

# FAST ACT FREIGHT PROVISIONS

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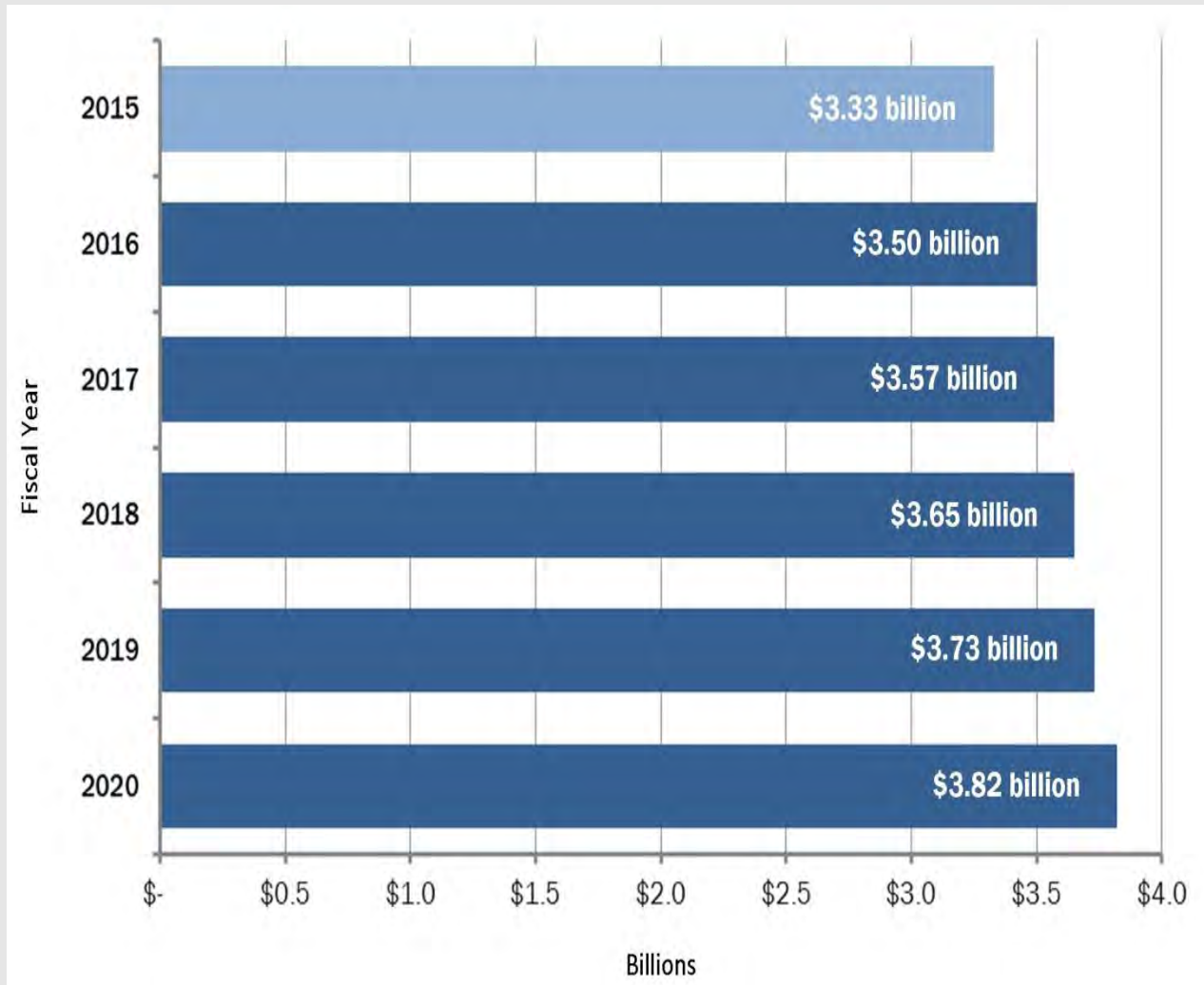
Texas Freight Advisory Committee  
January 25, 2016

DRIVE ACT (Senate) +  
STRR ACT (House) =  
FAST ACT

The FAST Act is a five year, \$305 billion bill that reauthorizes surface transportation programs.

