



**U.S. Department
of Transportation**

BUDGET ESTIMATES

FISCAL YEAR 2026

FEDERAL HIGHWAY ADMINISTRATION

**SUBMITTED FOR THE USE OF
THE COMMITTEES ON APPROPRIATIONS**

FHWA FY 2026 BUDGET

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FEDERAL HIGHWAY ADMINISTRATION (FHWA) FISCAL YEAR 2026 BUDGET

BUDGET SUMMARY OVERVIEW

The Federal Highway Administration's (FHWA) fiscal year (FY) 2026 Budget requests \$64.1 billion, which when added to \$8.5 billion in advance appropriations contained in the IIJA, results in a total of \$72.6 billion. This request will advance the Secretary of Transportation's vision to usher in a golden age of transportation.

The request includes an additional **\$770.0 million for the Infrastructure for Rebuilding America Program (INFRA)**, bringing the total request for INFRA to **\$2.3 billion** (including \$1.5 billion in IIJA contract authority and advance appropriations). INFRA awards competitive grants for projects of national or regional significance to improve the safety, efficiency, and reliability of the movement of freight and people. INFRA is consistent with the principles articulated in DOT Order: Ensuring Reliance on Sound Economic Analysis in DOT Policies, Program, and Activities, as projects are selected based on rigorous benefit-cost analysis.

In order to focus on Administration priorities, such as safety and improving core infrastructure, and consistent with the Unleashing American Energy Executive Order, the request proposes **to cancel the FY 2026 funding, along with unobligated balances from prior years, of the National Electric Vehicle Infrastructure Formula Program and the Charging and Fueling Infrastructure Grants Program.** This cancellation consists of unplanned and unobligated balances, meaning the cancellation would not impact any projects currently underway.

The Budget also **includes a proposal to address August Redistribution balances** which have grown significantly in recent years. The proposal would match the period of availability for obligation limitation and contract authority for allocated programs. As a result, new allocated programs' contract authority would be removed from the annual August Redistribution process, resulting in a lower overall redistribution of obligation limitation in FY 2026.

The American people deserve an efficient, safe, and pro-growth transportation system based on sound decision-making. In line with this vision, FHWA's mission is to improve safety and mobility on our Nation's highways through national leadership, innovation, and program delivery. FHWA supports State and local governments in the design, construction, and maintenance of our Nation's highway system, including on federally and Tribal owned lands. Through financial and technical assistance to State and local governments, FHWA is responsible for ensuring that America's roads and highways continue to be among the safest and most technologically sound in the world.

Safety First

Safety is FHWA's top priority. The National Highway Traffic Safety Administration's (NHTSA) estimates that 39,345 people died in traffic crashes in 2024. This is a decrease of 3.8 percent as compared to 40,901 fatalities reported to have occurred in 2023. This marks the first time since 2020 that the number of fatalities fell below 40,000. The quarterly fatality decline that began in

the second quarter of 2022 also continued, with the first quarter of 2024 marking the 11th consecutive quarterly decrease in traffic fatalities.

- FHWA's **Highway Safety Improvement Program (HSIP) (\$3.2 billion)** works towards making highways, roads, and bridges safer, which will help decrease deaths and serious injuries on public roads. HSIP is one of the most important Federal programs for transportation agencies in their efforts to protect all road users. HSIP emphasizes implementing innovations resulting from the latest highway safety research and supporting State, local and Tribal agencies in advancing safer streets and addressing equity through data-driven safety analysis. Through HSIP, FHWA will continue to help improve quality of life for all communities by providing safer streets for all.

The **Railway-Highway Crossing Program (\$245.0 million**, set aside from HSIP) supports projects to reduce the number of fatalities, injuries, and crashes at public railway-highway grade crossings. Through this program, State and local agencies are implementing data-driven practices to successfully address railway-highway crossing safety planning, implementation, and evaluation challenges.

FHWA also promotes transportation safety outreach, training, and education (**\$3.5 million**, set aside from HSIP). This funding supports training and public education focused on safety in work zones, at railway-highway crossings, and other safety efforts.

- **Transportation Alternatives (\$1.5 billion**, set aside from FHWA's Surface Transportation Block Grant Program) supports States, metropolitan planning organizations (MPOs), and local governments in developing and constructing critical transportation projects, including Safe Routes to School, road safety assessments, projects to reduce vehicle-wildlife collisions, and projects that provide safe routes for non-drivers including children, older adults, and individuals with disabilities.
- The **Wildlife Crossings Pilot Program (\$80.0 million)** helps reduce deaths and serious injuries, economic impacts, and travel delays resulting from vehicle-wildlife collisions.
- **FHWA is committed to improving safety for first responders and work zone workers.** FHWA has been working closely with stakeholders to advance the safety culture of incident responses, encourage performance-driven safety practices, and advocate for the deployment of innovative safety countermeasures. In 2024, 23 police officers were struck and killed by vehicle traffic. In the last five years, nearly 300 traffic incident responders have been struck and killed in the line of duty, 40 percent of which were police officers. FHWA strives to better protect these courageous individuals. More than 800,000 responders, including over 200,000 law enforcement personnel, have completed FHWA's Traffic Incident Management Responder Training which is saving lives and reducing the time and costs of traffic incident response.

Every spring, FHWA and our stakeholders sponsor the **National Work Zone Awareness Week**. This awareness week serves as recognition for work zone safety by bringing light to the fact that while work zones are temporary, actions behind the wheel can last forever.

The awareness week emphasizes how critical it is for drivers to make safety a priority while driving through work zones.

Infrastructure Investment

Transportation infrastructure investments are critical to building a stronger economy for workers and businesses alike nationwide. FHWA promotes the Administration's priorities through vital transportation projects that improve our economy, increase the quality of life of the American people, and ensure that our Nation's transportation system is second to none.

- The **Bridge Formula Program (\$5.5 billion)** represents the single largest dedicated bridge investment since the construction of the interstate program. This program transforms our infrastructure by supporting States in highway bridge replacement, rehabilitation, preservation, protection, and construction projects on any public road. Funding for this program can be used on highway bridges listed in the National Bridge Inventory, or any new highway bridge. Since IIJA was enacted, the Bridge Formula Program has provided over \$21.2 billion to States and \$660 million to Tribes to help communities across our Nation rebuild, repair, and replace their bridges.
- The **Bridge Investment Program (\$2.5 billion)** awards grants to States, MPOs, local governments, Federal land management agencies, and Tribal governments to assist in replacing, rehabilitating, preserving, and protecting highway bridges. Projects funded by this program will fix our aging highway bridges, enhancing the safety, capacity, and connectivity of our Nation's transportation infrastructure.
- The **National Highway Performance Program (NHPP) (\$30.8 billion)** improves the condition and performance of the National Highway System (NHS), a roughly 220,000-mile network of high-volume roads and bridges that also carries just under 50 percent of all vehicle miles that are traveled in rural areas. The infrastructure improvements accomplished through the NHPP help provide better access to jobs, health care, and commerce for all communities.
- The **Surface Transportation Block Grant Program (STBG) (\$15.0 billion)** supports States and localities in improving the condition and performance of their transportation networks. This program is available for the approximately 1,034,000 miles of Federal-aid highways, bridges on any public road, on-road and off-road bicycle and pedestrian facilities, and transit capital projects. The flexibility and wide range of projects eligible through the STBG will help States to continue to improve safety, mobility, and quality of life for all communities.
- The **National Highway Freight Program (\$1.5 billion)** invests in infrastructure and operational improvements on the National Highway Freight Network, which consists of over 60,000 miles of roadways and bridges. With freight activity estimated to grow by 51 percent between 2020 and 2050, this program prioritizes investing in operational improvements that facilitates the movement of freight to enhance economic growth.

- The **Rural Surface Transportation Grant Program (\$500.0 million)** awards grants to improve and expand the surface transportation infrastructure in rural areas. The goal of this program is to improve safety, increase connectivity, improve the reliability of the movement of people and freight, generate regional economic growth, and improve quality of life in rural areas. Rural transportation networks are critically important for domestic production and export of agriculture, mining, and energy commodities, as well as the quality of life for all Americans.
- The **Appalachian Development Highway System (ADHS) (\$250.0 million)** is comprised of approximately 3,000 miles of roadways and bridges in the Appalachian region providing access to regional and national economic opportunities. The ADHS program provides residents with safe and reliable access to jobs, education, health care, and social services. Today, more than 91 percent of the ADHS is under construction or open to traffic, and by 2045, close to 100 percent is expected to be complete. Having a modern system of highways in the Appalachian region is essential for economic growth in Appalachia.
- The **Carbon Reduction Program (\$1.3 billion)** supports projects that contribute to the modernization and transformation of our Nation's infrastructure such as vehicle-to-infrastructure communications equipment, energy-efficient alternatives to existing street lighting and traffic control devices, advanced congestion management projects, on- and off-road pedestrian and bicycle trail facilities, and projects that improve the movement of freight.
- The costs of congestion can be an obstacle to economic activity. In addition, congestion can hamper quality of life through diminished air quality, lost personal time, and other negative factors. The **Congestion Mitigation and Air Quality Improvement Program (\$2.7 billion)** helps States and local governments reduce congestion, improving traffic flow and system efficiency resulting in lower vehicle crash and injury risk, and improved air quality.
- The **Emergency Relief Program (\$94.3 million)** works to repair or reconstruct Federal-aid highways and roads on Federal lands that have suffered serious damage as a result of either a natural disaster or catastrophic failure from external causes. Through this program, FHWA often provides "quick release" funds shortly after an event to help restore essential transportation.
- The **Metropolitan Planning Program (\$474.2 million)** helps MPOs engage with the public, identify transportation improvement areas, increase transportation network connectivity, and improve telecommunications and delivery services. This program supports the collection and analysis of data on safety, travel trends, system performance, and other transportation data which improves the planning process and decision-making.
- The **Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation Formula (\$1.5 billion) and Competitive (\$300.0 million) Programs** help make surface transportation more resilient to natural hazards, including flooding, wildfires, extreme weather events, and other natural disasters. Through these programs,

communities can strengthen and protect evacuation routes for emergency events as well as provide transportation of emergency responders and recovery of resources when emergency situations occur.

- The **Territorial and Puerto Rico Highway Program (\$237.0 million)** supports projects in Puerto Rico, and the four territories of American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands. This program helps assist each territory in the construction and improvement of a system of arterial and collector highways, and necessary inter-island connectors.

Federal Lands and Tribal Programs

- FHWA's **Federal Lands and Tribal Programs** help ensure that Federal Lands are accessible to all Americans and are economic generators. Investments in Tribal nations improve roadway safety, increase mobility, and improve access to opportunity for residents.
 - The **Federal Lands Transportation and Access Programs (\$764.9 million)** supports projects in and around Federal Lands. The Federal government owns over 30 percent of the land in the U.S. These programs work to provide access to and use of these lands by investing in national parks, wildlife refuges, recreation areas, and other Federal public lands.
 - The **Tribal Transportation Program (\$628.0 million)** supports the approximately 157,000 miles of roads on the National Tribal Transportation Facility Inventory. Through this program, FHWA helps Tribes improve safety, quality of life, and access to economic opportunities.
 - The **Nationally Significant Federal Lands and Tribal Projects (NSFLTP) Program (\$55.0 million)** provides funding for construction, reconstruction, and rehabilitation of nationally significant projects within, adjacent to, or accessing Federal and Tribal lands. In many cases, Federal land management agencies and Tribal governments cannot afford to complete these projects without this additional funding. This program helps to get these vital projects built.

Research, Innovation, and Training

FHWA strives to design the transportation system of the future by investing in purpose-driven research, innovation, and training. These efforts enable FHWA to be an innovation leader in the ever-changing transportation landscape.

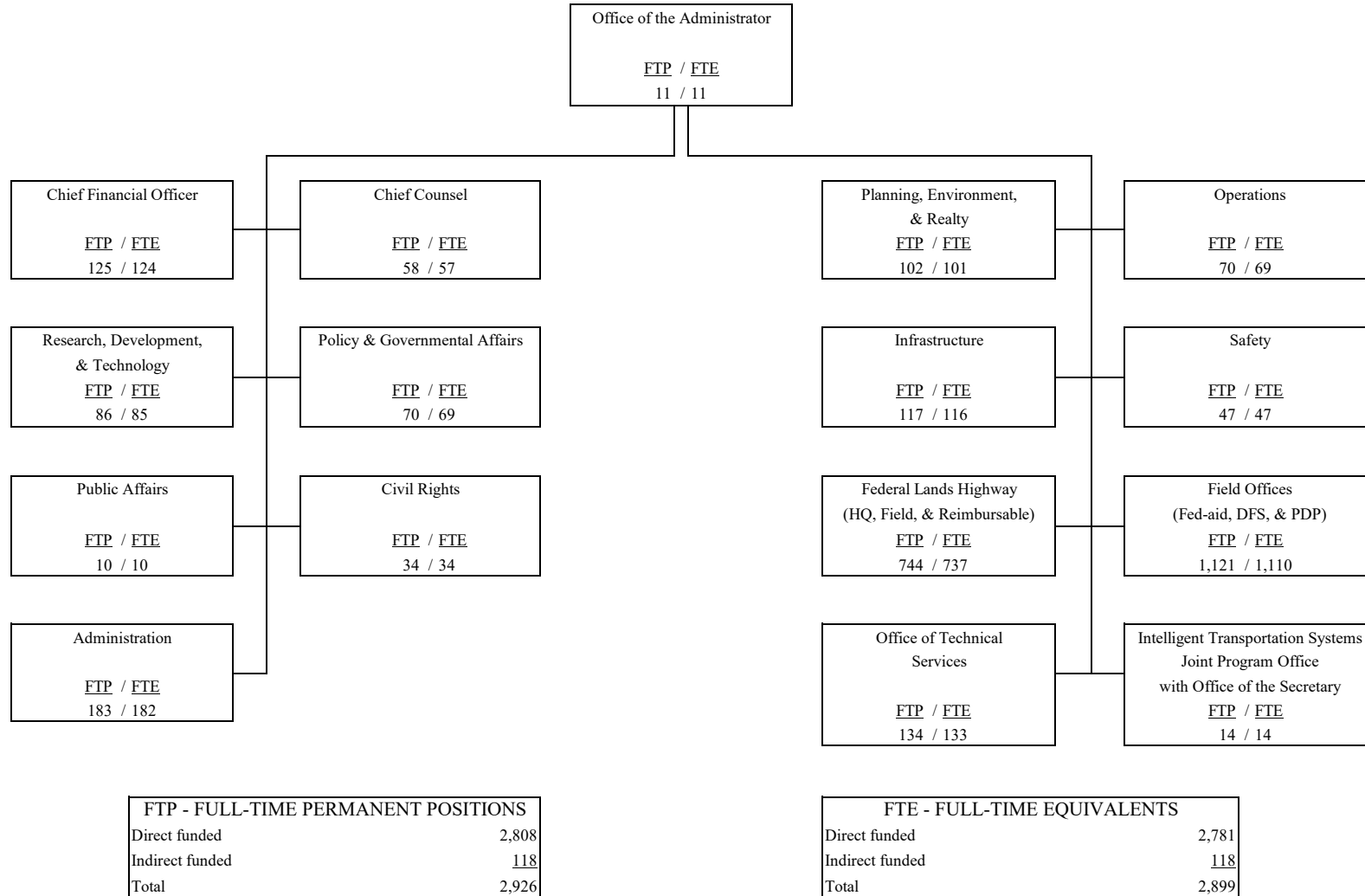
- FHWA's **Research, Technology, and Education (RT&E) Program (\$521.0 million)** supports research and development to improve safety, increase the mobility of people and goods, support economic growth, reduce congestion, improve the durability and the life of transportation infrastructure, and accelerate project delivery.

