS</u>
Funds will be sub-allocated with 65% being obligated based on population and the remaining 35% eligible to be obligated in any area of the state.

- <u>Distribution by population:</u>
  - Areas Over 200,000 population – In Washington, STBG funds are divided between the four largest MPO's: Puget Sound, Spokane, Tri-Cities, and Vancouver. The shares are based on the MPO's respective levels of urbanized population per the 2010 census. Project selections are made by the MPOs in consultation with the State. Funds may be used anywhere within the planning area boundary of the MPO.
  - Areas between 50,000 and 200,000 population – Funds are distributed based on the 2010 census for areas of this size. These funds can only be used in areas encompassed by adjusted urban or urbanized area boundaries and cannot be used in any rural areas.

- Areas between 5,000 and 49,999 population - Funds are distributed based on the 2010 census for areas of this size. These funds can only be used in areas encompassed by adjusted urban or urbanized area boundaries and cannot be used in any rural areas.
- Areas Less than 5,000 population – Funds are distributed based on the 2010 census for the rural population areas of the state. These rural funds may be used anywhere that is outside of an adjusted urban or urbanized area boundaries. These funds can be used in rural areas including those encompassed by a MPO’s planning area.

- State flexible funds – may be obligated in any area of the state.

MATCHING REQUIREMENTS

In general, the federal share is 80%, subject to the sliding scale. Beginning in FFY 2023 a state may transfer (flex) up to 50% of CRP funds made available each fiscal year to any other apportionment of the State.

FEDERAL PROGRAM: **National Electric Vehicle Infrastructure (NEVI)**

FEDERAL AGENCY: U.S. Department of Transportation

PROGRAM DESCRIPTION:

The IIJA established the NEVI formula program to provide funding to States to strategically deploy electric vehicle (EV) charging infrastructure and to establish an interconnected network to facilitate data collection, access, and reliability.

*Apportionment Levels **

| ***IIJA Estimated Apportionments*** | | | | | | |
|---|---|---|---|---|---|---|
| *$ in millions* | ***2022*** | ***2023*** | ***2024*** | ***2025*** | ***2026*** | ***IIJA Total*** |
| *WA* | *10.5* | *10.7* | *10.9* | *11.1* | *11.4* | *54.6* |

*The amounts for FFY2022 come from FHWA apportionment notice N4510.858 found at https://www.fhwa.dot.gov/legsregs/directives/notices/n4510858/n4510858_t1.cfm.

The amounts for FFY2023 – FFY2026 come from FHWA Estimated Highway Apportionments under the IIJA (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. 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,.

Funding under this program is directed to designated Alternative Fuel Corridors for electric vehicles to build out a national network, particularly along the Interstate Highway System. When the national network is fully built out, funding may be used on any public road or in other publicly accessible locations.

A Joint Office in DOT and the United States Department of Energy was created under IIJA to study, plan, coordinate, and implement issues of joint concern, particularly related to zero emission vehicle charging and refueling infrastructure, and supporting renewable energy generation, storage, and electrical grid infrastructure. The Joint Office will establish and maintain a public database that includes the locations of EV charging stations, potential locations for EV charging stations identified by eligible entities through the program, and the ability to sort generated results by various characteristics, including geographical location, status, and charging type.

The US Secretary of Transportation, in coordination with the Secretary of Energy, will develop guidance for States and localities to strategically deploy electric vehicle charging infrastructure.

Subject to minimum standards and requirements to be established by the US Secretary of Transportation, in coordination with the Secretary of Energy and in consultation with relevant stakeholders, NEVI Formula funding may be used for:

- Projects that are directly related to the charging of a vehicle and only for EV charging infrastructure that is open to the public or to authorized commercial motor vehicle operators from more than one company
- Acquisition and installation of electric vehicle charging;
- Development phase activities relating the acquisition or installation of electric vehicle charging infrastructure;

- Operating assistance for costs allocable to operating and maintaining EV charging infrastructure acquired or installed under the program;
- Acquisition or installation of traffic control devices located in the right-of-way to provide directional information to EV charging infrastructure acquired, installed, or operated under the NEVI Formula program, and on-premises signs providing information about such infrastructure;
- Mapping and analysis activities to evaluate current and future demand for EV charging infrastructure; and
- Data sharing about EV charging infrastructure to ensure long-term success of investments under program.

DISTRIBUTIONS

Funds are distributed on a formula basis. Washington state received $10.5 M in FFY 2022. Federal share is 80% and funds are ineligible to transfer to other highway formula programs.

NEVI funds will not be available for obligation until the State has submitted, and FHWA has approved, the State's Electric Vehicle Infrastructure Deployment Plan.

If a State fails to submit a Plan by August 1, 2022, or if FHWA determines that a State has failed to take action to carry out its Plan, FHWA may withhold or withdraw, as applicable, funds made available under the Program for the fiscal year from the State and award such funds on a competitive basis to local jurisdictions within the State for use on projects that meet the eligibility requirements outlined in this guidance.

SET-ASIDES

10% of the NEVI Formula Program will be set-aside each fiscal year for the Secretary of Transportation to provide discretionary grants to help fill gaps in the national network.

FEDERAL PROGRAM: **Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation Program (PROTECT)**

FEDERAL AGENCY: U.S. Department of Transportation

PROGRAM DESCRIPTION:

Provides funds for resilience improvements through formula funding distributed to States, competitive planning grants and competitive resilience improvement grants.

Resilience improvements use materials and structural or non-structural techniques to allow projects:

- to better anticipate, prepare for, and adapt to changing conditions and to withstand and respond to disruptions; and
- to be better able to continue to serve the primary function of the project during and after weather events and natural disasters for the expected life of the project; or
- reduce the magnitude and duration of impacts of current and future weather events and natural disasters to a project; or
- have the absorptive capacity, adaptive capacity, and recoverability to decrease project vulnerability to current and future weather events or natural disasters.

*Apportionment Levels **

| ***IIJA Estimated Apportionments*** | | | | | | |
|---|---|---|---|---|---|---|
| *$ in millions* | ***2022*** | ***2023*** | ***2024*** | ***2025*** | ***2026*** | ***IIJA Total*** |
| *WA* | *24.0* | *24.5* | *25* | *25.5* | *26* | *125.0* |

*The amounts for FFY2022 come from FHWA apportionment notice N4510.858 found at https://www.fhwa.dot.gov/legsregs/directives/notices/n4510858/n4510858_t1.cfm.

The amounts for FFY2023 – FFY2026 come from FHWA Estimated Highway Apportionments under the IIJA (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.

Eligible projects include public transportation facilities, port facilities and highway projects. A project may include the use of natural infrastructure or the construction or modification of storm surge, flood protection, or aquatic ecosystem restoration elements that are functionally connected to a transportation improvement such as:

- increasing marsh health and total area adjacent to a highway right-of-way to promote additional flood storage.
- upgrades to and installation of culverts designed to withstand 100-year flood events.
- upgrades to and installation of tide gates to protect highways.
- upgrades to and installation of flood gates to protect tunnel entrances.
- improving functionality and resiliency of stormwater controls, including inventory inspections, upgrades to, and preservation of best management practices to protect surface transportation infrastructure.

DISTRIBUTIONS

Washington state will receive $24 M in FFY 2022.

MATCHING REQUIREMENTS

The Federal share shall not exceed 80% of the total project cost, additional guidance is pending.

A state may not use:

- more than 40% of the amount for the construction of new capacity; and
- more than 10% of the amount development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities.