

**The Federal-Aid Highway Program
Why Should I Care???**
Talking Points

ARE ROADS AND HIGHWAYS IMPORTANT?

How did you get here tonight?

How do you get to work?

How does your food arrive at your grocery store or your fuel arrive at your gas station?

Do you use public transit, walk or bike to work or to play?

HOW ARE ROADS AND HIGHWAYS PAID FOR?

Gas Taxes – Federal & State –

The United States federal excise tax on gasoline is 18.4 cents per gallon and 24.4 cents per gallon for diesel fuel. The Federal gas tax last raised in 1993.

Idaho Gas Tax is 25.0 cents per gallon on gasoline and 25.0 cents per gallon for diesel.

Registrations Fees & Use Taxes

Property Taxes

Congress passes a Highway Bill that is the mechanism for authorizing the US Department of Transportation through FHWA and FTA to spend Highway Trust Fund and some general fund funds on transportation projects. The current highway bill, MAP – 21, expires May 31, 2015.

WHO IS RESPONSIBLE FOR DELIVERING AN ADEQUATE TRANSPORTATION SYSTEM?

State highway system/NHS = ITD

Local roads = cities and highway districts (mention how ACHD/Ada County is different from rest of state)

Public transportation = transit authority (VRT)

Pathways, etc. = local jurisdictions

Federal Highway Administration assists with funding, project guidance and oversight.

Background:

Interstate Highway System

On June 29, 1956, President Dwight Eisenhower signed the Federal-Aid Highway Act of 1956. The bill created a 41,000-mile "National System of Interstate and Defense Highways" that would, according to Eisenhower, eliminate unsafe roads, inefficient routes, traffic jams and all of the other things that got in the way of "speedy, safe transcontinental travel."

<http://www.bing.com/images/search?q=interstate+highway+system&qpv=interstate+highway+system&FORM=IGRE#view=detail&id=1A85521AE8C35456A3CD69D91266797E476B29E7&selectedIndex=3>



US_Intersate_Highway_Syst.pdf

Federal Highway Administration

The **Federal Highway Administration (FHWA)** is a division of the [United States Department of Transportation](#) that specializes in [highway](#) transportation. The agency's major activities are grouped into two "programs," the Federal-aid Highway Program and the Federal Lands Highway Program. Its role had previously been performed by the **Office of Road Inquiry, Office of Public Roads** and the **Bureau of Public Roads**. US DOT agencies include:

- **Office of the Secretary of Transportation (OST)**
- **Federal Aviation Administration (FAA)**
- **Federal Highway Administration (FHWA)**
- **Federal Motor Carrier Safety Administration (FMCSA)**
- **Federal Railroad Administration (FRA)**
- **Federal Transit Administration (FTA)**
- **Maritime Administration (MARAD)**
- **National Highway Traffic Safety Administration (NHTSA)**
- **Office of Inspector General (OIG)**
- **Pipeline and Hazardous Materials Safety Administration (PHMSA)**
- **Research and Innovative Technology Administration (RITA)**
- **Saint Lawrence Seaway Development Corporation (SLSDC)**
- **Surface Transportation Board (STB)**

DOT employs almost 60,000 people across the country, in the Office of the Secretary of Transportation (OST) and its operating administrations and bureaus, each with its own management and organizational structure:

History

The organization has several predecessor organizations and a complicated history.

The Office of Road Inquiry (ORI) was founded in 1893. In 1905 that organization's name was changed to the Office of Public Roads (OPR) which became a division of the [United States Department of Agriculture](#). The name was changed again to the Bureau of Public Roads in 1915 and to the Public Roads Administration (PRA) in 1939. It was then shifted to the [Federal Works Agency](#) which was abolished in 1949 when its name reverted to Bureau of Public Roads under the [Department of Commerce](#).

Creation

FHWA was created on October 15, 1966.

In 1967 the functions of the Bureau of Public Roads were transferred to the new organization.

It was one of three original bureaus along with the 'Bureau of Motor Carrier Safety' and the 'National Highway Safety Bureau' (now known as [National Highway Traffic Safety Administration](#)).^[1]

Functions

FHWA's role in the **Federal-aid Highway Program** is to oversee federal funds used for constructing and maintaining the [National Highway System](#) (primarily [Interstate Highways](#), [U.S. Routes](#) and most State Routes). This funding mostly comes from the federal [gasoline tax](#) and mostly goes to state [departments of transportation](#). FHWA oversees projects using these funds to ensure that federal requirements for project eligibility, contract administration and construction standards are adhered to.

National Highway System

<http://hepgis.fhwa.dot.gov/hepgismaps11/#>



NHS Map.pdf

Under the **Federal Lands Highway Program** (sometimes called "direct fed"), FHWA provides highway design and construction services for various federal land-management agencies, such as the [Forest Service](#) and the [National Park Service](#).

In addition to these programs, FHWA performs and sponsors research in the areas of roadway safety, congestion, highway materials and construction methods, and provides funding to [local technical assistance program centers](#) to disseminate research results to local highway agencies.

FHWA also publishes the [Manual on Uniform Traffic Control Devices](#) (MUTCD), which is used by most highway agencies in the United States. The MUTCD specifies such things as the size, color and height of [traffic signs](#), [traffic signals](#) and [road surface markings](#).