FHWA's research programs are located at the Turner-Fairbank Highway Research Center, a Federally owned and operated national research facility. Staff at the center research, test, study, and develop solutions to complex transportation problems through the development of more economical designs; more efficient, quality-controlled construction, operational, and safety practices; and more durable materials. The result is a safer, longer lasting, and more efficient and reliable transportation system.

- FHWA is at the forefront of transportation innovation. This is exemplified by the **Exploratory Advanced Research (EAR) Program**, which conducts longer-term, higher-risk research that has the potential for dramatic breakthroughs in transportation. For example, the EAR Program recently worked to use Artificial Intelligence (AI) models to enhance traffic camera images and provide robust detection and classification of traffic incidents. The study overcame challenges with this novel integration of AI, the degradation in performance with adverse weather conditions, and lack of available algorithms for image processing.
- FHWA's **Every Day Counts Program (EDC)** is a successful State-based initiative that helps identify and rapidly deploy proven, yet underutilized, innovations. Proven innovations promoted through EDC improve safety, efficiency, and save time, money, and resources, thereby ensuring our infrastructure is built better, faster, and smarter.
- FHWA's training and education programs help to ensure that our Nation has a skilled and knowledgeable transportation workforce ready to meet the challenges of today and the future. For example, the **Local and Tribal Technical Assistance Programs** provide local agencies and Tribes with training opportunities which help build the skills and expertise necessary to improve the safety, performance, and maintenance of local and Tribal transportation assets.
- The **Congestion Relief Program (\$50.0 million)** supports projects in large, urbanized areas to advance innovative, integrated, and multimodal solutions to mitigate congestion in the most densely populated metropolitan areas of the United States.

EXHIBIT I-A

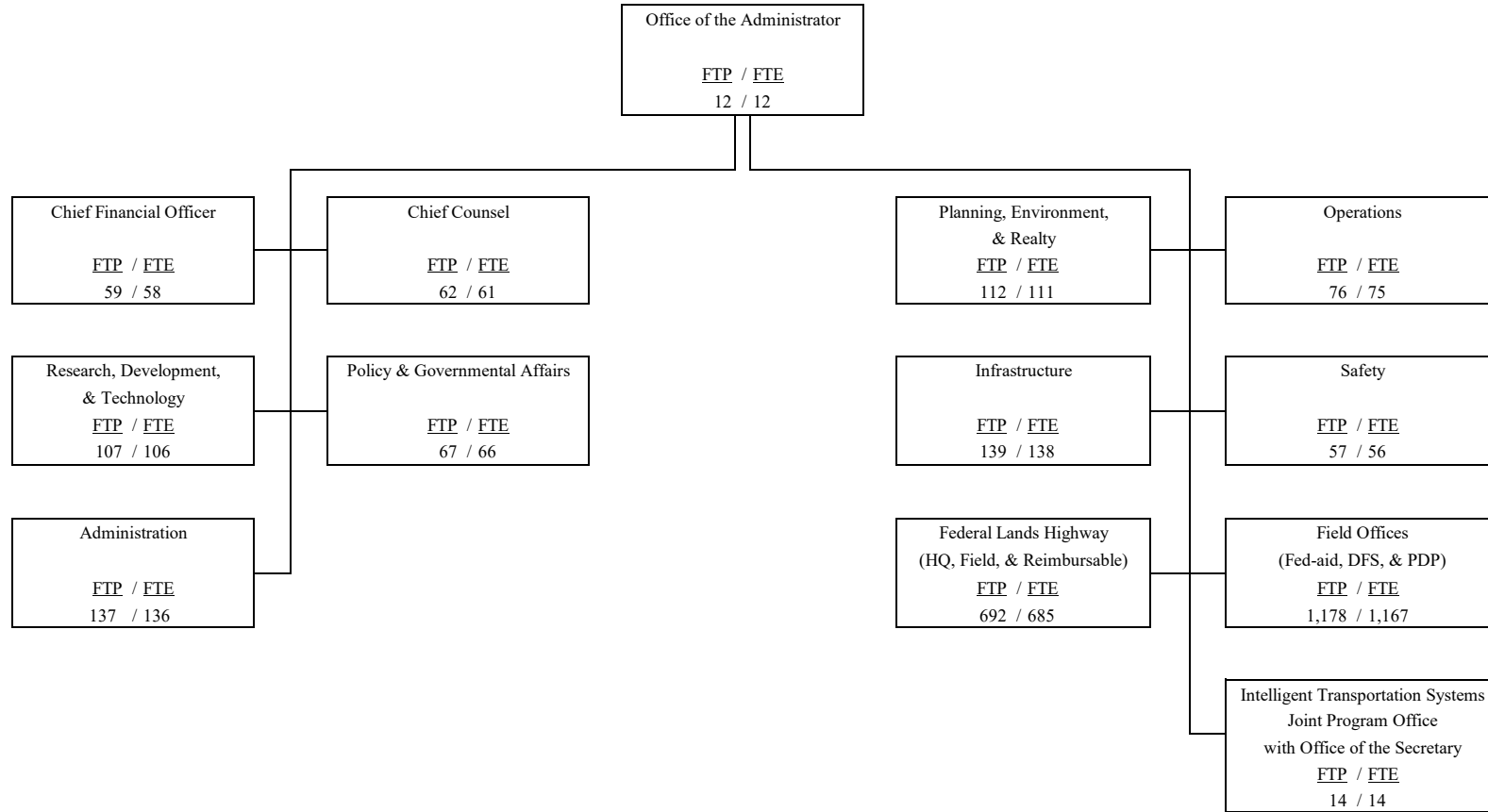
FEDERAL HIGHWAY ADMINISTRATION ORGANIZATION CHART FY 2025 ESTIMATED FTP BY OFFICE AND ESTIMATED FTE BY OFFICE



Direct funded FTP presented by office reflects an estimated on-board level at fiscal year end, not total positions including vacancies. This is consistent with Exhibit II-8. Direct funded FTE presented by office reflects an illustrative proration of total FTE. Indirect funded FTP & FTE include Federal Lands Highway reimbursable FTE and allocation FTE from OST. FTP/FTE numbers and their allocation among FHWA offices is subject to change, with the amounts shown above being illustrative.

EXHIBIT I-B

FEDERAL HIGHWAY ADMINISTRATION ORGANIZATION CHART FY 2026 ESTIMATED FTP BY OFFICE AND ESTIMATED FTE BY OFFICE



FTP - FULL-TIME PERMANENT POSITIONS	
Direct funded	2,594
Indirect funded	<u>118</u>
Total	2,712

FTE - FULL-TIME EQUIVALENTS	
Direct funded	2,567
Indirect funded	<u>118</u>
Total	2,685

Direct funded FTP presented by office reflects an estimated on-board level at fiscal year end, not total positions including vacancies. This is consistent with Exhibit II-8. Direct funded FTE presented by office reflects an illustrative proration of total FTE. Indirect funded FTP & FTE include Federal Lands Highway reimbursable FTE and allocation FTE from OST. FTP/FTE numbers and their allocation among FHWA offices is subject to change, with the amounts shown above being illustrative. The organization chart reflects the transfer of staff from FHWA to the Department resulting from the consolidation of certain support functions into a Department-led shared services model. The Office of Civil Rights and Office of Technical Services are proposed for elimination. Office of Civil Rights and Office of Technical Services personnel have been reassigned to other offices.

EXHIBIT II-1
FY 2026 BUDGET AUTHORITY
FEDERAL HIGHWAY ADMINISTRATION
(\$000)

ACCOUNT NAME	M / D	FY 2024 ACTUAL	FY 2025 ENACTED	FY 2026 REQUEST
Federal-aid Highways	M	\$59,203,896	\$60,560,807	\$61,343,983
Contract Authority (subject to limitation) ^{1/}		\$60,095,783	\$61,314,171	\$61,957,106
[Administrative Expenses] ^{2/}		[\$486,800]	[\$497,016]	[\$507,436]
Exempt Contract Authority ^{3/}		\$739,000	\$739,000	\$739,000
Flex Transfers to/from FTA		-\$1,436,062	-\$1,300,000	-\$1,300,000
Transfer to NHTSA ^{4/}		-\$142,702	-\$140,241	-----
Transfer to/from OST		-\$10,000	-\$10,000	-\$10,000
Sequestered Exempt Contract Authority ^{5/}		-\$42,123	-\$42,123	-\$42,123
Highway Infrastructure Programs (GF) ^{6/}	D	\$2,224,677	\$340,500	\$770,000
Emergency Relief Funds (GF) ^{7/}	D	-----	\$8,086,020	-----
Miscellaneous Trust Funds (TF)	M	\$7,984	\$7,984	\$7,984
Appalachian Development Highway System - Rescission ^{8/}	D	-\$11,065	-----	-----
Miscellaneous Appropriations - Rescission ^{8/}	D	-\$55,850	-----	-----
State Infrastructure Banks - Rescission ^{8/}	D	-\$1,375	-----	-----
Federal-Aid Highway - Cancellation of Prior Year Balances ^{8/}	M	-----	-----	-\$866,709
Highway Infrastructure Programs - Cancellation of Prior Year Balances ^{8/}	D	-----	-----	-\$3,094,351
Gross New Budget Authority		\$63,067,444	\$70,487,675	\$63,474,090
Rescissions / Cancellations of Prior Year Balances		-\$68,290	\$0	-\$3,961,060
Transfers ^{9/}		-\$1,588,764	-\$1,450,241	-\$1,310,000
Sequestration		-\$42,123	-\$42,123	-\$42,123
NET NEW BUDGET AUTHORITY REQUESTED		\$61,368,267	\$68,995,311	\$58,160,907
[Mandatory BA]		\$59,211,880	\$60,568,791	\$60,485,258
[Discretionary BA]		\$2,156,387	\$8,426,520	-\$2,324,351
 IIJA Supplemental (Division J)				
Highway Infrastructure Programs ^{10/}	D	\$9,454,400	\$9,454,400	\$8,454,400
[Administrative Expenses] ^{11/}		[\$86,816]	[\$86,816]	[\$71,816]
Transfer to OIG		-\$1,000	-\$1,000	-\$1,000
Grand Total, All Appropriations		\$70,821,667	\$78,448,711	\$66,614,307

[] Non-add

1/ The FY 2026 Budget proposes to cancel \$700 million in contract authority from Charging and Fueling Infrastructure Grants. The amount shown is net of such cancellation in FY 2026.

2/ All fiscal years include FHWA General Operating Expenses (GOE) and transfers to the Appalachian Regional Commission (ARC) for administrative activities associated with the Appalachian Development Highway System. All fiscal years do not include amounts for other non-administrative programs authorized under Administrative Expenses.

3/ In all years, the exempt contract authority is comprised of \$639 million for the National Highway Performance Program and \$100 million for the Emergency Relief Program.

4/ FHWA anticipates a transfer to NHTSA in FY 2026 in an amount to be determined based on State penalty information.

5/ FY 2024 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation per Sequestration Order dated March 13, 2023. FY 2025 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation per Sequestration Order dated March 11, 2024. FY 2026 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation pursuant to 2 U.S.C. 901a(6)(B)(ii).

6/ The Consolidated Appropriations Act, 2024 provided \$2.2 billion in additional highway funding from the General Fund in FY 2024. The Full-Year Continuing Appropriations and Extensions Act, 2025, provided \$340.5 million in additional highway funding from the General Fund in FY 2025. The FY 2026 Budget requests \$770 million in additional highway funding from the General Fund in FY 2026 for the Nationally Significant Freight and Highway Projects program.

7/ The American Relief Act, 2025, provided \$8.1 billion in additional funding from the General Fund in FY 2025 for the Emergency Relief Program.

8/ The Consolidated Appropriations Act, 2024 permanently rescinded a total of \$68.3 million in unallocated and unobligated balances in FY 2024 from the accounts noted above. These amounts exclude repurposed earmark amounts and amounts designated by Congress as emergency requirements. The FY 2026 Budget proposes permanently cancelling a total of \$4.0 billion in unobligated balances in FY 2026 from the accounts noted above for Charging and Fueling Infrastructure Grants and the National Electric Vehicle Infrastructure Program.

9/ Exhibit does not reflect transfers of carryover contract authority.

10/ The FY 2026 Budget proposes to cancel \$1 billion in General Fund advanced appropriations for the National Electronic Vehicle Infrastructure Program in FY 2026. The amount shown for FY 2026 is net of such cancellation.

11/ The IIJA provided funding for administrative expenses as a takedown from the Highway Infrastructure Programs. Amounts shown reflect the aggregate of such takedowns. FY 2026 reflects the administrative expense takedown net of the cancellation of the National Electronic Vehicle Infrastructure Program.

EXHIBIT II-2
FY 2026 TOTAL BUDGETARY RESOURCES BY APPROPRIATION ACCOUNT
FEDERAL HIGHWAY ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

ACCOUNT NAME	M / D	FY 2024 ACTUAL	FY 2025 ENACTED	FY 2026 REQUEST
[Limitation on Administrative Expenses] ^{1/}	D	[\$486,800]	[\$497,016]	[\$507,436]
Federal-aid Highways		\$59,203,896	\$60,560,807	\$62,043,983
Obligation Limitation ^{2/}	D	\$60,095,783	\$61,314,171	\$62,657,106
Exempt Contract Authority ^{3/}	M	\$739,000	\$739,000	\$739,000
Flex Transfers to/from FTA	D	-\$1,436,062	-\$1,300,000	-\$1,300,000
Transfer to NHTSA ^{4/}	D	-\$142,702	-\$140,241	-----
Transfer to/from OST	D	-\$10,000	-\$10,000	-\$10,000
Sequestered Exempt Contract Authority ^{5/}	M	-\$42,123	-\$42,123	-\$42,123
[Liquidation of contract authorization]	D	[\$60,834,783]	[\$61,314,171]	[\$62,696,106]
Highway Infrastructure Programs (GF) ^{6/}	D	\$2,224,677	\$340,500	\$770,000
Emergency Relief Funds (GF) ^{7/}	D	-----	\$8,086,020	-----
Miscellaneous Trust Funds (TF)	M	\$7,984	\$7,984	\$7,984
Appalachian Development Highway System - Rescission ^{8/}	D	-\$11,065	----	----
Miscellaneous Appropriations - Rescission ^{8/}	D	-\$55,850	----	----
State Infrastructure Banks - Rescission ^{8/}	D	-\$1,375	----	----
Federal-aid Highways - Cancellation of Prior Year Balances ^{8/}	M	-----	-----	-\$866,709
Highway Infrastructure Programs (GF) - Cancellation of Prior Year Balances ^{8/}	D	-----	-----	-\$3,094,351
Gross New Budgetary Resources		\$63,067,444	\$70,487,675	\$64,174,090
Rescissions / Cancellations of Prior Year Balances		-\$68,290	-----	-\$3,961,060
Transfers ^{9/}		-\$1,588,764	-\$1,450,241	-\$1,310,000
Sequestration		-\$42,123	-\$42,123	-\$42,123
TOTAL BUDGETARY RESOURCES		\$61,368,267	\$68,995,311	\$58,860,907
[Mandatory]		\$704,861	\$704,861	-\$161,848
[Discretionary]		\$60,663,406	\$68,290,450	\$59,022,755
[Obligation Limitation]		\$60,095,783	\$61,314,171	\$62,657,106
IIJA Supplemental (Division J)				
Highway Infrastructure Programs ^{10/}	D	\$9,454,400	\$9,454,400	\$8,454,400
[Administrative Expenses] ^{11/}		[\$86,816]	[\$86,816]	[\$71,816]
Transfer to OIG		-\$1,000	-\$1,000	-\$1,000
Grand Total, All Appropriations		\$70,821,667	\$78,448,711	\$67,314,307

[] Non-add

1/ All fiscal years include FHWA General Operating Expenses (GOE) and transfers to the Appalachian Regional Commission (ARC) for administrative activities associated with the Appalachian Development Highway System. All fiscal years do not include amounts for other non-administrative programs authorized under Administrative Expenses.