# FAST ACT FUNDING

## Estimated Highway Account Apportionments for Texas



- **DIRECTS USDOT TO CREATE TWO NEW NETWORKS:**

1. National Multimodal Freight Network

2. National Highway Freight Network

# NATIONAL MULTIMODAL FREIGHT NETWORK

- USDOT must complete a National Strategic Freight Plan every 5 years that will include processes for multi-state project delivery, and financial and regulatory barriers to freight movement.
- USDOT must designate this network within 1 year. States can offer input.
- Multimodal Network will consist of:
  - *National Highway Freight Network*
  - *Class 1 freight railroads*
  - *Ports with annual foreign and domestic trade of at least 2 million short tons*
  - *Inland and Intercoastal Waterways*
  - *Great Lakes and St. Lawrence Seaway*
  - *MARAD Marine Highways*
  - *50 US Airports with highest annual landed weight*
  - *Other assets as identified by USDOT (i.e. short line railroads)*

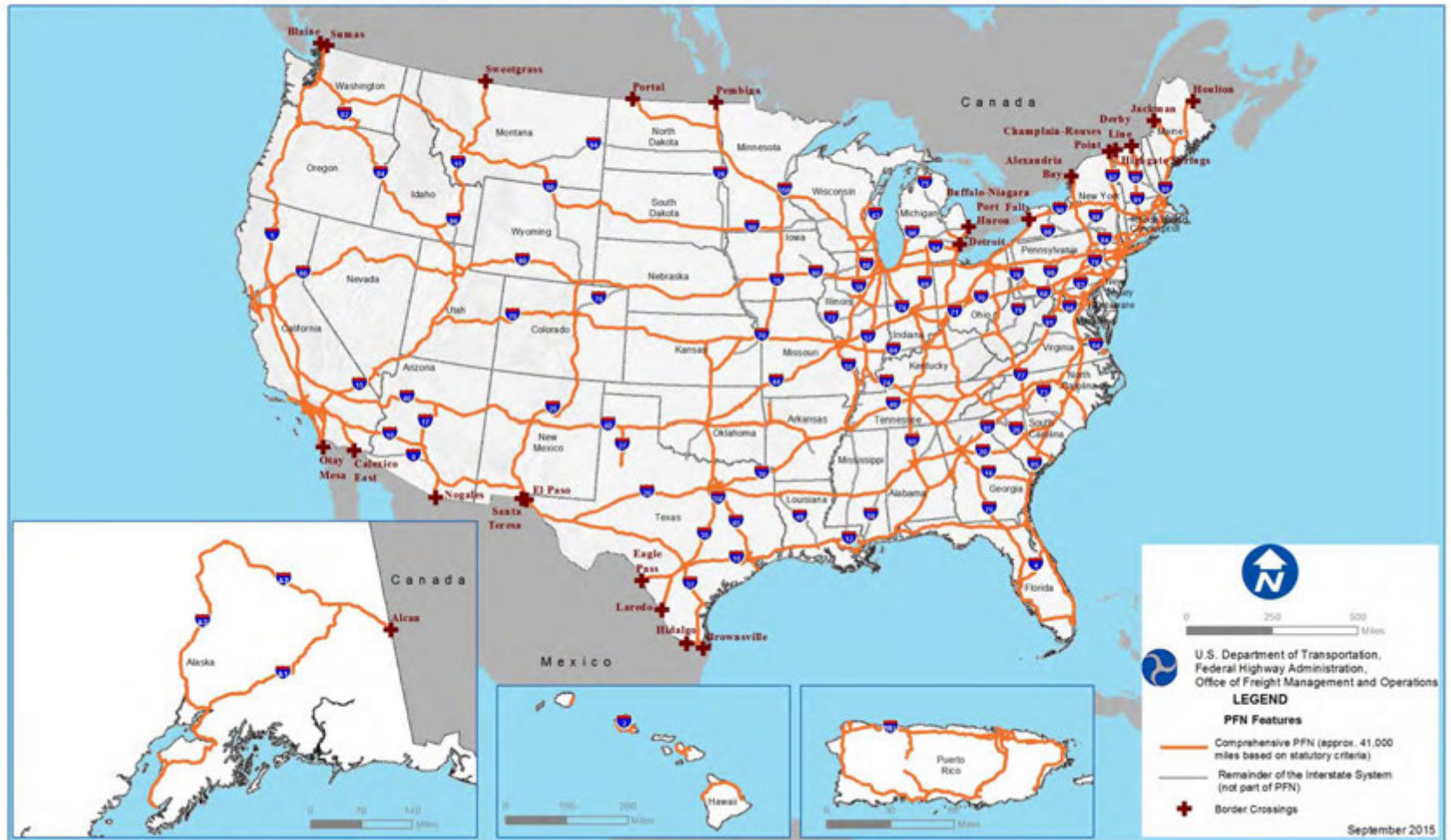
# NATIONAL HIGHWAY FREIGHT PROGRAM

Highway Freight Network will consist of four components:

1. ***Primary Highway Freight System*** – 41,518 mile network as identified by USDOT under MAP-21.
2. ***Critical Rural Freight Corridors*** – State identified network meeting certain requirements. Maximum of 150 miles or 20% of a state's PHFS miles.
3. ***Critical Urban Freight Corridors*** – An MPO identified network, in consultation with a state, in areas of 50,000 population or higher meeting certain requirements. Maximum of 75 miles or 10% of a state's PHFS miles.
4. ***Interstates not already identified as part of the PHFS.***

# 41K PRIMARY HIGHWAY FREIGHT SYSTEM

## Draft Comprehensive Primary Freight Network



# FREIGHT PROGRAM FUNDING

- TWO POTS OF MONEY FOR FREIGHT PROJECTS

**FORMULA FUNDS = \$6.3 BILLION OVER FIVE YEARS**

**\$551 MILLION FOR TEXAS**

**DISCRETIONARY FUNDS = \$4.5 BILLION OVER FIVE YEARS (\$900 million per year)**



# TEXAS FREIGHT FORMULA FUNDING

FISCAL YEAR	FREIGHT APPORTIONMENT
2016	\$100,641,720
2017	\$96,265,993
2018	\$105,017,447
2019	\$118,144,628
2020	\$131,271,809
TOTAL	\$551,341,597

# USE OF FORMULA FUNDS

- LIMITATION ON STATES WITH HIGH PHFS MILEAGE
- PROJECT ELIGIBILITIES
  - MUST BE IDENTIFIED IN THE FREIGHT PLAN

Inside the fence port projects (max 10%)	Project development activities	Construction and reconstruction
Land acquisition	ITS freight projects	Environmental mitigation
Rail-highway grade separation	Geometric design improvements	Runaway and climbing truck lanes
Shoulder widening	Truck parking	Traffic signals
Work zone management	Ramp metering	Additional road capacity for hwy bottlenecks
Projects that improve the flow of freight to the NHFN	Diesel retrofits	Data collection and analysis

# USE OF DISCRETIONARY FUNDS

- “Nationally Significant Freight and Highway Projects”
  - Competitive grant program, \$25 million minimum
  - Eligible projects:
    - *Highway projects on the National Highway Freight Network*
    - *Highway or bridge project on the National Highway System*
    - *Intermodal or freight rail projects*
    - *Inside the fence projects*
    - *Rail-highway grade crossing or grade separation*
- \*Non-highway projects are limited to \$500 million over 5 years

# USE OF DISCRETIONARY FUNDS

- PROJECT QUALIFICATIONS:

- Eligible costs must be:

- Over \$100 million –or-
- 30% of a state's apportionment if the project is in 1 state –or-
- 50% of the largest state's apportionment in multi-state project

10% set aside for small projects

25% set aside for rural projects

Federal share cannot exceed 60% or 80% if other Federal resources are used to satisfy the state share (i.e. TIFIA)

Congress has veto power on any project selected for a grant

# STATE FREIGHT ADVISORY COMMITTEE & FREIGHT PLAN

- States are encouraged to but not required to form a state freight advisory committee
- States must develop a state freight plan in order to use freight funding
  - Must be created within 2 years and updated every 5 years
  - Must be fiscally constrained

# WHAT'S NEXT?

- **USDOT:**

- Create the National Surface Transportation and Innovative Finance Bureau, which will administer the discretionary grant program
- Issue guidance on usage of freight formulas for states without a FAST Act compliant freight plan

- **TxDOT/TxFAC:**

- Update the Texas Freight Mobility Plan
  - Designate the urban and rural connectors
  - Fiscally constrained
- Determine discretionary projects