



## FOSTERING ADVANCEMENTS IN SHIPPING AND TRANSPORTATION FOR THE LONG-TERM ACHIEVEMENT OF NATIONAL EFFICIENCIES (FASTLANE) GRANTS

| Fiscal year   | 2016    | 2017     | 2018     | 2019     | 2020     |
|---------------|---------|----------|----------|----------|----------|
| Authorization | \$800 M | \$ 850 M | \$ 900 M | \$ 950 M | \$1.00 B |

### Program purpose

The FAST Act establishes the Nationally Significant Freight and Highway Projects (NSFHP) program to provide financial assistance—competitive grants, known as FASTLANE grants, or credit assistance—to nationally and regionally significant freight and highway projects that align with the program goals to—

- improve the safety, efficiency, and reliability of the movement of freight and people;
- generate national or regional economic benefits and an increase in global economic competitiveness of the U.S;
- reduce highway congestion and bottlenecks;
- improve connectivity between modes of freight transportation;
- enhance the resiliency of critical highway infrastructure and help protect the environment;
- improve roadways vital to national energy security; and
- address the impact of population growth on the movement of people and freight.

**Statutory citations:** FAST Act § 1105; 23 U.S.C. 117

### Funding features

#### Type of budget authority

Contract authority from the Highway Account of the Highway Trust Fund, subject to the overall Federal-aid obligation limitation.

#### Set-aside for rural areas

The FAST Act requires DOT to reserve at least 25% of each fiscal year’s FASTLANE grants for projects – either large or small projects – in rural areas, defined as an area outside of a U.S. Census Bureau designated urbanized area with a population of over 200,000. [23 U.S.C. 117(i)]

### Federal share

A FASTLANE grant may not exceed 60% of the total eligible project costs. An additional 20% of project costs may be funded with other Federal assistance, bringing total Federal participation in the project to a maximum of 80%. There is an exception for projects carried out by Federal land management agencies, which can use Federal funds other than those made available by titles 23 and 49, United States Code to pay the non-Federal share of the project cost, bringing the total Federal participation up to 100%.

[23 U.S.C. 117(j)]

### Eligible activities

#### Project type

The Secretary may provide financial assistance under this program for only the following project types:

- A highway freight project on the National Highway Freight Network;
- A highway or bridge project on the National Highway System, including:
  - A project to add capacity to the Interstate System to improve mobility; or
  - A project in a national scenic area;

- A freight project that is:
  - A freight intermodal or freight rail project; or
  - A project within the boundaries of a public or private freight rail, water (including ports), or intermodal facility and that is a surface transportation infrastructure project necessary to facilitate direct intermodal interchange, transfer, or access into or out of the facility,
  - Provided that the project will make a significant improvement to freight movements on the National Highway Freight Network, that the Federal share of non-highway portions of the project funds only elements of the project that provide public benefits, and that the total of Federal FASTLANE grants for non-highway portions of these projects does not exceed \$500 million for fiscal years 2016 through 2020; or
- A railway-highway grade crossing or grade separation project. [23 U.S.C. 117(d)]

#### Eligible Project Costs

Financial assistance received for a project under this program may be used for—

- Development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, preliminary engineering and design work, and other preconstruction activities; and
- Construction, reconstruction, rehabilitation, acquisition of real property (including land related to the project and improvements to the land), environmental mitigation, construction contingencies, acquisition of equipment, and operational improvements directly related to improving system performance. . [23 U.S.C. 117(f)]

#### TIFIA Program

At the request of an eligible FASTLANE grant applicant, the DOT may use FASTLANE amounts awarded to the entity to pay the subsidy and administrative costs necessary to provide the entity Federal credit assistance under the TIFIA program with respect to the project awarded the FASTLANE grant.

[23 U.S.C. 117(l)]

#### **Eligible Applicants**

- A State or group of States;
- A metropolitan planning organization serving an urbanized area with a population above 200,000;
- A unit of local government or a group of local governments;
- A political subdivision of a State or local government;
- A special purpose district or public authority with a transportation function, including a port authority;
- A Federal land management agency that applies jointly with a State or group of States;
- A tribal government or a consortium of tribal governments; and
- A multistate or multijurisdictional group of entities described above. [23 U.S.C. 117(c)]

#### **Project Cost Thresholds, Grant Award Amounts and Selection Criteria**

##### Large Projects

##### Project Cost Thresholds

Each fiscal year, 90% of FASTLANE grants are reserved for projects with costs that must be reasonably anticipated to equal or exceed the lesser of—

- \$100 million; or
- In the case of a project—
  - Located in one State, 30% of the State's Federal-aid highway apportionment in the most recently completed fiscal year; or
  - Located in more than one State, 50% of the amount apportioned to the participating State with the largest Federal-aid highway apportionment in the most recently completed fiscal year. . [23 U.S.C. 117(d)]

### Grant Award Amounts

For a project meeting the above minimum cost threshold, the grant must be at least \$25 million.

### Requirements for Selection

The Secretary may select a project that meets or exceeds the above minimum cost threshold only if the Secretary determines that—

- The project will generate national or regional economic, mobility, or safety benefits;
- The project will be cost effective;
- The project will contribute to the accomplishment of 1 or more of the national goals described under 23 U.S.C. 150;
- The project is based on the results of preliminary engineering;
- With respect to related non-Federal financial commitments—
  - Additional stable and dependable source(s) of funding and financing are available to construct, maintain, and operate the project; and
  - Contingency amounts are available to cover the unanticipated cost increases;
- The project cannot be easily and efficiently completed without other Federal funding or financial assistance available to the project sponsor; **and**
- The project is reasonably expected to begin construction not later than 18 months after the date of obligation of funds. [23 U.S.C. 117(g)]

When making a FASTLANE grant, the Secretary must also consider the utilization of nontraditional financing, innovative design and construction techniques, innovative technologies, and non-Federal contributions, as well as the contributions to geographic diversity among grant recipients. [23 U.S.C. 117(h)]

The FASTLANE grants [Notice of Funding Opportunity](#) (NOFO) describes the application process and provides additional information on how applications are evaluated.

### Small Projects

#### Project Cost Threshold

Each fiscal year, 10% of FASTLANE grants are reserved for projects that do not satisfy the minimum project cost thresholds described above. These are referred to as “small projects.”

#### Grant Award Amounts

A grant for a small project must be at least \$5 million.

#### Considerations in Selection

In selecting a small project, the Secretary shall consider:

- The cost effectiveness of the proposed project; and
- The effect of the proposed project on mobility in the State and region in which the project is carried out. [23 U.S.C. 117(e)]

The FASTLANE grants [NOFO](#) describes the application process and provides additional information on how applications are evaluated.

### **Federal Requirements**

Applicable Federal laws, rules and regulations will apply to projects that receive an award under this program, including planning, Buy America, Disadvantaged Small Business, and other requirements.