2/ The FY 2026 Budget proposes to cancel \$700 million in contract authority from Charging and Fueling Infrastructure Grants, but requests the full level of obligation limitation that was enacted in the IIJA.

3/ In all years, the exempt contract authority is comprised of \$639 million for the National Highway Performance Program and \$100 million for the Emergency Relief Program.

4/ FHWA anticipates a transfer to NHTSA in FY 2026 in an amount to be determined based on State penalty information.

5/ FY 2024 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation per Sequestration Order dated March 13, 2023. FY 2025 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation per Sequestration Order dated March 11, 2024. FY 2026 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation pursuant to 2 U.S.C. 901a(6)(B)(ii).

6/ The Consolidated Appropriations Act, 2024 provided \$2.2 billion in additional highway funding from the General Fund in FY 2024. The Full-Year Continuing Appropriations and Extensions Act, 2025, provided \$340.5 million in additional highway funding from the General Fund in FY 2025. The FY 2026 Budget requests \$770 million in additional highway funding from the General Fund in FY 2026 for the Nationally Significant Freight and Highway Projects program.

7/ The American Relief Act, 2025, provided \$8.1 billion in additional funding from the General Fund in FY 2025 for the Emergency Relief Program.

8/ The Consolidated Appropriations Act, 2024 permanently rescinded a total of \$68.3 million in unallocated and unobligated balances in FY 2024 from the accounts noted above. These amounts exclude repurposed earmark amounts and amounts designated by Congress as emergency requirements. The FY 2026 Budget proposes permanently cancelling a total of \$4.0 billion in unobligated balances in FY 2026 from the accounts noted above for Charging and Fueling Infrastructure Grants and the National Electric Vehicle Infrastructure Program.

9/ Exhibit does not reflect transfers of obligation limitation for carryover contract authority transferred.

10/ The FY 2026 Budget proposes to cancel \$1 billion in General Fund advanced appropriations for the National Electric Vehicle Infrastructure Program in FY 2026. The amount shown for FY 2026 is net of such cancellation.

11/ The IIJA provided funding for administrative expenses as a takedown from the Highway Infrastructure Programs. Amounts shown reflect the aggregate of such takedowns. FY 2026 reflects the administrative expense takedown net of the cancellation of the National Electric Vehicle Infrastructure Program.

EXHIBIT II-3
FY 2026 BUDGET REQUEST BY DOT STRATEGIC AND ORGANIZATIONAL GOALS
FEDERAL HIGHWAY ADMINISTRATION

This exhibit not included with this submission.

EXHIBIT II-4
FY 2026 OUTLAYS
FEDERAL HIGHWAY ADMINISTRATION
(\$000)

ACCOUNT NAME	M / D	FY 2024 ACTUAL	FY 2025 ENACTED	FY 2026 REQUEST
Federal-aid Highways (TF)		\$53,665,889	\$54,543,267	\$55,497,084
Subject to Obligation Limitation	D	\$53,087,413	\$53,886,661	\$54,799,937
Exempt Contract Authority	M	\$578,035	\$654,416	\$693,578
Emergency Relief Supplementals	D	\$441	\$2,190	\$3,569
Highway Infrastructure Program (GF)	D	\$3,669,784	\$2,860,584	\$1,325,505
Neighborhood Access and Environmental Programs (GF)	D	\$17,325	\$18,389	\$19,754
Miscellaneous Highway Trust Funds (TF)	D	\$2,769	\$4,396	\$5,177
Right of Way Revolving Fund (TF)	M	----	\$4,279	----
Miscellaneous Trust Funds (TF)	M	\$7,139	\$8,879	\$9,879
Appalachian Development Highway System (GF)	D	\$337	\$541	\$524
Emergency Relief Program (GF)	D	\$1,096,611	\$3,098,878	\$4,009,791
Miscellaneous Appropriations (GF)	D	\$5,488	\$5,213	\$4,431
TOTAL		\$58,465,342	\$60,544,426	\$60,872,145
Mandatory		\$585,174	\$667,574	\$703,457
Discretionary		\$57,880,168	\$59,876,852	\$60,168,688
Supplemental Funding				
IIJA Supplemental (Division J)				
Highway Infrastructure Programs		\$2,657,743	\$3,734,196	\$5,790,465
Grand Total, Outlays from all Appropriations		\$61,123,085	\$64,278,622	\$66,662,610

EXHIBIT II-5.1
SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE
FEDERAL HIGHWAY ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations

ADMINISTRATIVE EXPENSES
LIMITATION ON ADMINISTRATIVE EXPENSES
(\$000)

	FY 2024 Actual	FY 2025 Enacted	Baseline Changes							FY 2026 Baseline Estimate	Program Increases/ Decreases	FY 2026 Request
			Annualization of Prior Pay Raises	Annualization of new FY 2025 FTE	FY 2026 Pay Raises	Adjustment for Compensable Days (261 days)	GSA Rent	WCF Increase/ Decrease	Inflation and other adjustments to base			
PERSONNEL RESOURCES (FTE)												
Direct FTE ^{1/}	2,174	2,174								2,174	(214)	1,960
FINANCIAL RESOURCES ^{2/}												
LIMITATION ON ADMINISTRATIVE EXPENSES (LAE)												
Salaries and Benefits	\$402,220	\$408,712	\$2,044	\$0	\$0	\$0				\$410,756	(\$40,232)	\$370,524
Travel	\$1,107											
Transportation												
GSA Rent	\$26,086	\$27,213					\$850			\$28,063		\$28,063
Communications & Utilities												
Printing	\$156											
Other Services:												
WCF ^{3/4/}	\$51,081	\$51,081						\$0		\$51,081	\$54,520	\$105,601
Other		\$6,762							\$135	\$6,897	(\$6,897)	\$0
Supplies												
Equipment												
Appalachian Regional Commission (ARC)	\$2,682	\$3,248								\$3,248		\$3,248
Subtotal, LAE ^{5/}	\$483,332	\$497,016	\$2,044	\$0	\$0	\$0	\$850	\$0	\$135	\$500,045	\$7,391	\$507,436
Disadvantaged Business Enterprise Supportive Services Program	\$10,000	\$10,000								\$10,000		\$10,000
Highway Use Tax Evasion Projects	\$4,000	\$4,000								\$4,000		\$4,000
On-the-Job Training Supportive Services Program	\$10,000	\$10,000								\$10,000		\$10,000
Total, LAE	\$507,332	\$521,016	\$2,044	\$0	\$0	\$0	\$850	\$0	\$135	\$524,045	\$7,391	\$531,436

1/ The FTE shown in this exhibit are funded by General Operating Expenses and exclude additional FTEs funded by reimbursements and from allocations from other organizations.

2/ The categories depict illustrative estimates reflecting the full utilization of administrative resources subject to the limitation on administrative expenses. Administrative expenses funding from IJA supplemental advance appropriations will be used to fully fund the administrative resources required to support the implementation and administration of the IJA. The "Other" category" may be comprised of expenses such as information technology investments, headquarters and field operations, facility improvements, and training.

3/ In this exhibit, DOT headquarters rent costs paid through the WCF are subtracted from the WCF category and presented in the GSA Rent category.

4/ FY 2026 reflects the transfer of information technology expenses to the Office of the Secretary through the WCF. Such expenses are illustrative of the consolidation and may be refined prior to consolidation implementation.

5/ The FY 2026 President's Budget reflects organizational changes to improve efficiency. The Budget request assumes that positions and program funding supporting Human Resource, Information Technology, Procurement, Government Affairs, Communications/Public Affairs and Civil Rights functions are consolidated within the Office of the Secretary through the Working Capital Fund (WCF). This realignment is reflected by a decrease in program resources, which is offset by a corresponding increase to WCF expenses.

EXHIBIT II-5.2
SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE
FEDERAL HIGHWAY ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations

ADMINISTRATIVE EXPENSES
HIGHWAY INFRASTRUCTURE PROGRAMS
(\$000)

	FY 2024 Actual	FY 2025 Enacted	Baseline Changes							FY 2026 Baseline Estimate	Program Increases/Decreases	FY 2026 Request
			Annualization of Prior Pay Raises	Annualization of new FY 2025 FTE	FY 2026 Pay Raises	Adjustment for Compensable Days (261 days)	GSA Rent	WCF Increase/Decrease	Inflation and other adjustments to base			
PERSONNEL RESOURCES (FTE)												
Direct FTE												
FINANCIAL RESOURCES												
HIGHWAY INFRASTRUCTURE PROGRAMS^{1/}												
Salaries and Benefits ^{2/}	\$4,954											
Travel	\$9,200	\$4,600							\$92	\$4,692	(\$364)	\$4,328
Transportation	\$1,552	\$3,353							\$67	\$3,420		\$3,420
GSA Rent												\$0
Communications & Utilities	\$652	\$642							\$13	\$655		\$655
Printing	\$270	\$313							\$6	\$319		\$319
Other Services: ^{3/}												
WCF ^{3/}									\$0	\$0	\$58,829	\$58,829
Other Supplies	\$49,502	\$69,162							\$1,383	\$70,545	(\$68,988)	\$1,557
Equipment ^{3/}	\$1,159	\$1,292							\$26	\$1,318	(\$160)	\$1,158
	\$5,376	\$7,454							\$149	\$7,603	(\$6,053)	\$1,550
Appalachian Regional Commission (ARC)												
Total, Highway Infrastructure Programs^{4/}	\$72,665	\$86,816	\$0	\$0	\$0	\$0	\$0	\$0	\$1,736	\$88,552	(\$16,736)	\$71,816
Disadvantaged Business Enterprise Supportive Services Program												
Highway Use Tax Evasion Projects												
On-the-Job Training Supportive Services Program												
Total, Highway Infrastructure Programs	\$72,665	\$86,816	\$0	\$0	\$0	\$0	\$0	\$0	\$1,736	\$88,552	(\$16,736)	\$71,816

1/ The IJA provided \$86.8 million in administrative expenses as takedowns from several Highway Infrastructure Programs from FY 2022 through FY 2026. Amounts not obligated in the year provided will be carried forward for obligation in a future fiscal year. The HIP administrative expenses funding will be used for information technology investments, contractual services, and other investments, services, and activities to support the implementation and administration of the IJA on a to-be-determined basis. This table is an illustrative example of how HIP administrative expenses funding may be utilized.

2/ FY 2024 obligations reflect permanent change of station costs classified as benefits

3/ FY 2026 reflects the transfer of information technology expenses to the Office of the Secretary through the WCF. Such expenses are illustrative of the consolidation and may be refined prior to consolidation implementation.

4/ The FY 2026 President's Budget reflects organizational changes to improve efficiency. The Budget request assumes that positions and program funding supporting Human Resource, Information Technology, Procurement, Government Affairs, Communications/Public Affairs and Civil Rights functions are consolidated within the Office of the Secretary through the Working Capital Fund (WCF). This realignment is reflected by a decrease in program resources, which is offset by a corresponding increase to WCF expenses.

EXHIBIT II-5.3
SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE
FEDERAL HIGHWAY ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

	FY 2024 Actual	FY 2025 Enacted	Baseline Changes							FY 2026 Baseline Estimate	Program Increases/Decreases	FY 2026 Request
			Annualization of Prior Pay Raises	Annualization of new FY 2025 FTE	FY 2026 Pay Raises	Adjustment for Compensable Days (261 days)	GSA Rent	WCF Increase/Decrease	Inflation and other adjustments to base			
PERSONNEL RESOURCES (FTE)												
Direct FTE ^{1/}	2,174	2,174								2,174	(214)	1,960
FINANCIAL RESOURCES ^{2/}												
ADMINISTRATIVE EXPENSES												
Salaries and Benefits ^{3/}	\$407,174	\$408,712	\$2,044	\$0	\$0	\$0			\$410,756	(\$40,252)		\$370,524
Travel	\$10,307	\$4,600							\$92	\$4,692	(\$364)	\$4,328
Transportation	\$1,552	\$3,353							\$67	\$3,420		\$3,420
GSA Rent	\$26,086	\$27,213					\$850			\$28,063		\$28,063
Communications & Utilities	\$652	\$642							\$13	\$655		\$655
Printing	\$426	\$313							\$6	\$319		\$319
Other Services:												
-WCF ^{3/ 4/}	\$51,081	\$51,081						\$0		\$51,081	\$113,349	\$164,430
-Other ^{4/}	\$49,502	\$75,924							\$1,518	\$77,442	(\$75,885)	\$1,557
Supplies	\$1,159	\$1,292							\$26	\$1,318	(\$160)	\$1,158
Equipment ^{5/}	\$5,376	\$7,454							\$149	\$7,603	(\$6,053)	\$1,550
Appalachian Regional Commission (ARC)	\$2,682	\$3,248										\$3,248
Total, Limitation on Administrative Expenses (LAE) and HIP ^{5/ 6/}	\$555,997	\$583,832	\$2,044	\$0	\$0	\$0	\$850	\$0	\$1,871	\$588,597	(\$9,345)	\$579,252
Disadvantaged Business Enterprise Supportive Services Program	\$10,000	\$10,000								\$10,000		\$10,000
Highway Use Tax Evasion Projects	\$4,000	\$4,000								\$4,000		\$4,000
On-the-Job Training Supportive Services Program	\$10,000	\$10,000								\$10,000		\$10,000
Subtotal, Administrative Expenses	\$579,997	\$607,832	\$2,044	\$0	\$0	\$0	\$850	\$0	\$1,871	\$612,597	(\$9,345)	\$603,252
PROGRAMS												
Federal-aid Highways												
-Obligation Limitation (authorized in the IJA) ^{7/}	\$59,602,602	\$60,793,155								\$60,793,155	\$1,332,515	\$62,125,670
-Exempt Contract Authority ^{8/}	\$739,000	\$739,000								\$739,000		\$739,000
-Sequestered Exempt Contract Authority ^{9/}	(\$42,123)	(\$42,123)								(\$42,123)		(\$42,123)
Highway Infrastructure Programs												
-Appropriations ^{10/}	\$2,224,677	\$340,500								\$340,500	\$429,500	\$770,000
-IIA Supplemental (Division I) ^{5/}	\$9,367,584	\$9,367,584								\$9,367,584	(\$985,000)	\$8,382,584
Miscellaneous Trust Funds	\$7,984	\$7,984								\$7,984		\$7,984
Rescissions/Cancellations of Prior Year Balances ^{11/}	(\$68,290)										(\$3,961,060)	(\$3,961,060)
Subtotal, Programs	\$71,831,434	\$71,206,100								\$71,206,100	(\$3,184,045)	\$68,022,055
BASE PROGRAMS TOTAL	\$72,411,431	\$71,813,932	\$2,044	\$0	\$0	\$0	\$850	\$0	\$1,871	\$71,818,697	(\$3,193,390)	\$68,625,307

1/ The FTE shown in this exhibit are funded by General Operating Expenses and exclude additional FTEs funded by reimbursements and from allocations from other organizations.

2/ The categories depict illustrative estimates reflecting the full utilization of administrative resources subject to the limitation on administrative expenses. Administrative expenses funding from IJA supplemental advance appropriations will be used to fully fund the administrative resources required to support the implementation and administration of the IJA. The "Other" category may be comprised of expenses such as information technology investments, headquarters and field operations, facility improvements, and training.

3/ In this exhibit, DOT headquarters rent costs paid through the WCF are subtracted from the WCF category and presented in the GSA Rent category.

4/ FY 2026 reflects the transfer of information technology expenses to the Office of the Secretary through the WCF. Such expenses are illustrative of the consolidation and may be refined prior to consolidation implementation.