Organization

Administration is overseen by an Administrator appointed by the [President of the United States](#) by and with the consent of the [United States Senate](#). The

Administrator works under the direction of the [Secretary of Transportation](#) and [Deputy Secretary of Transportation](#).

FHWA Division Office, Boise, ID

<http://www.fhwa.dot.gov/iddiv/>



FHWA ID Org
Chart.1.16.15.pdf

Division Office Areas of Focus

Division Management

Field Operations – Responsible for Overseeing Project Design and Construction

Program Management – Responsible for Environmental, Civil Rights, Planning, Safety and Program Analysis

Finance & Administration – Responsible for Overseeing Funds Management and Project Costs

https://www.youtube.com/watch?feature=player_embedded&v=0BnIuzNyd-4

Funding

Federal Aid Program

<http://www.fhwa.dot.gov/map21/docs/hamap21.pdf>



MAP 21 2014
Authorization.pdf

Obligation Authority



FY FHWA
Apportionment OA.pc

<http://www.fhwa.dot.gov/legsregs/directives/notices/n4520232t1.cfm>

Apportionments by State

<http://www.fhwa.dot.gov/legsregs/directives/notices/n4510778t1.cfm>



Apportionment by
State.pdf

State Funds

http://itd.idaho.gov/econ/IdahoUserRevenue/REVENUE_FY07-14.pdf



State Revenue.pdf

Local Funds

Most Federal-Aid projects in Idaho require a state or local match of 7.34%. Locals also receive a portion of property tax revenue, registration fees and user fees.

DONEE VS DONOR STATES

IDAHO FEDERAL GAS TAX PAID VS FEDERAL HIGHWAY FUNDS RECEIVED

				FEDERAL	Excess		Excess Funds
				Funds	Funds	Obligation	Over
	Gasoline	Diesel	Total	Received	Received	Limitation	Ob Limitation
	@0.18.4	@0.24.4			VS		
					Tax Paid		
(CY 2012)	158,219,256	61,400,326	219,619,582	274,945,828	55,326,246	246,894,474	27,274,892
(CY 2013)	160,419,004	63,931,485	224,350,488	273,780,553	49,430,065	275,430,317	51,079,829
(CY 2014)	162,756,038	66,017,529	228,773,567	275,419,626	46,646,059	272,053,422	43,279,855

Sliding Scale

Standard Federal-aid participation for eligible projects is 80% Federal-aid 20% state or local match. States with significant federal lands such as National Forrest, BLM, and Indian Reservations are eligible for greater Federal-aid participation. Idaho's participation ratio is normally 92.66%, 7.34% state or local match.

FTA Match Rates



FTA Matching rates
1.pdf

PROBLEMS:

HIGHWAY TRUST FUND

Solvency issues

From 2008 to 2010, Congress authorized the transfer of \$35 billion from the General Fund of the U.S. Treasury to keep the trust fund solvent.

The [Congressional Budget Office](#) (CBO) projected in January 2012 that the fund's Highway Account will become insolvent during 2013, and the Mass Transit Account insolvent in 2014. CBO said that although vehicles will travel more miles in the future (therefore consuming more taxable fuel), rising fuel efficiency standards and congressional refusal to increase the fuel tax or tie it to the rate of inflation means that the fund receives less money. CBO's insolvency projection assumed that Congress will not increase transportation spending beyond inflation-adjusted 2012 levels. In 2013, the [U.S. Chamber of Commerce](#) supported raising the federal gasoline tax to keep the fund solvent.^[8] After concerns that funding would not be extended by the [United States Congress](#) before funds dried up in August 2014, Congress passed a stopgap plan on July 31, 2014 to prevent a funding lapse. As of 2015, despite a sharp drop in gas prices, strong resistance remained by both the American public and Congress to raising the gas tax. Currently Federal Gas Taxes fund approximately 85% of monthly expenditures reimbursed to the states from the Highway Trust Fund.

Federal-Aid Requirements vs State & Local Funds

NEPA requirements
Davis Bacon Requirements
Buy America Requirements

All add time and costs to a project.

Funding Specifics for Friday COMPASS Presentation

Program Guidance

<http://www.fhwa.dot.gov/federalaid/projects.cfm?progProj=prnt>

STP Guidance



STP 1.pdf



STP 2.pdf

Funding Program Codes For Idaho



COMPASS
PRESENTATION STO\

GARVEE

HSIP

STP

NHPP

CMAQ



FY 2014 W10
Report.pdf

How Is a Project Funded?

**Is the Project in the State Transportation Improvement Plan (STIP)
Transportation Improvement Plan (TIP)?**

Is the Project Eligible for the Program Funding selected.

**Have You Originated the Project 2101 in OTIS? Compass, ACHD, LHTAC,
ITD Districts**

Have You Included the Following Federal Award Information

- **Performance End Date**
- **Indirect Cost Rate**
- **Catalog of Federal Domestic Assistance (CFDA) number**

With Whom Do You Coordinate at ITD OTI?

Once the Project Agreement is Approved and Signed by OTI it is entered into FHWA's FMIS System.

What happens Next?

- **The FHWA Reviews the Agreement and Assigns it to an FHWA Program Manager or Project Engineer for Review.**
- **The Agreement reviewed and signed as "Recommended for Approval".**
- **FHWA Finance/Amin performs a final review and signs the Agreement authorizing the project.**

Caution: No costs incurred prior to that authorization date are eligible for reimbursement.



Compass
Projects.pdf