

# FAST Act Funding Distribution Proposal

## General Funding Information

- Total formula funding provided in the base year of the FAST Act represents an increase of just about 5 percent over 2015 MAP-21 levels, increasing from \$3.544 billion to \$ 3.723 billion. Of the 5 percent increase, about 3 percent is attributed to the new National Highway Freight Program, and 2 percent is due to a general increase in programs continued from MAP-21.
- Total Statewide apportionments are provided by the Federal Highway Administration (FHWA) as estimates, and final distribution will be adjusted based on the actual apportionments and Congressional appropriation.

## Proposed Distribution of Apportionments – 60/40 split

- The proposal focuses on maintaining a status quo funding level for overall funding – ensuring that the State and Local Agencies each receive a total share of funding consistent with total funding received under prior federal acts.
- The historic split of funds apportioned 60 percent to the State, and 40 percent to Local agencies is maintained in this proposal through careful evaluation of changes included in the FAST Act, to preserve funding eligibility for all project types.
- Proposed 60/40 split applies to all categories except for the new National Highway Freight Program, which will be discussed and decided in other venues.
- Funds set aside from the NHPP for the Local bridges will be managed by the Department, with the advice of the Highway Bridge Program Advisory Committee, in the same manner as under previous acts.

## Changes Based on Discussions

- This proposal includes formula federal funds and allocated Section 164 Penalty funds, whereas prior versions included only formula funds. The proposal also includes State Planning and Research funds, which came from Core Program “take downs”.
- HSIP funding has been remodeled to provide the maximum benefit and flexibility to the state and local agencies, while maintaining the overall 50/50 split specified in state law:
  - The proposal includes a slightly reduced exchange of HSIP funds for STP funds. Prior versions had included a \$26 million swap, the final proposal includes a \$21M swap.
  - The proposal includes \$21M in HSIP funding for ATP projects. With FHWA approval, the \$21M HSIP will be exchanged at the federal level for STP, which would be used directly on ATP projects. This exchange will allow for ease of implementation of the ATP, but will continue the safety focus on alternative transportation.