5/ The FY 2026 Budget proposes to cancel \$1 billion in General Fund advanced appropriations for the National Electronic Vehicle Infrastructure Program in FY 2026. Of such amount, \$985 million is a programmatic cancellation and \$15 million is an administrative takedown cancellation.

6/ The FY 2026 President's Budget reflects organizational changes to improve efficiency. The Budget request assumes that positions and program funding supporting Human Resource, Information Technology, Procurement, Government Affairs, Communications/Public Affairs, and Civil Rights functions are consolidated within the Office of the Secretary through the Working Capital Fund (WCF). This realignment is reflected by a decrease in program resources, which is offset by a corresponding increase to WCF expenses.

7/ The FY 2026 Budget proposes to cancel \$700 million in contract authority from Charging and Fueling Infrastructure Grants, but requests the full level of obligation limitation that was enacted in the IJA.

8/ In all years, the exempt contract authority is comprised of \$639 million for the National Highway Performance Program and \$100 million for the Emergency Relief Program.

9/ FY 2024 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation per Sequestration Order dated March 13, 2023. FY 2025 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation per Sequestration Order dated March 11, 2024. FY 2026 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation pursuant to 2 U.S.C. 901a(6)(B)(ii).

10/ The Consolidated Appropriations Act, 2024, provided \$2.2 billion in additional highway funding from the General Fund in FY 2024. The Full-Year Continuing Appropriations and Extensions Act, 2025, provided \$340.5 million in additional highway funding from the General Fund in FY 2025. The FY 2026 Budget requests \$770 million in additional highway funding from the General Fund in FY 2026 for the Nationally Significant Freight and Highway Projects program.

11/ The Consolidated Appropriations Act, 2024, permanently rescinded a total of \$68.3 million in unallocated and unobligated balances. The FY 2026 Budget proposes to cancel a total of \$4.0 billion in unobligated balances from Charging and Fueling Infrastructure Grants and the National Electric Vehicle Infrastructure Program.

EXHIBIT II-5a
SUMMARY OF IIJA SUPPLEMENTAL (DIVISION J) BUDGET OBLIGATIONS OVER FISCAL YEARS
FEDERAL HIGHWAY ADMINISTRATION
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

Highway Infrastructure Programs	FY 2024	FY 2025	FY 2026
Unobligated Carryforward Balance, start of FY (+)	\$13,674,188	\$17,221,133	\$20,294,724
FY Advance Appropriations (Budget Authority) (+)	\$9,454,400	\$9,454,400	\$8,454,400
FY Actual/Planned Obligations (-)	(\$5,907,455)	(\$6,380,809)	(\$7,431,178)
Unobligated Balance, end of FY (+)	\$17,221,133	\$20,294,724	\$21,317,946
<u>Actual/Planned Obligations by Fiscal Year</u>	\$5,907,455	\$6,380,809	\$7,431,178
PERSONNEL RESOURCES (FTE)			
Direct FTE	0	0	0
<u>FINANCIAL RESOURCES</u>			
ADMINISTRATIVE EXPENSES ^{1/2/}			
Salaries and Benefits	\$4,954	\$0	\$0
Travel	\$9,200	\$4,600	\$4,328
Transportation	\$1,552	\$3,353	\$3,420
GSA Rent	\$0	\$0	\$0
Communications, & Utilities	\$652	\$642	\$655
Printing	\$270	\$313	\$319
Other Services:			
-WCF	\$0	\$0	\$58,829
-Other	\$49,502	\$69,162	\$1,557
Supplies	\$1,159	\$1,292	\$1,158
Equipment	\$5,376	\$7,454	\$1,550
Admin Subtotal	\$72,665	\$86,816	\$71,816
<u>PROGRAMS</u>			
IIJA Supplemental (Division J) ^{3/}	\$5,834,790	\$6,293,993	\$7,359,362
Programs Subtotal	\$5,834,790	\$6,293,993	\$7,359,362
IIJA TOTAL	\$5,907,455	\$6,380,809	\$7,431,178

1/ The IIJA provided funding for administrative expenses as a takedown from the Highway Infrastructure Programs totaling \$86.8 million for each fiscal year from FY 2022 through FY 2026. The FY 2026 Budget proposes to cancel FY 2026 funding for the National Electric Vehicle Infrastructure Program, which includes \$15 million in administrative takedown funds.

2/ FY 2026 reflects the transfer of information technology expenses to the Office of the Secretary through the WCF. Such expenses are illustrative of the consolidation and may be refined prior to consolidation implementation.

3/ Does not include obligations from funding for administrative expenses.

EXHIBIT II-6
WORKING CAPITAL FUND
FEDERAL HIGHWAY ADMINISTRATION
(\$000)

	<u>FY 2024 ACTUAL</u>	<u>FY 2025 ENACTED</u>	<u>FY 2026 REQUEST</u>
DIRECT:			
Federal-aid Highways			
Limitation on Administrative Expenses (LAE)	59,294	59,294	172,643
Program Funding	8,723	8,723	19,402
	<u>68,017</u>	<u>68,017</u>	<u>192,045</u>
TOTAL ^{1/ 2/}	68,017	68,017	192,045

1/ The FY 2026 President's Budget reflects organizational changes to improve efficiency. The Budget request assumes that positions and program funding supporting Human Resource, Information Technology, Procurement, Government Affairs, Communications/Public Affairs, and Civil Rights functions are consolidated within the Office of the Secretary through the Working Capital Fund (WCF). This realignment is reflected by a decrease in program resources, which is offset by a corresponding increase to WCF expenses.

2/ FY 2026 reflects the transfer of information technology expenses to the Office of the Secretary through the WCF. Such expenses are illustrative of the consolidation and may be refined prior to consolidation implementation.

EXHIBIT II-7
FEDERAL HIGHWAY ADMINISTRATION
PERSONNEL RESOURCE - SUMMARY
TOTAL FULL-TIME EQUIVALENTS

	FY 2024 ACTUAL	FY 2025 ENACTED	FY 2026 REQUEST
<u>DIRECT FUND, BY APPROPRIATION</u>			
Federal-aid Highways ^{1/ 2/}	2,781	2,781	2,567
SUBTOTAL, DIRECT FUNDED	2,781	2,781	2,567
<u>REIMBURSEMENT / ALLOCATIONS / OTHER</u> ^{3/}			
Reimbursements (Federal-aid Highways)	84	84	84
Allocations from other Organizations ^{4/}	34	34	34
SUBTOTAL, REIMBURSEMENTS / ALLOCATIONS / OTHER	118	118	118
BASE TOTAL FTEs	2,899	2,899	2,685
<u>SUPPLEMENTAL FUNDED FTE's</u>			
IIJA Supplemental Funding			
Highway Infrastructure Programs	-----	-----	-----
SUBTOTAL, SUPPLEMENTALS	-----	-----	-----
TOTAL FTEs	2,899	2,899	2,685

1/ Includes staff funded through General Operating Expenses and direct program funded staff. Student staff not included in FTE estimates.

2/ FY 2026 reflects the transition of 214 direct funded positions to the Department's Working Capital Fund.

3/ Additional staff may be hired for work performed on behalf of other agencies with funding from the Great American Outdoors Act.

4/ Amounts include allocations for staffing that may be funded to support competitive grant programs through sources such as the OST Operational Support Account. Estimates do not include additional positions that may be approved through the OST Operational Support Account.

EXHIBIT II-8
FEDERAL HIGHWAY ADMINISTRATION
RESOURCE SUMMARY - STAFFING
FULL-TIME PERMANENT POSITIONS

	FY 2024 ACTUAL	FY 2025 ENACTED	FY 2026 REQUEST
<u>DIRECT FUND, BY APPROPRIATION</u>			
Federal-aid Highways ^{1/ 2/}	2,808	2,808	2,594
SUBTOTAL, DIRECT FUNDED	2,808	2,808	2,594
<u>REIMBURSEMENT / ALLOCATIONS / OTHER</u> ^{3/}			
Reimbursements (Federal-aid Highways)	84	84	84
Allocations from other Organizations ^{4/}	34	34	34
SUBTOTAL, REIMBURSEMENT / ALLOCATION / OTHER	118	118	118
BASE TOTAL POSITIONS	2,926	2,926	2,712
<u>SUPPLEMENTAL FUNDED FTP's</u>			
IIJA Supplemental Funding			
Highway Infrastructure Programs	----	----	----
SUBTOTAL, SUPPLEMENTALS	----	----	----
TOTAL POSITIONS	2,926	2,926	2,712

1/ Includes staff funded through General Operating Expenses and direct program funded staff. Student positions not included in full-time permanent positions.

2/ FY 2026 reflects the transition of 214 direct funded positions to the Department's Working Capital Fund.

3/ Additional staff may be hired for work performed on behalf of other agencies with funding from the Great American Outdoors Act.

4/ Amounts include allocations for staffing that may be funded to support competitive grant programs through sources such as the OST Operational Support Account. Estimates do not include additional positions that may be approved through the OST Operational Support Account.

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FEDERAL HIGHWAY ADMINISTRATION

FEDERAL-AID HIGHWAYS

LIMITATION ON ADMINISTRATIVE EXPENSES

(HIGHWAY TRUST FUND)

(INCLUDING TRANSFER OF FUNDS)

Not to exceed [\$483,551,671]\$504,187,977 together with advances and reimbursements received by the Federal Highway Administration, shall be obligated for necessary expenses for administration and operation of the Federal Highway Administration: *Provided*, That in addition, \$3,248,000 shall be transferred to the Appalachian Regional Commission in accordance with section 104(a) of title 23, United States Code.

(LIMITATION ON OBLIGATIONS)

(HIGHWAY TRUST FUND)

Funds available for the implementation or execution of authorized Federal-aid highway and highway safety construction programs shall not exceed total obligations of [\$60,095,782,888]\$62,657,105,821 for fiscal year [2024]2026: *Provided*, That the limitation on obligations under this heading shall only apply to contract authority authorized from the Highway Trust Fund (other than the Mass Transit Account), unless otherwise specified in law.

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

For the payment of obligations incurred in carrying out authorized Federal-aid highway and highway safety construction programs, [\$60,834,782,888]\$62,696,105,821 shall be derived from the Highway Trust Fund (other than the Mass Transit Account), to remain available until expended.

(CANCELLATION OF FUNDS)

(HIGHWAY TRUST FUND)

The unobligated balances and any adjustments and deobligations of funds or recoveries or refunds of funds made available in fiscal year 2022 through 2025 under section 118(a) of title 23, United States Code, and section 11101(b)(1)(C) of division A of Public Law 117-58 for Charging and Fueling Infrastructure Grants, and all such funds made available for fiscal year 2026, are hereby permanently cancelled: Provided, That

no such amounts may be cancelled from any funds provided in fiscal year 2022 through 2025 for which a project has an executed grant agreement regardless of whether that agreement is fully obligated except for projects that have been closed and for which payments have been made under a final voucher.

****Reason for including:** The FY 2026 Budget proposes cancelling unobligated balances and FY 2026 funding for the Charging and Fueling Infrastructure Grants program.**

Note.--This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (division A of Public Law 119-4).

HIGHWAY INFRASTRUCTURE PROGRAMS

(INCLUDING TRANSFER OF FUNDS)

NATIONALLY SIGNIFICANT FREIGHT AND HIGHWAY PROJECTS

For the Nationally Significant Freight and Highway Projects program under section 117 of title 23, United States Code, \$770,000,000, which shall be available until September 30, 2029, and shall not be subject to any limitation on obligations for Federal-aid highways or highway safety construction programs set forth in any Act making annual appropriations: Provided, That the funds made available under this heading shall be derived from the general fund of the Treasury and shall be in addition to any funds provided for such program for fiscal year 2026 in this or any other Act: Provided further, That subsections (e) and (i)(1) and (2) of section 117 of title 23, United States Code, shall not apply to the funds made available under this heading in this Act: Provided further, That the Secretary shall reserve not less than 25 percent of the funds made available under this heading in this Act for projects located in rural areas, unless there is an insufficient number of qualified projects located in rural areas to fully utilize this reserve, in which case the excess funds can be used for other qualified projects.

****Reason for including:** The FY 2026 Budget proposes \$770 million in FY 2026 for the Nationally Significant Freight and Highway Projects program.**

CANCELLATION

The unobligated balances and any adjustments and deobligations of funds or recoveries or refunds of funds made available in fiscal year 2022 through 2025 under the heading “Federal Highway Administration—Highway Infrastructure Programs” in division J of Public Law 117-58 for the National Electric Vehicle Formula Program, including from any funds for such program transferred to the Joint Office of Energy and Transportation, and all such funds made available for fiscal year 2026, are hereby permanently cancelled: Provided, That no such amounts may be cancelled from any funds provided in fiscal year 2022 through 2025 for which a project has an executed grant agreement regardless of whether that agreement is fully obligated except for

projects that have been closed and for which payments have been made under a final voucher.

****Reason for including:** The FY 2026 Budget proposes cancelling unobligated balances and FY 2026 funding for the National Electric Vehicle Formula Program.******

[There is hereby appropriated to the Secretary \$2,224,676,687: *Provided*, That the funds made available under this heading shall be derived from the general fund, shall be in addition to any funds provided for fiscal year 2024 in this or any other Act for: (1) "Federal-aid Highways" under chapter 1 of title 23, United States Code; (2) the Appalachian development highway system as authorized under section 1069(y) of Public Law 102-240; (3) activities eligible under the Tribal transportation program under section 202 of title 23, United States Code; (4) the Northern Border Regional Commission (40 U.S.C. 15101 et seq.); or (5) the Denali Commission, and shall not affect the distribution or amount of funds provided in any other Act: *Provided further*, That, except for the funds made available under this heading for the Northern Border Regional Commission and the Denali Commission, section 11101(e) of Public Law 117-58 shall apply to funds made available under this heading: *Provided further*, That unless otherwise specified, amounts made available under this heading shall be available until September 30, 2027, and shall not be subject to any limitation on obligations for Federal-aid highways or highway safety construction programs set forth in any Act making annual appropriations: *Provided further*, That of the sums appropriated under this heading—

(1) \$1,884,176,687 shall be for the purposes, and in the amounts, specified for Community Project Funding/Congressionally Directed Spending in the table entitled "Community Project Funding/Congressionally Directed Spending" included in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act): *Provided*, That, except as otherwise provided under this heading, the funds made available under this paragraph shall be administered as if apportioned under chapter 1 of title 23, United States Code: *Provided further*, That funds made available under this paragraph that are used for Tribal projects shall be administered as if allocated under chapter 2 of title 23, United States Code, except that the set-asides described in subparagraph (C) of section 202(b)(3) of title 23, United States Code, and subsections (a)(6), (c), and (e) of section 202 of such title, and section 1123(h)(1) of MAP-21 (as amended by Public Law 117-58), shall not apply to such funds;

(2) \$100,000,000 shall be for necessary expenses for construction of the Appalachian development highway system, as authorized under section 1069(y) of Public Law 102-240: *Provided*, That for the purposes of funds made available under this paragraph, the term "Appalachian State" means a State that contains 1 or more counties (including any political subdivision located within the area) in the Appalachian region as defined in section 14102(a) of title 40, United States

