

FEDERAL PROGRAM: National Highway Performance Program (NHPP)

FEDERAL AGENCY: U.S. Department of Transportation

PROGRAM DESCRIPTION:

The IIJA, passed in November 2021, continued the National Highway Performance Program (NHPP) created in MAP-21. NHPP funding is restricted to the National Highway System (NHS), which was expanded in MAP-21 to include additional urban and rural principal arterials, bringing total mileage nationwide up from about 160,000 to 220,000. All eligibilities under the FAST Act remain, including items such as ferry boats and facilities that connect road segments of the NHS.

*Apportionment Levels **

	IIJA Estimated Apportionments						
<i>\$ in millions</i>	FAST Act (2016-2020) Total	2022	2023	2024	2025	2026	IIJA Total
WA	1,913.1	459.4	468.6	477.9	487.5	497.2	2,391.0

*The amounts for FFY2022 come from FHWA apportionment notice N4510.858 found at https://www.fhwa.dot.gov/legregs/directives/notices/n4510858/n4510858_t1.cfm. The numbers in the table above include reductions from the federal notices to reflect the Section 164 penalty, sequestration and the SPR set aside.

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.

BACKGROUND

Prior to MAP-21, Washington received money through the Interstate Maintenance Program to improve the condition of Interstate highways. The State was also provided funds through the Highway Bridge Program to rehabilitate and replace deficient bridges with a requirement that at least 15% of the funding must be spent on off-system bridges (bridges not on a federal-aid highway such as rural minor-collector roads or local streets). Finally, the State also received National Highway System funding for improvements to rural and urban roads that are part of the NHS, including the Interstate System and designated connections to major intermodal terminals.

The IIJA allows states to transfer up to 50% of the NHPP funds to other formula federal-aid highway programs. This flexibility allows the State to make investment choices based on the most pressing preservation needs.

Changes in IIJA:

Under the IIJA, 2% of NHPP funds are set-aside for State Planning and Research (SPR). The IIJA continues all prior NHPP eligibilities and adds three new eligibilities:

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

Performance Measures

States are subject to performance management processes that include meeting minimum conditions for interstate pavements and reporting standardized data to carry out the performance-based approach. The FAST Act incorporated two changes that are carried forward to the IIJA:

- State DOTs are required to act when they do not make significant progress for each biennial determination (instead of 2 consecutive biennial determinations) made by FHWA.
- State DOTs are subject to a penalty if FHWA determines that its Interstate pavement condition has fallen below the minimum condition level for the most recent year (instead of the most recent two years.)⁴

Asset Management Plans

States are required to develop risk-based asset management plans that prioritize urgent repairs first to help improve the overall condition of the state's bridges and highway systems. Each state's process must be reviewed and recertified at least every four years. If certification is denied, the state has 90 days to resolve deficiencies.

Minimum Interstate Pavement and NHS Bridge Conditions

Under MAP-21, and amended under the FAST Act, the USDOT established a minimum level of condition for Interstate pavements, which may vary by geographic region. **If Interstate pavement conditions in a state fall below the minimum set by USDOT, 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.**

MAP-21 also established a minimum standard for NHS bridge conditions. **If more than 10% of the total deck area of NHS bridges in a state is on structurally deficient bridges for three consecutive years prior to the date of determination, 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.

Bridge and Tunnel Inspection Standards

If a State is in noncompliance with bridge and tunnel inspection standards to be established by USDOT, a portion of NHPP and STP funds must be used to correct the problem.

Fund Distribution

In Washington, NHPP funds are split between state and Local responsibilities. During the FAST Act the net funds (after STP set-aside) were allocated at 94% State, not to exceed \$358.1 M, with the remainder for Local distribution. Through the MAP-21 and FAST work groups, the recommendation to combine the STBG off-system bridge set-aside funds with funding from the National Highway Performance Program to create a \$45 million Local Bridge program was continued. With the incremental increase of NHPP funding WSDOT created a statewide competitive National Highway System Asset Management program for Locals.