Code: *Provided further*, That funds made available under this heading for construction of the Appalachian development highway system shall remain available until expended: *Provided further*, That, except as provided in the following proviso, funds made available under this heading for construction of the Appalachian development highway system shall be administered as if apportioned under chapter 1 of title 23, United States Code: *Provided further*, That a project carried out with funds made available under this heading for construction of the Appalachian development highway system shall be carried out in the same manner as a project under section 14501 of title 40, United States Code: *Provided further*, That subject to the following proviso, funds made available under this heading for construction of the Appalachian development highway system shall be apportioned to Appalachian States according to the percentages derived from the 2012 Appalachian development highway system cost-to-complete estimate, adopted in Appalachian Regional Commission Resolution Number 736, and confirmed as each Appalachian State's relative share of the estimated remaining need to complete the Appalachian development highway system, adjusted to exclude those corridors that such States have no current plans to complete, as reported in the 2013 Appalachian Development Highway System Completion Report, unless those States have modified and assigned a higher priority for completion of an Appalachian development highway system corridor, as reported in the 2020 Appalachian Development Highway System Future Outlook: *Provided further*, That the Secretary shall adjust apportionments made under the preceding proviso so that no Appalachian State shall be apportioned an amount in excess of 30 percent of the amount made available for construction of the Appalachian development highway system under this heading: *Provided further*, That the Secretary shall consult with the Appalachian Regional Commission in making adjustments under the preceding two provisos: *Provided further*, That the Federal share of the costs for which an expenditure is made for construction of the Appalachian development highway system under this heading shall be up to 100 percent;

(3) \$150,000,000 shall be for activities eligible under the Tribal transportation program, as described in section 202 of title 23, United States Code: *Provided*, That, except as otherwise provided under this heading, the funds made available under this paragraph shall be administered as if allocated under chapter 2 of title 23, United States Code: *Provided further*, That the set-asides described in subparagraph (C) of section 202(b)(3) of title 23, United States Code, and subsections (a)(6), (c), and (e) of section 202 of such title shall not apply to funds made available under this paragraph: *Provided further*, That the set-aside described in section 1123(h)(1) of MAP-21 (as amended by Public Law 117-58), shall not apply to such funds;

(4) \$5,000,000 shall be transferred to the Northern Border Regional Commission (40 U.S.C. 15101 et seq.) to make grants, in addition to amounts otherwise made available to the Northern Border Regional Commission for such purpose, to carry out pilot projects that demonstrate the capabilities of wood-based infrastructure projects: *Provided*, That a grant made with funds made

available under this paragraph shall be administered in the same manner as a grant made under subtitle V of title 40, United States Code;

(5) \$4,500,000 shall be transferred to the Denali Commission for activities eligible under section 307(e) of the Denali Commission Act of 1998 (42 U.S.C. 3121 note; Public Law 105-277): *Provided*, That funds made available under this paragraph shall not be subject to section 311 of such Act: *Provided further*, That except as otherwise provided under section 307(e) of such Act or this heading, funds made available under this paragraph shall be administered as if directly appropriated to the Denali Commission and subject to applicable provisions of such Act, including the requirement in section 307(e) of such Act that the local community provides a 10 percent non-Federal match in the form of any necessary land or planning and design funds: *Provided further*, That such funds shall be available until expended: *Provided further*, That the Federal share of the costs for which an expenditure is made with funds transferred under this paragraph shall be up to 90 percent;

(6) \$13,500,000 shall be transferred to the Denali Commission to carry out the Denali access system program under section 309 of the Denali Commission Act of 1998 (42 U.S.C. 3121 note; Public Law 105-277): *Provided*, That a transfer under this paragraph shall not be subject to section 311 of such Act: *Provided further*, That except as otherwise provided under this heading, funds made available under this paragraph shall be administered as if directly appropriated to the Denali Commission and subject to applicable provisions of such Act: *Provided further*, That funds made available under this paragraph shall not be subject to section 309(j)(2) of such Act: *Provided further*, That funds made available under this paragraph shall be available until expended: *Provided further*, That the Federal share of the costs for which an expenditure is made with funds transferred under this paragraph shall be up to 100 percent;

(7) \$10,000,000 shall be for the regional infrastructure accelerator demonstration program authorized under section 1441 of the FAST Act (23 U.S.C. 601 note): *Provided*, That for funds made available under this paragraph, the Federal share of the costs shall be, at the option of the recipient, up to 100 percent: *Provided further*, That funds made available under this paragraph may be transferred to the Office of the Secretary;

(8) \$7,500,000 shall be for the national scenic byways program under section 162 of title 23, United States Code: *Provided*, That, except as otherwise provided under this heading, the funds made available under this paragraph shall be administered as if apportioned under chapter 1 of title 23, United States Code; and

(9) \$50,000,000, in addition to amounts made available in section 126 of this Act, shall be for a competitive highway bridge program for States that—

(A) have a population density of less than 115 individuals per square mile; and

(B) have--

(i) less than 26 percent of total bridges classified as in good condition; or

(ii) greater than or equal to 5.2 percent of total bridges classified as in poor condition:

Provided, That any such State with more than 14 percent of total bridges classified as in poor condition shall receive not less than \$32,500,000 of the funds made available in this paragraph or in section 126 of this Act for grant applications for projects eligible under this paragraph: *Provided further*, That if the Secretary determines that eligible applications from any such State meeting the criteria under the preceding proviso are insufficient to make awards of at least \$32,500,000, the Secretary shall use the unutilized amounts to provide other grants to States eligible under this paragraph: *Provided further*, That the funds made available under this paragraph shall be used for highway bridge replacement or rehabilitation projects on public roads that demonstrate cost savings by bundling multiple highway bridge projects and, except as otherwise provided in this heading, shall be administered as if apportioned under chapter 1 of title 23, United States Code: *Provided further*, That the requirements of section 144(j)(5) of title 23, United States Code, shall not apply to funds made available under this paragraph: *Provided further*, That for purposes of this paragraph, the Secretary shall calculate population density figures based on the latest available data from the decennial census conducted under section 141(a) of title 13, United States Code: *Provided further*, That for purposes of this paragraph, the Secretary shall calculate the percentages of bridge counts (including the percentages of bridge counts classified as in poor and good condition) based on the national bridge inventory as of June 2023.]

Note.--This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (division A of Public Law 119-4).

[EMERGENCY RELIEF PROGRAM

For an additional amount for the "Emergency Relief Program" as authorized under section 125 of title 23, United States Code, \$8,086,020,000, to remain available until expended: *Provided*, That notwithstanding subsection (e) of section 120 of title 23, United States Code, for any obligations made on or after March 26, 2024, for fiscal year 2024, this fiscal year, and hereafter, the Federal share for Emergency Relief funds made available under section 125 of such title to respond to damage caused by the cargo ship Dali to the Francis Scott Key Bridge located in Baltimore City and Baltimore and Anne Arundel Counties, Maryland, including reconstruction of that bridge and its approaches, shall be 100 percent: *Provided further*, That consistent with section 668.105(e) of title 23, Code of Federal Regulations (or a successor regulation), any insurance proceeds, judgments, settlements, penalties, fines, or other compensation for damages, including interest, from whatever source derived, recovered by a State, a political subdivision of a State, or a toll authority for repair, including reconstruction, of the Francis Scott Key Bridge located in Baltimore City and Baltimore and Anne Arundel Counties, Maryland, in response to, or as a result of, the damage caused by the cargo ship Dali to that bridge and its approaches, shall be used upon receipt to reduce liability on the repair, including reconstruction, of such bridge and its approaches from the emergency fund authorized under section 125 of title 23, United States Code: *Provided further*, That any funds recovered and used to reduce liability pursuant to the preceding proviso shall not exceed the total amount of liability on the repair, including reconstruction, of the Francis Scott Key Bridge located in Baltimore City and Baltimore and Anne Arundel Counties, Maryland, and its approaches, from the emergency fund authorized under section 125 of title 23, United States Code: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.]

****Reason for excluding: The FY 2026 Budget does not request General Fund appropriations for the Emergency Relief Program.****

(Disaster Relief Supplemental Appropriations Act, 2025, Title XII of Division B of Public Law 118-58.)

ADMINISTRATIVE PROVISIONS—FEDERAL HIGHWAY ADMINISTRATION

SEC. 120. (a) For fiscal year [2024]2026, the Secretary of Transportation shall—

(1) not distribute from the obligation limitation for Federal-aid highways—

(A) amounts authorized for administrative expenses and programs by section 104(a) of title 23, United States Code; and

(B) amounts authorized for the Bureau of Transportation Statistics;
(2) not distribute an amount from the obligation limitation for Federal-aid highways that is equal to the unobligated balance of amounts—

(A) made available from the Highway Trust Fund (other than the Mass Transit Account) for Federal-aid highway and highway safety construction programs for previous fiscal years the funds for which are allocated by the Secretary (or apportioned by the Secretary under section 202 or 204 of title 23, United States Code); and

(B) for which obligation limitation was provided in a previous fiscal year;

(3) determine the proportion that—

(A) the obligation limitation for Federal-aid highways, less the aggregate of amounts not distributed under paragraphs (1) and (2) of this subsection; bears to

(B) the total of the sums authorized to be appropriated for the Federal-aid highway and highway safety construction programs (other than sums authorized to be appropriated for provisions of law described in paragraphs (1) through (11) of subsection (b) and sums authorized to be appropriated for section 119 of title 23, United States Code, equal to the amount referred to in subsection (b)(12) for such fiscal year), less the aggregate of the amounts not distributed under paragraphs (1) and (2) of this subsection;

(4) distribute the obligation limitation for Federal-aid highways, less the aggregate amounts not distributed under paragraphs (1) and (2), for each of the programs (other than programs to which paragraph (1) applies) that are allocated by the Secretary under authorized Federal-aid highway and highway safety construction programs, or apportioned by the Secretary under section 202 or 204 of title 23, United States Code, by multiplying—

(A) the proportion determined under paragraph (3); by

(B) the amounts authorized to be appropriated for each such program for such fiscal year; and

(5) distribute the obligation limitation for Federal-aid highways, less the aggregate amounts not distributed under paragraphs (1) and (2) and the amounts distributed under paragraph (4), for Federal-aid highway and highway safety construction programs that are apportioned by the Secretary under title 23, United States Code (other than the amounts apportioned for the National Highway Performance Program in section 119 of title 23, United States Code, that are exempt from the limitation under subsection (b)(12) and the amounts apportioned under sections 202 and 204 of that title) in the proportion that—

(A) amounts authorized to be appropriated for the programs that are apportioned under title 23, United States Code, to each State for such fiscal year; bears to

(B) the total of the amounts authorized to be appropriated for the programs that are apportioned under title 23, United States Code, to all States for such fiscal year.

(b) EXCEPTIONS FROM OBLIGATION LIMITATION.—The obligation limitation for Federal-aid highways shall not apply to obligations under or for—

(1) section 125 of title 23, United States Code;

(2) section 147 of the Surface Transportation Assistance Act of 1978 (23 U.S.C. 144 note; 92 Stat. 2714);

(3) section 9 of the Federal-Aid Highway Act of 1981 (95 Stat. 1701);

(4) subsections (b) and (j) of section 131 of the Surface Transportation Assistance Act of 1982 (96 Stat. 2119);

(5) subsections (b) and (c) of section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 198);

(6) sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2027);

(7) section 157 of title 23, United States Code (as in effect on June 8, 1998);

(8) section 105 of title 23, United States Code (as in effect for fiscal years 1998 through 2004, but only in an amount equal to \$639,000,000 for each of those fiscal years);

(9) Federal-aid highway programs for which obligation authority was made available under the Transportation Equity Act for the 21st Century (112 Stat. 107) or subsequent Acts for multiple years or to remain available until expended, but only to the extent that the obligation authority has not lapsed or been used;

(10) section 105 of title 23, United States Code (as in effect for fiscal years 2005 through 2012, but only in an amount equal to \$639,000,000 for each of those fiscal years);

(11) section 1603 of SAFETEA-LU (23 U.S.C. 118 note; 119 Stat. 1248), to the extent that funds obligated in accordance with that section were not subject to a limitation on obligations at the time at which the funds were initially made available for obligation; and

(12) section 119 of title 23, United States Code (but, for each of fiscal years 2013 through [2024]2026, only in an amount equal to \$639,000,000).

(c) REDISTRIBUTION OF UNUSED OBLIGATION AUTHORITY.—

Notwithstanding subsection (a), the Secretary shall, after August 1 of such fiscal year—

(1) revise a distribution of the obligation limitation made available under subsection (a) if an amount distributed cannot be obligated during that fiscal year; and

(2) redistribute sufficient amounts to those States able to obligate amounts in addition to those previously distributed during that fiscal year, giving priority to those States having large unobligated balances of funds apportioned under

sections 144 (as in effect on the day before the date of enactment of Public Law 112–141) and 104 of title 23, United States Code.

[(d) APPLICABILITY OF OBLIGATION LIMITATIONS TO
TRANSPORTATION RESEARCH PROGRAMS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the obligation limitation for Federal-aid highways shall apply to contract authority for transportation research programs carried out under—

- (A) chapter 5 of title 23, United States Code;
- (B) title VI of the Fixing America’s Surface Transportation Act; and
- (C) title III of division A of the Infrastructure Investment and Jobs Act (Public Law 117-58).

(2) EXCEPTION.—Obligation authority made available under paragraph (1) shall—

- (A) remain available for a period of 4 fiscal years; and
- (B) be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.]

(d) PERIOD OF AVAILABILITY OF OBLIGATION LIMITATION FOR
ALLOCATED PROGRAMS.—

(1) ADMINISTRATIVE EXPENSES.—*Obligation authority made available under subsection (a)(1)(A) that is associated with amounts made available for the purpose described in section 104(a)(2) of title 23, United States Code, other than amounts set aside under section 140(b), 140(c), or 143 of such title shall—*

- (A) remain available for a period of 2 fiscal years; and*
- (B) be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.*

(2) FOUR-YEAR FUNDING AVAILABILITY PROGRAMS —

(A) IN GENERAL.—*Obligation authority described in subparagraph (B) shall—*

- (i) remain available for a period of 4 fiscal years; and*
- (ii) be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.*

(B) OBLIGATION AUTHORITY DESCRIBED.—

(i) OBLIGATION AUTHORITY.—*Obligation authority described in this subparagraph is obligation authority—*

(I) made available under subsection (a)(1)(A) that is associated with amounts made available for the purposes described in section 143 of title 23, United States Code; and

(II) made available under subsection (a)(4) that is associated with amounts made available for the purposes described in the provisions of law described in clause (ii).

(ii) PROVISIONS OF LAW.—*The provisions of law described in this clause are the following:*

(I) Sections 117, 124, 129(d), 165(b), 165(c), 171, 173, 176(d), 202, 203, and 204 of title 23, United States Code.

(II) Section 1519(a) of the Moving Ahead for Progress in the 21st Century Act (Public Law 112-141).

(III) Section 1123 of the Fixing America's Surface Transportation Act (Public Law 114-94).

(IV) Sections 11204 and 11402 of the Infrastructure Investment and Jobs Act (Public Law 117-58).

(3) NO-YEAR FUNDING AVAILABILITY PROGRAMS.—

(A) IN GENERAL.—Obligation authority described in subparagraph (B) shall—

(i) remain available until expended; and

(ii) be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.

(B) OBLIGATION AUTHORITY DESCRIBED.—

(i) OBLIGATION AUTHORITY.—Obligation authority described in this subparagraph is obligation authority—

(I) made available under subsection (a)(1) that is associated with amounts made available for the purposes described in sections 140(b) and 140(c) of title 23, United States Code, and chapter 63 of title 49, United States Code; and

(II) made available under subsection (a)(4) that is associated with amounts made available for the purposes described in the provisions of law described in clause (ii).

(ii) PROVISIONS OF LAW.—The provisions of law described in this clause are the following:

(I) Sections 147, 503(b), 503(c), 504, and 512 through 518 of title 23, United States Code.

(II) The transportation infrastructure finance and innovation program under chapter 6 of title 23 United States Code.

(III) Section 5505 of title 49, United States Code.

(IV) Section 11509 of the Infrastructure Investment and Jobs Act (Public Law 117-58).

(e) REDISTRIBUTION OF CERTAIN AUTHORIZED FUNDS.—

(1) IN GENERAL.—Not later than 30 days after the date of distribution of obligation limitation under subsection (a), the Secretary shall distribute to the States any funds (excluding funds authorized for the program under section 202 of title 23, United States Code) that—

(A) are authorized to be appropriated for such fiscal year for Federal-aid highway programs; and

(B) the Secretary determines will not be allocated to the States (or will not be apportioned to the States under section 204 of title 23, United States Code), and will not be available for obligation, for such fiscal year because of the imposition of any obligation limitation for such fiscal year.

(2) RATIO.—Funds shall be distributed under paragraph (1) in the same proportion as the distribution of obligation authority under subsection (a)(5).

(3) AVAILABILITY.—Funds distributed to each State under paragraph (1) shall be available for any purpose described in section 133(b) of title 23, United States Code.

****Reason for changes:** The proposed changes to Sec. 120 will do the following: match the period of availability for obligation limitation and contract authority for allocated programs; and change the period of availability of the limitation on administrative expenses described in 23 U.S.C. 104(a)(2) to two years, as opposed to the currently in place one-year availability.**

SEC. 121. Notwithstanding 31 U.S.C. 3302, funds received by the Bureau of Transportation Statistics from the sale of data products, for necessary expenses incurred pursuant to chapter 63 of title 49, United States Code, may be credited to the Federal-aid highways account for the purpose of reimbursing the Bureau for such expenses.

SEC. 122. Not less than 15 days prior to waiving, under his or her statutory authority, any Buy America requirement for Federal-aid highways projects, the Secretary of Transportation shall make an informal public notice and comment opportunity on the intent to issue such waiver and the reasons therefor: *Provided*, That the Secretary shall post on a website any waivers granted under the Buy America requirements.

SEC. 123. None of the funds made available in this Act may be used to make a grant for a project under section 117 of title 23, United States Code, unless the Secretary, at least 60 days before making a grant under that section, provides written notification to the House and Senate Committees on Appropriations of the proposed grant, including an evaluation and justification for the project and the amount of the proposed grant award.

SEC. 124. (a) A State or territory, as defined in section 165 of title 23, United States Code, may use for any project eligible under section 133(b) of title 23 or section 165 of title 23 and located within the boundary of the State or territory any earmarked amount, and any associated obligation limitation: *Provided*, That the Department of Transportation for the State or territory for which the earmarked amount was originally designated or directed notifies the Secretary of its intent to use its authority under this section and submits an annual report to the Secretary identifying the projects to which the funding would be applied. Notwithstanding the original period of availability of funds to be obligated under this section, such funds and associated obligation limitation shall remain available for obligation for a period of 3 fiscal years after the fiscal year in which the Secretary is notified. The Federal share of the cost of a project carried out with funds made available under this section shall be the same as associated with the earmark.

(b) In this section, the term “earmarked amount” means—

(1) congressionally directed spending, as defined in rule XLIV of the Standing Rules of the Senate, identified in a prior law, report, or joint explanatory statement, which was authorized to be appropriated or appropriated more than 10

fiscal years prior to the current fiscal year, and administered by the Federal Highway Administration; or

(2) a congressional earmark, as defined in rule XXI of the Rules of the House of Representatives, identified in a prior law, report, or joint explanatory statement, which was authorized to be appropriated or appropriated more than 10 fiscal years prior to the current fiscal year, and administered by the Federal Highway Administration.

(c) The authority under subsection (a) may be exercised only for those projects or activities that have obligated less than 10 percent of the amount made available for obligation as of October 1 of the current fiscal year, and shall be applied to projects within the same general geographic area within 25 miles for which the funding was designated, except that a State or territory may apply such authority to unexpended balances of funds from projects or activities the State or territory certifies have been closed and for which payments have been made under a final voucher.

(d) The Secretary shall submit consolidated reports of the information provided by the States and territories annually to the House and Senate Committees on Appropriations.

[SEC. 125. (a) Of the unallocated and unobligated balances available to the Federal Highway Administration, the following funds are hereby permanently rescinded, subject to subsections (b) and (c), from the following accounts and programs in the specified amounts:

- (1) \$48,346,377.35 from funds available in the "Surface Transportation Priorities" account (69 X 0538).
- (2) \$1,839,129.40 from funds available in the "Delta Regional Transportation Development Program" account (69 X 0551).
- (3) \$11,064,579.57 from funds available in the "Appalachian Development Highway System" account (69 X 0640).
- (4) \$9,264.22 from funds available in the "Highway Beautification" account (69 X 0540).
- (5) \$1,375,400 from funds available in the "State Infrastructure Banks" account (69 X 0549).
- (6) \$90,435 from funds available in the "Railroad-Highway Crossings Demonstration Projects" account (69 X 0557).
- (7) \$5,211,248.53 from funds available in the "Interstate Transfer Grants--Highway" account (69 X 0560).
- (8) \$133,231.12 from funds available in the "Kentucky Bridge Project" account (69 X 0572).
- (9) \$2,887.56 from funds available in the "Highway Demonstration Project--Preliminary Engineering" account (69 X 0583).
- (10) \$149,083.06 from funds available in the "Highway Demonstration Projects" account (69 X 0598).
- (11) \$68,438.40 from funds available in the "Miscellaneous Highway Projects" account (69 X 0641).

(b) No amounts may be rescinded under subsection (a) from any funds for which a State exercised its authority under section 125 of division L of Public Law 114-113,

section 422 of division K of Public Law 115-31, section 126 of division L of Public Law 115-141, section 125 of division G of Public Law 116-6, section 125 of division H of Public Law 116-94, section 124 of division L of Public Law 116-260, section 124 of division L of Public Law 117-103, or section 124 of division L of Public Law 117-328.

(c) No amounts may be rescinded under subsection (a) from any amounts that were designated by the Congress as an emergency requirement pursuant to a concurrent resolution on the budget or the Balanced Budget and Emergency Deficit Control Act of 1985.]

****Reason for excluding: The FY 2026 Budget proposes cancellations from different accounts.****

[Sec. 126. (a) Notwithstanding any other provision of law, \$200,000,000 from the funds described in subsection (b), in addition to amounts made available in paragraph (9) under the heading "Highway Infrastructure Programs", shall be available for a competitive highway bridge program for States that—

(1) have a population density of less than 115 individuals per square mile;

and

(2) have—

(A) less than 26 percent of total bridges classified as in good condition; or

(B) greater than or equal to 5.2 percent of total bridges classified as in poor condition:

Provided, That any such State with more than 14 percent of total bridges classified as in poor condition shall receive not less than \$32,500,000 of the funds made available under this subsection or in paragraph (9) under the heading "Highway Infrastructure Programs" for grant applications for projects eligible under this subsection: *Provided further*, That if the Secretary determines that eligible applications from any such State meeting the criteria under the preceding proviso are insufficient to make awards of at least \$32,500,000, the Secretary shall use the unutilized amounts to provide other grants to States eligible under this subsection: *Provided further*, That the funds made available under this subsection shall be used for highway bridge replacement or rehabilitation projects on public roads that demonstrate cost savings by bundling multiple highway bridge projects and, except as otherwise provided in this section, shall be administered as if apportioned under chapter 1 of title 23, United States Code: *Provided further*, That the requirements of section 144(j)(5) of title 23, United States Code, shall not apply to funds made available under this subsection: *Provided further*, That for purposes of this subsection, the Secretary shall calculate population density figures based on the latest available data from the decennial census conducted under section 141(a) of title 13, United States Code: *Provided further*, That for purposes of this subsection, the Secretary shall calculate the percentages of bridge counts (including the percentages of bridge counts classified as in poor and good condition) based on the national bridge inventory as of June 2023: *Provided further*, That section 11101(e) of the Infrastructure Investment and Jobs Act (Public Law 117-58) shall apply to funds made available under this subsection.

(b) Funds described in this subsection are any funds that—

- (1) are unobligated on the date of enactment of this Act; and
- (2) were made available for credit assistance under—
 - (A) the transportation infrastructure finance and innovation program under subchapter II of chapter 1 of title 23, United States Code, as in effect prior to August 10, 2005; or
 - (B) the transportation infrastructure finance and innovation program under chapter 6 of title 23, United States Code.
- (c) Funds made available under subsection (a) for a competitive highway bridge program for States shall—
 - (1) be subject to the obligation limitation for Federal-aid highway and highway safety construction programs; and
 - (2) unless otherwise specified in this section, remain available until September 30, 2027.
- (d) The obligation limitation made available under section 120(a)(2) that is associated with funds made available under subsection (a) shall—
 - (1) remain available until September 30, 2027; and
 - (2) be in addition to the amount of any limitation imposed on obligations for Federal-aid highway and highway safety construction programs for future fiscal years.]

****Reason for excluding: The FY 2026 Budget does not include such a proposal.****

Note.--This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (division A of Public Law 119-4).

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FEDERAL HIGHWAY ADMINISTRATION
FEDERAL-AID HIGHWAY PROGRAM AUTHORIZATIONS OF CONTRACT AUTHORITY AND GENERAL FUND (GF) SUPPLEMENTAL APPROPRIATIONS
UNDER THE INFRASTRUCTURE INVESTMENT AND JOBS ACT (PUBLIC LAW 117-58)

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total Contract Authority	Total General Fund Supplemental Appropriations	Grand Total
<i>(From the Highway Account of the Highway Trust Fund Unless Otherwise Indicated)</i>								
Program								
Federal-aid Highway Program Apportioned Programs	52,488,065,375	53,537,826,683	54,608,583,217	55,700,754,881	56,814,769,844	273,150,000,000	-	273,150,000,000
Highway Safety Improvement Program (23 USC 148) ^{1/}	[2,979,761,019]	[3,044,326,241]	[3,110,182,769]	[3,177,356,425]	[3,245,873,542]	[15,557,499,996]	-	[15,557,499,996]
Rail-Highway Grade Crossings Program (Set-aside NLT) (23 USC 130)	[245,000,000]	[245,000,000]	[245,000,000]	[245,000,000]	[245,000,000]	[1,225,000,000]	-	[1,225,000,000]
Safety-Related Activities (MAP-21 §1519) (Allocated Set-aside)	[3,500,000]	[3,500,000]	[3,500,000]	[3,500,000]	[3,500,000]	[17,500,000]	-	[17,500,000]
National Highway Performance Program (23 USC 119) ^{2/}	[28,439,442,345]	[29,008,231,188]	[29,588,395,810]	[30,180,163,727]	[30,783,766,930]	[148,000,000,000]	-	[148,000,000,000]
Surface Transportation Block Grant Program (23 USC 133) ^{3/}	[13,835,404,382]	[14,112,112,470]	[14,394,354,721]	[14,682,241,816]	[14,975,886,619]	[72,000,000,008]	-	[72,000,000,008]
Congestion Mitigation & Air Quality Improvement Program (23 USC 149)	[2,536,490,803]	[2,587,220,620]	[2,638,965,032]	[2,691,744,332]	[2,745,579,213]	[13,200,000,000]	-	[13,200,000,000]
Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) (23 USC 176)	[1,402,756,277]	[1,430,811,405]	[1,459,427,633]	[1,488,616,183]	[1,518,388,500]	[7,299,999,998]	-	[7,299,999,998]
National Highway Freight Program (23 USC 167)	[1,373,932,519]	[1,401,411,169]	[1,429,439,392]	[1,458,028,180]	[1,487,188,740]	[7,150,000,000]	-	[7,150,000,000]
Carbon Reduction Program (23 USC 175)	[1,233,656,891]	[1,258,330,028]	[1,283,496,627]	[1,309,166,561]	[1,335,349,891]	[6,419,999,998]	-	[6,419,999,998]
Metropolitan Planning (23 USC 134)	[438,121,139]	[446,883,562]	[455,821,233]	[464,937,657]	[474,236,409]	[2,280,000,000]	-	[2,280,000,000]
Highway Infrastructure Program Formula Programs	6,750,000,000	6,750,000,000	6,750,000,000	6,750,000,000	6,750,000,000	-	33,750,000,000	33,750,000,000
Appalachian Development Highway System GF	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	-	1,250,000,000	1,250,000,000
Bridge Replacement, Rehabilitation, Preservation, Protection, and Construction Program GF	5,500,000,000	5,500,000,000	5,500,000,000	5,500,000,000	5,500,000,000	-	27,500,000,000	27,500,000,000
National Electric Vehicle Infrastructure Formula Program ^{4/} GF	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	-	5,000,000,000	5,000,000,000
Federal Lands and Tribal Transportation Programs	1,341,400,000	1,366,900,000	1,393,400,000	1,419,900,000	1,447,900,000	6,969,500,000	-	6,969,500,000
Federal Lands Transportation Program (23 USC 203)	421,965,000	429,965,000	438,965,000	447,965,000	455,965,000	2,194,825,000	-	2,194,825,000
Federal Lands Access Program (23 USC 204)	285,975,000	291,975,000	296,975,000	303,975,000	308,975,000	1,487,875,000	-	1,487,875,000
Tribal Transportation Program (23 USC 202)	578,460,000	589,960,000	602,460,000	612,960,000	627,960,000	3,011,800,000	-	3,011,800,000
Nationally Significant Federal Lands and Tribal Projects (FAST Act §1123)	55,000,000	55,000,000	55,000,000	55,000,000	55,000,000	275,000,000	-	275,000,000
Competitive Programs	5,067,000,000	5,257,000,000	5,467,000,000	5,542,000,000	5,717,000,000	14,465,000,000	12,585,000,000	27,050,000,000
Bridge Investment Program (23 USC 124) HTF/GF	2,447,000,000	2,487,000,000	2,497,000,000	2,522,000,000	2,547,000,000	3,265,000,000	9,235,000,000	12,500,000,000
Charging & Fueling Infrastructure Grants (23 USC 151(f)) ^{4/}	300,000,000	400,000,000	500,000,000	600,000,000	700,000,000	2,500,000,000	-	2,500,000,000
Congestion Relief Program (23 USC 129(d))	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	250,000,000	-	250,000,000
Nationally Significant Freight & Highway Projects (23 USC 117) HTF/GF	1,640,000,000	1,640,000,000	1,640,000,000	1,540,000,000	1,540,000,000	4,800,000,000	3,200,000,000	8,000,000,000
PROTECT Grants (23 USC 176(d))	250,000,000	250,000,000	300,000,000	300,000,000	300,000,000	1,400,000,000	-	1,400,000,000
Reduction of Truck Emissions at Port Facilities (§11402) HTF/GF	80,000,000	80,000,000	80,000,000	80,000,000	80,000,000	250,000,000	150,000,000	400,000,000
Rural Surface Transportation Grant Program (23 USC 173)	300,000,000	350,000,000	400,000,000	450,000,000	500,000,000	2,000,000,000	-	2,000,000,000
Federal Allocation Programs	521,400,000	528,400,000	534,400,000	540,900,000	547,400,000	2,330,500,000	342,000,000	2,672,500,000
Construction of Ferry Boats and Ferry Terminal Facilities (23 USC 147) HTF/GF	178,400,000	180,400,000	182,400,000	184,400,000	186,400,000	570,000,000	342,000,000	912,000,000
Disadvantaged Business Enterprises (23 USC 140(c))	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	-	50,000,000
Emergency Relief (23 USC 125) ^{2/}	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	500,000,000	-	500,000,000
Highway Use Tax Evasion Projects (23 USC 143)	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000	-	20,000,000
On-the-Job Training (23 USC 140(b))	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	-	50,000,000
Territorial & Puerto Rico Highway Program (23 USC 165)	219,000,000	224,000,000	228,000,000	232,500,000	237,000,000	1,140,500,000	-	1,140,500,000
Research, Technology, and Education	517,000,000	518,000,000	519,000,000	520,000,000	521,000,000	2,500,000,000	95,000,000	2,595,000,000
Highway Research & Development Program (23 USC 503(b))	147,000,000	147,000,000	147,000,000	147,000,000	147,000,000	735,000,000	-	735,000,000
Technology & Innovation Deployment Program (23 USC 503(c))	110,000,000	110,000,000	110,000,000	110,000,000	110,000,000	550,000,000	-	550,000,000
Intelligent Transportation Systems Program (23 USC 512-518)	110,000,000	110,000,000	110,000,000	110,000,000	110,000,000	550,000,000	-	550,000,000
Training & Education (23 USC 504)	25,000,000	25,250,000	25,500,000	25,750,000	26,000,000	127,500,000	-	127,500,000
University Transportation Centers Program (49 USC 5505) HTF/GF	99,000,000	99,500,000	100,000,000	100,500,000	101,000,000	405,000,000	95,000,000	500,000,000
Bureau of Transportation Statistics (49 USC Ch. 63)	26,000,000	26,250,000	26,500,000	26,750,000	27,000,000	132,500,000	-	132,500,000
Pilot Programs	265,000,000	273,000,000	280,000,000	287,000,000	295,000,000	900,000,000	500,000,000	1,400,000,000
Prioritization Process Pilot Program (§11204)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	50,000,000	-	50,000,000
Reconnecting Communities Pilot Program (§11509) HTF/GF	195,000,000	198,000,000	200,000,000	202,000,000	205,000,000	500,000,000	500,000,000	1,000,000,000
Wildlife Crossings Pilot Program (23 USC 171)	60,000,000	65,000,000	70,000,000	75,000,000	80,000,000	350,000,000	-	350,000,000
TIFIA (23 USC 601-609)	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	1,250,000,000	-	1,250,000,000
FHWA Administrative Expenses (23 USC 104(a)) ^{5/}	466,964,697	476,783,991	486,799,671	497,015,664	507,435,977	2,435,000,000	-	2,435,000,000
Total, FHWA ^{6/}	67,666,830,072	68,957,910,674	70,289,182,888	71,507,570,545	72,850,505,821	304,000,000,000	47,272,000,000	351,272,000,000
Contract Authority from the Highway Account of the Highway Trust Fund	58,212,430,072	59,503,510,674	60,834,782,888	62,053,170,545	63,396,105,821	304,000,000,000	-	304,000,000,000
<i>Exempt from Obligation Limitation ^{1/}</i>	<i>739,000,000</i>	<i>739,000,000</i>	<i>739,000,000</i>	<i>739,000,000</i>	<i>739,000,000</i>	<i>3,695,000,000</i>	-	<i>3,695,000,000</i>
<i>Subject to Obligation Limitation</i>	<i>57,473,430,072</i>	<i>58,764,510,674</i>	<i>60,095,782,888</i>	<i>61,314,170,545</i>	<i>62,657,105,821</i>	<i>300,305,000,000</i>	-	<i>300,305,000,000</i>
Budget Authority from General Fund Supplemental Appropriations	9,454,400,000	9,454,400,000	9,454,400,000	9,454,400,000	9,454,400,000	-	47,272,000,000	47,272,000,000

1/ Amounts exclude \$245 million for Railway-Highway Grade Crossings Program and \$3.5 million takedown for safety-related programs. Such amounts are shown on a separate line.

2/ Amounts exempt from obligation limitation include \$639 million of the National Highway Performance Program apportionments and \$100 million for Emergency Relief. Amounts do not reflect sequestration of 5.7 percent of contract authority exempt from obligation limitation.

3/ Amounts for the Surface Transportation Block Grant Program include the 10 percent set aside for Transportation Alternatives.

4/ The FY 2026 Budget proposes to cancel \$700 million in new contract authority from Charging and Fueling Infrastructure Grants in FY 2026. The FY 2026 Budget proposes to cancel \$1 billion in new General Fund advanced appropriations from the National Electric Vehicle Infrastructure Formula Program in FY 2026.

5/ Includes FHWA Federal-aid Highway Program General Operating Expenses (GOE) and transfers to the Appalachian Regional Commission (ARC) for administrative activities associated with the Appalachian Development Highway System. Excludes administrative takedowns from the General Fund Supplemental Appropriations.

6/ Includes \$100 million per fiscal year for Emergency Relief that is permanently authorized under 23 U.S.C. 125.

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EXHIBIT III-1
FEDERAL HIGHWAY ADMINISTRATION
Summary by Program Activity
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

	FY 2024 ACTUAL	FY 2025 ENACTED	FY 2026 REQUEST
[Limitation on Administrative Expenses] ^{1/}	[\$486,800]	[\$497,016]	[\$507,436]
Federal-aid Highways			
Obligation Limitation ^{2/}	\$60,095,783	\$61,314,171	\$62,657,106
Exempt Programs ^{3/}	\$739,000	\$739,000	\$739,000
Sequestered Exempt Contract Authority ^{4/}	-\$42,123	-\$42,123	-\$42,123
Flex Transfers to/from FTA	-\$1,436,062	-\$1,300,000	-\$1,300,000
Transfer to NHTSA ^{5/}	-\$142,702	-140,241	-----
Transfer to/from OST ^{6/}	-\$10,000	-\$10,000	-\$10,000
Total, Federal-aid Highways	\$59,203,896	\$60,560,807	\$62,043,983
Highway Infrastructure Programs (GF)			
Department of Transportation Appropriations Acts (GF) ^{7/}	\$2,224,677	\$340,500	770,000
IIJA Supplemental (Division J) ^{8/}	\$9,454,400	\$9,454,400	\$8,454,400
[Administrative Expenses] ^{9/}	[\$86,816]	[\$86,816]	[\$71,816]
Transfer to OIG	-\$1,000	-\$1,000	-\$1,000
Total, Highway Infrastructure Programs	\$11,678,077	\$9,793,900	\$9,223,400
Emergency Relief Funds (GF) ^{10/}	-----	\$8,086,020	-----
Miscellaneous Trust Funds (TF)	\$7,984	\$7,984	\$7,984
Rescissions/Cancellations of Prior Year Balances ^{11/}	-\$68,290	-----	-\$3,961,060
Grand Total	\$70,821,667	\$78,448,711	\$67,314,307
FTEs			
Federal-aid Highways			
Direct Funded ^{12/}	2,781	2,781	2,567
Reimbursable, allocated, other	118	118	118

Program and Performance Statement

These accounts provide necessary resources to support Federal-aid Highways Program activities, Highway Infrastructure Program activities, Emergency Relief activities, and maintain the agency's administrative and oversight functions. Funding will aid in the development, operations, and management of a transportation system that is safe for all users, grows the economy, and spurs innovation.

[] Non-add

1/ All fiscal years include FHWA General Operating Expenses (GOE) and transfers to the Appalachian Regional Commission (ARC) for administrative activities associated with the Appalachian Development Highway System. All fiscal years do not include amounts for other non-administrative programs authorized under Administrative Expenses.

2/ The FY 2026 Budget proposes to cancel \$700 million in contract authority from Charging and Fueling Infrastructure Grants, but requests the full level of obligation limitation that was enacted in the IIJA.

3/ In all years, the exempt contract authority is comprised of \$639 million for the National Highway Performance Program and \$100 million for the Emergency Relief Program.

4/ FY 2024 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation per Sequestration Order dated March 13, 2023. FY 2025 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation per Sequestration Order dated March 11, 2024. FY 2026 reflects sequestration of 5.7 percent of contract authority exempt from obligation limitation pursuant to 2 U.S.C. 901a(6)(B)(ii).

5/ FHWA anticipates transfers to NHTSA in FY 2026 in an amount to be determined based on State penalty information.

6/ Exhibit does not reflect transfers of obligation limitation for carryover contract authority transferred.

7/ The Consolidated Appropriations Act, 2024 provided \$2.2 billion in additional highway funding from the General Fund in FY 2024. The Full-Year Continuing Appropriations and Extensions Act, 2025, provided \$340.5 million in additional highway funding from the General Fund in FY 2025. The FY 2026 Budget requests \$770 million in additional highway funding from the General Fund in FY 2026 for the Nationally Significant Freight and Highway Projects program.

8/ The FY 2026 Budget proposes to cancel \$1 billion in General Fund advanced appropriations for the National Electronic Vehicle Infrastructure Program in FY 2026. The amount shown for FY 2026 is net of such cancellation.

9/ The IIJA provided funding for administrative expenses as a takedown from the Highway Infrastructure Programs. Amounts shown reflect the aggregate of such takedowns. FY 2026 reflects the administrative expense takedown net of the cancellation of the National Electronic Vehicle Infrastructure Program.

10/ The American Relief Act, 2025, provided \$8.1 billion in additional funding from the General Fund in FY 2025 for the Emergency Relief Program.

11/ The Consolidated Appropriations Act, 2024 permanently rescinded a total of \$68.3 million in unallocated and unobligated balances in FY 2024 from the accounts noted above. These amounts exclude repurposed earmark amounts and amounts designated by Congress as emergency requirements. The FY 2026 Budget proposes permanently cancelling a total of \$4.0 billion in unobligated balances in FY 2026 from the accounts noted above for Charging and Fueling Infrastructure Grants and the National Electric Vehicle Infrastructure Program.

12/ The FY 2026 President's Budget reflects organizational changes to improve efficiency. The Budget request assumes that positions and program funding supporting Human Resource, Information Technology, Procurement, Government Affairs, Communications/Public Affairs, and Civil Rights functions are consolidated within the Office of the Secretary through the Working Capital Fund (WCF). This realignment is reflected by a decrease in program resources, which is offset by a corresponding increase to WCF expenses. FY 2026 reflects the transition of 214 direct funded positions to the Department.

EXHIBIT III-1a
FEDERAL HIGHWAY ADMINISTRATION
SUMMARY ANALYSIS OF CHANGE FROM FY 2025 TO FY 2026
Appropriations, Obligation Limitations, and Exempt Obligations
(\$000)

	<u>(\$000)</u>	<u>FTE</u>
FY 2025 ENACTED	\$71,813,932	2,781
<u>ITEM</u> ^{1/}		
ADJUSTMENTS TO BASE:		
Annualization of FY 2025 pay raise (2.0 percent)	\$2,044	
GSA rent	\$850	
Non-pay inflation	\$1,871	
SUBTOTAL, ADJUSTMENTS TO BASE	\$4,765	0
PROGRAM INCREASES		
Working Capital Fund	\$113,349	
Highway Infrastructure Programs (HIP)	\$429,500	
Federal-aid Highway Program	\$1,332,515	
SUBTOTAL, PROGRAM INCREASES	\$1,875,364	0
PROGRAM DECREASES		
Salaries and Benefits	-\$40,232	-214
Travel	-\$364	
Other Services	-\$75,885	
Supplies	-\$160	
Equipment	-\$6,053	
Cancellation of HIP Budget Authority (net of administrative takedown)	-\$985,000	
Cancellations of Prior Year Balances	-\$3,961,060	0
SUBTOTAL, PROGRAM DECREASES	-\$5,068,754	-214
FY 2026 REQUEST	\$68,625,307	2,567

1/ See Exhibits II-5 for additional item details.

Executive Summary

Highway Safety Improvement Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$3.5 billion for the Highway Safety Improvement Program (HSIP) to address the safety crisis on our roads. This core Federal-aid highway program aims to reduce fatalities and serious injuries on all public roads and for all road users. The IIJA provided \$3.4 billion for HSIP in FY 2024 and FY 2025. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The Department of Transportation is committed to providing national leadership in road safety. In order to achieve a golden age of transportation, all public roads need to be designed to protect humans when mistakes happen. The consequences from these mistakes should not result in serious injury or fatality. The Safe System Approach (SSA) was founded on these principles and works to address all aspects of safety through the implementation of five safety elements: safer people, safer vehicles, safer speeds, safer roads, post-crash care. The Department will support the planning, design and implementation of safer roads and streets using all available and applicable Federal funding resources, including the HSIP. Making highways, roads, and streets safer for all road users will save lives, reduce congestion, move goods quickly and save money for Americans, employers, and the government.

HSIP requires a data-driven, strategic approach to improving road safety on all public roads and for all road users, with a focus on performance. HSIP plays a critical role in helping States advance safety. Accountability for meeting or making progress toward State safety performance targets is addressed through the HSIP.

What benefits will be provided to the American public through this request and why is this program necessary?

The National Highway Traffic Safety Administration (NHTSA) estimates that 39,345 people died in traffic crashes in 2024. This is a decrease of about 3.8 percent as compared to 40,901 fatalities reported to have occurred in 2023. This marks the first time since 2020 that the number of fatalities fell below 40,000. The quarterly fatality decline that began in the second quarter of 2022 also continued into the fourth quarter of 2024, marking the 11th consecutive quarterly decrease in traffic fatalities.

Although many types of Federal-aid funds can and should be used to make roads safer, the HSIP anchors FHWA's safety efforts, providing States with critical safety funding that is used to save lives and prevent serious injuries on all public roads and for all road users. Furthermore, FHWA will work with States, through SSA, to encourage innovative and efficient project development methods to provide infrastructure that will improve safety, network efficiency, and quality of life of the American people.

Detailed Justification Highway Safety Improvement Program

What is the request and what funds are currently spent on the program?

FY 2026 – Highway Safety Improvement Program (\$3.5 billion) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Highway Safety Improvement Program	3,358,683	3,425,856	3,494,374
Total	3,358,683	3,425,856	3,494,374

What is this program and what does this funding level support?

The HSIP is a core Federal-aid highway program that supports efforts in aiming to reduce fatalities and serious injuries on all public roads and for all road users. The HSIP requires a data-driven, strategic approach to improving roadway safety on all public roads and for all road users with a focus on performance. The HSIP is legislated under sections 130, 148 and 150 of title 23, United States Code, and regulated under parts 490 and 924 of title 23, Code of Federal Regulations. The HSIP is a State-administered program that is driven by the Strategic Highway Safety Plan (SHSP) that each State creates and by a program of highway safety improvement projects. The HSIP also includes a set-aside for railway-highway crossing improvements and special rules for high-risk rural road safety, older driver and pedestrian safety, and vulnerable road user safety.

The HSIP provides resources that allow the States to implement innovations resulting from the latest highway safety research such as those disseminated through FHWA's Every Day Counts (EDC) program and Proven Safety Countermeasures (PSC) initiative. EDC aims to identify and rapidly deploy proven, yet underutilized innovations to, among other things, enhance road safety. The PSC initiative consists of a collection of proven safety countermeasures and strategies that provide options for immediate action to accelerate the achievement of local, State, and National safety goals.

In addition, \$245 million of HSIP funding in FY 2026 is set aside for the Railway-Highway Crossings program to reduce the number of fatalities, injuries, and crashes at public railway-highway grade crossings. Through this program, State and local agencies implement data-driven practices and methodologies to administer their programs and to prioritize projects.

Another \$3.5 million of HSIP funding is set aside for transportation safety outreach, training, and education through the following activities: Operation Lifesaver, the Public Road Safety Clearinghouse, Work Zone Safety Grants, the National Work Zone Safety Information Clearinghouse, and guardrail training. These programs support training and public education focused on work zones, railway-highway crossings, and other safety efforts.

The HSIP is a critical component of implementation of the performance management system first put in place by Congress in MAP-21 and then continued under the FAST Act and now under the IIJA. States and metropolitan planning organizations (MPOs) set annual safety performance targets that are used to assess fatalities and serious injuries on their roads. Unfortunately, at the six-year mark the majority of States failed to meet or make progress toward at least one of their annual safety performance targets. States that do not meet their safety targets are required to direct funds toward safety projects and develop a plan that describes the actions the State will take to meet or make significant progress toward their future safety targets.

In addition to these safety performance targets, the HSIP also includes three special rules for high-risk rural road safety, older driver and pedestrian safety, and vulnerable road user safety. FHWA assesses States' safety performance in each of these areas based on specific criteria established in legislation. States that do not meet the conditions are subject to either financial or programmatic requirements.

HSIP also supports SSA's aim to eliminate fatal and serious injuries for all road users through a holistic view of the road system that anticipates human mistakes and develops the road system to be forgiving of human errors. The HSIP is a critical Federal-aid program used for the planning, design and implementation of safer roads and streets in all communities. The HSIP sets the funding and policy tone for national safety implementation efforts and therefore serves as the springboard for States and communities to accelerate their full adoption of the SSA.

The program emphasizes coordination among all surface transportation safety modes, including the National Highway Traffic Safety Administration (NHTSA), Federal Railroad Administration (FRA), Federal Transit Administration (FTA), and Federal Motor Carrier Safety Administration (FMCSA).

One of the core principles of the SSA is that safety is a shared responsibility. The HSIP requires coordination with NHTSA on its Highway Safety Program as it relates to Highway Safety Plans, Safety Performance Targets, and State Safety Data Information Systems. FHWA also coordinates with other modes on the DOT Traffic Records Executive Committee and the DOT Safety Council. The HSIP also requires States to identify emphasis areas of concern using a data-driven approach and to collaborate and coordinate with stakeholders to develop strategies to address their safety challenges. This occurred most recently with the completion of Vulnerable Road User Safety Assessments, as required by IIJA. Additionally, FHWA recognizes that achieving continued success requires teamwork with external organizations. The agency coordinates and collaborates on safety programming with the American Association of State Highway and Transportation Officials (AASHTO), The National Association of City Transportation Officials, the Roadway Safety Foundation, and many other associations and organizations. By working together, the United States can achieve a golden age of transportation.

What benefits will be provided to the American public through this request and why is this program necessary?

The HSIP provides funds to States to address safety challenges on all public roads, including local and rural roads, and for all road users. The HSIP provides States the resources to address

areas of risk with innovative proven safety interventions. Funding the program at the requested level will help States reduce fatal and serious injuries on our Nation's roads.

Under the FAST Act (FY 2016 to FY 2020 and extended through FY 2021), States obligated \$22.7 billion for approximately 23,500 highway safety improvement projects. In the first two years of IIJA (FY 2022 and FY 2023), States obligated more than \$8.8 billion to approximately 9,500 highway safety improvement projects, improving safety at 8,625 intersections and across 133,000 miles of roadway.

Rural and local areas benefit from the HSIP. Based on information reported by the States in their 2023 annual HSIP reports, at least 30 percent of the States' HSIP projects are on rural roads representing on average 28 percent of HSIP expenditures. For rural safety projects, Lane and Roadway Departure accounted for 59 percent of projects, and Intersection projects were 24 percent of the total. In addition, States obligated \$72.5 million of the States' HSIP funds for projects on local and Tribal roads in 2023.

The HSIP provides resources that allow the States to implement innovations resulting from the latest highway safety research. The HSIP often funds new and innovative countermeasures to address high crash locations. Once those countermeasures are proven to be effective at reducing fatalities and serious injuries, they are deployed widely across the network via systemic safety improvements and integrated in State design standards and policies and systematically integrated across all projects. In 2023, 37 percent of HSIP projects were systemic safety improvement projects. There were 1,585 systemic safety improvement projects in 2023 totaling \$2.2 billion, included traffic signal improvements such as retiming, backplates and flashing yellow arrow, wrong way driving treatments, clear zone improvements, high friction surface treatments, lighting, pedestrian, and traffic calming improvements, rumble strips, and more.

In FY 2026, the HSIP program will continue to help State, local, and Tribal agencies address their safety needs to reduce fatalities and injuries on our Nation's roadways.

Executive Summary

National Highway Performance Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$30.8 billion for the National Highway Performance Program (NHPP) to enhance safety and infrastructure by improving the condition of highways and bridges. The IIJA provided \$29.6 billion and \$30.2 billion for NHPP in FY 2024 and FY 2025, respectively. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The NHPP provides funds to the States on a formula basis to preserve and improve the National Highway System (NHS). Due to projected population changes and economic growth, freight transportation demand is projected to grow 50 percent to 28.7 billion tons and double in value to \$36.2 trillion (in 2017 dollars) by 2050.¹ Modernizing and preserving an efficient transportation system in this environment is critical to maintaining economic competitiveness.

Funding the NHPP at \$30.8 billion in FY 2026 supports improvements toward achieving a state of good repair and improved operations on the NHS and is consistent with the analyses presented in the biennial *Status of the Nation's Highways, Bridges, and Transit: Conditions and Performance* report to Congress (25th Edition). Maintaining a state of good repair on the NHS reduces costly improvements that would be required if infrastructure were allowed to deteriorate.

What benefits will be provided to the American public through this request and why is this program necessary?

Preserving and improving the NHS through the NHPP keeps our Nation's highways and bridges safe, benefits both urban and rural areas nationwide, creates employment opportunities to support the development of a skilled transportation workforce, and strengthens the economy through the efficient movement of freight. It binds the country together by making interstate and intra-state commerce possible; helping connect people to their communities, jobs, and other vital resources. The NHPP emphasizes preservation of the NHS while giving States flexibility to make additional investments to enhance NHS condition and operational performance and to build new capacity. Furthermore, improvements to the NHS benefit both urban and rural areas nationwide.

¹ See Figure 14 in [Freight Analysis Framework Commodity Flow Forecast Study \(FAF Version 5\): Final Forecasting Results](#).

Detailed Justification National Highway Performance Program

What is the request and what funds are currently spent on the program?

FY 2026 – National Highway Performance Program (\$30.8 billion) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
National Highway Performance Program ^{1/}	29,588,396	30,180,164	30,783,767
Total	29,588,396	30,180,164	30,783,767

1/ \$639 million in FY 2024, FY 2025, and FY 2026 is exempt from obligation limitation of which \$36.4 million is sequestered each year (sequestration not reflected in table).

What is this program and what does this funding level support?

The NHPP, requested at \$30.8 billion in FY 2026, is a formula-based program that enhances safety and infrastructure by improving the condition of highways and bridges. It helps to keep roads and bridges safe; improves the Nation's competitiveness in global trade; and maximizes the economic returns from transportation policies and investments.

Key features of the program include:

- a focus on improving and preserving the NHS;
- a performance-based framework;
- flexibility to the States for making transportation investment decisions; and
- requirements for risk-based asset management plans.

The NHPP requires a risk-based asset management approach. States must have a strategic and systematic process for operating, preserving, and improving physical assets on the NHS. It focuses on engineering and economic analysis using quality information to identify a structured sequence of maintenance, preservation, repair, rehabilitation, and replacement actions that will achieve a desired state of good repair over the lifecycle of the assets at minimum cost. The intent of this approach is to better manage system condition and performance.

The Federal Government has periodically defined and focused resources on the roads that were critical to national interests and that enhanced mobility, security, economic growth, and quality of life. Each time, the decision was made to emphasize a limited network of roads of critical national priority – the Federal-aid system (1921), the Interstate System (1956), and the National Highway System (1995). MAP-21 defined the NHS as a network comprised of the Interstate System, all principal arterials including border crossings, intermodal connectors, and roads important to national defense. The FAST Act maintained this network and added provisions for removing some principal arterials from the NHS after review and reclassification by the States and FHWA.

The NHS totals approximately 220,000 miles. It provides mobility to the vast majority of the Nation's population and almost all of its commerce, supports national defense, and promotes intermodal connectivity. While NHS mileage is only a small portion of the Nation's overall public road mileage, it carries 55 percent of all vehicular traffic. Furthermore, the NHS is vital to rural communities. In rural areas, the NHS carries just over 50 percent of all vehicle miles traveled, and provides critical access for jobs, health care, and commerce.

The NHPP will continue to direct Federal funds towards addressing national performance goals for the NHS. Among these are the condition of pavements and bridges. Past performance has demonstrated that sustained investment in the Nation's roads and bridges leads to better roadway and bridge conditions. A couple examples of this include:

- The share of travel on NHS pavements with good ride quality rose from 48 percent to 64 percent between 2000 and 2023. This improvement came despite MAP-21 increasing NHS mileage by almost 60,000 miles. Bringing pavements up to a state of good repair provides the following benefits: decreased wear and tear on vehicles, and reduced repair costs; reduced traveler delays; and lowered crash rates.
- Even as the total number of NHS bridges in the Nation's inventory increased from 143,165 in 2014 to 147,439 in 2024 the percentage of the deck area on NHS bridges classified as in "Poor" condition dropped from 5.8 percent to 4.0 percent.²

Additionally, the NHPP has performance provisions that will improve investment decision-making through a greater level of accountability for States to improve or preserve the condition of NHS pavements and bridges, and the performance of the system. These provisions require States to carry out a risk-based asset management process to monitor and evaluate conditions, establish future condition targets for eight performance measures, plan investment strategies, and program funding in support of these strategies. The NHPP has additional requirements for States to maintain minimum-level conditions for NHS bridges and interstate pavements, and to make significant progress in meeting their NHPP conditions and performance targets. The regulations to implement these new requirements took effect on May 20, 2017.

What benefits will be provided to the American public through this request and why is this program necessary?

Preserving and improving the NHS through the NHPP keeps our Nation's highways and bridges safe, benefits both urban and rural areas nationwide, creates employment opportunities to support the development of a skilled transportation workforce, and strengthens the economy through the efficient movement of freight. The NHPP emphasizes preservation of the NHS while giving States the flexibility to make additional investments to enhance NHS condition and operational performance and to build new capacity while holding them accountable to minimum infrastructure condition requirements and the achievement of NHPP condition and performance targets.

² In 2012, the Moving Ahead to Progress in the 21st Century Act (P.L. 112-141) required the establishment of measures to assess the condition of bridges on the NHS. Beginning in 2018, FHWA transitioned from the bridge classification of structurally deficient to various measures to assess the condition of NHS bridges established in 23 CFR 490 Subpart D.

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Executive Summary

Surface Transportation Block Grant Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$15 billion for the Surface Transportation Block Grant (STBG) Program to provide flexible funding that States and localities can use to improve the condition and performance of their multimodal transportation networks through a wide range of eligible projects including roads and bridges, transit, and bicycle and pedestrian facilities. The IIJA provided \$14.4 billion and \$14.7 billion for STBG in FY 2024 and FY 2025, respectively. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The STBG is a formula-based program that helps States and localities to invest in Federal-aid roads and support safe, multimodal transportation networks within urban and rural communities.

The STBG program has the greatest flexibility of FHWA's core highway programs. Whereas the National Highway Performance Program (NHPP) is limited to the approximately 220,000-mile National Highway System (NHS); the STBG program is available for the roughly 1,034,000 miles of Federal-aid highways, for bridges on any public road, for on-road and off-road bicycle and pedestrian facilities, and for transit capital projects. This program gives transportation agencies, local governments, and communities the ability to direct funding to address State and local priorities and will help improve safety for all users, including pedestrians and bicyclists, reduce congestion, foster affordable transportation, and improve quality of life.

What benefits will be provided to the American public through this request and why is this program necessary?

The flexibility of the STBG program provides transportation agencies with the ability to direct funding to State and local priorities. It increases mobility, access to community resources, and improves quality of life for all communities. Projects funded through this program enjoy broad popularity with communities across the country.

Detailed Justification Surface Transportation Block Grant Program

What is the request and what funds are currently spent on the program?

FY 2026 – Surface Transportation Block Grant Program (\$15 billion) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Surface Transportation Block Grant Program	14,394,355	14,682,242	14,975,887
Total	14,394,355	14,682,242	14,975,887

What is this program and what does this funding level support?

The STBG program provides funds to States to invest in Federal-aid eligible highways to replace, rehabilitate, and preserve roads, bridges, and other highway infrastructure, and to expand or build new transportation facilities. The STBG program is the most flexible of the core highway programs. The STBG program is available for the roughly 1,034,000 miles of highways, roads and streets that are Federal-aid eligible (public roads that are not functionally classified as rural minor collectors or local roads). This includes not only the Interstate System and the NHS but also many other roads and streets, bridges on any public road, some transit projects, pedestrian and bicycle facilities, and projects that meet the eligibilities of the Recreational Trails Program and the Transportation Alternatives set-aside.

The Transportation Alternatives set-aside is frequently used by States, MPOs, and local governments for smaller scale but critically important multimodal transportation projects at both the State and local level, including pedestrian and bicycling infrastructure. In the IIJA, Congress increased the size of the Transportation Alternatives set-aside from \$850 million annually in the last years of the FAST Act to 10 percent of STBG per fiscal year, which amounted to \$1.4 billion in FY 2022 and increases to nearly \$1.5 billion by FY 2026. This set-aside helps States, local governments, and communities pursue transportation improvements that meet their priorities for safety, mobility, recreation, development, or economic objectives. Transportation Alternatives funds are used to improve safety and mobility in communities through projects that provide access to jobs, services, housing, and recreation, and enhance and preserve the human and natural environment.

A long-term commitment to funding the STBG program has resulted in the following benefits:

- The share of vehicle miles travelled on Federal-aid highway pavements with good ride quality rose from 43 percent in 2000 to 55 percent in 2023.
- The percentage of the deck area of bridges classified as in “Poor” condition dropped from 6.7 percent in 2014 to 4.9 percent in 2024 even as the total number of bridges in the Nation's inventory increased from 610,749 to 623,218.

- The percentage of the deck area on bridges classified as in “Good” and “Fair” condition increased from 93.0 percent in 2014 to 95.1 percent in 2024.³
- For transportation purposes in 2022, walking comprised approximately 7 percent and bicycling about 1 percent, of all trips.

Funds are apportioned by formula and are subject to the overall Federal-aid obligation limitation. The following amounts are the total set aside from each State’s STBG apportionment:

- An estimated \$300 million in FY 2026 for State Planning and Research (SP&R).
- An estimated \$1.5 billion in FY 2026 for Transportation Alternatives.

After the SP&R and Transportation Alternatives set-asides have been calculated, 55 percent of a State’s annual STBG apportionment will be available for obligation in the following areas in proportion to the relative share of State population:

- Urbanized areas with population greater than 200,000.
- Urbanized areas with population 50,000 to 200,000.
- Areas with population 5,000 to 49,999.
- Areas with population of less than 5,000.

The remaining 45 percent of funding may be used in any area of the State.

- The Governor of a land border State may designate up to 5 percent of STBG program funds available for use in any area of the State for border infrastructure projects eligible under the SAFETEA-LU border program.
- STBG program funds available for use in any area of the State are subject to transfer penalties under section 154 (Open Container Requirements) and 164 (Minimum Penalties for Repeat DWI or DUI Offenders) of title 23, U.S.C., which, then, at the election of the State, are released as HSIP funds and/or transferred to the National Highway Traffic Safety Administration.

What benefits will be provided to the American public through this request and why is this program necessary?

The STBG program supports funding projects which reduce transportation related fatalities and serious injuries of all roadway users, including pedestrians and bicyclists; improving quality of life and access to vital resources for all communities through targeted urban and rural funding; providing connections through flexible funding and the Transportation Alternatives set-aside; and supporting the development of a skilled transportation workforce through the use of funds to supplement and expand upon FHWA’s existing On-the-Job Training and workforce development programs. The STBG program supports communities of all sizes by directing funds to areas in proportion to the relative share of State population. Both urbanized areas and rural areas nationwide receive targeted funding through the STBG program.

³ Beginning in 2018, FHWA transitioned from the bridge classification of structurally deficient to various measures to assess the condition of NHS bridges established in 23 CFR 490 Subpart D.

By providing STBG funds to States, FHWA can encourage and work with the States to:

- Fund projects that increase the safety of America's roads and advance a future without transportation-related serious injuries or fatalities;
- Invest in a transportation system that will provide reliable and efficient access to resources, markets and good-paying jobs;
- Fund projects that will streamline the transportation system to reduce vehicle miles traveled and the time vehicles spend idling due to traffic congestion
- Fund projects that promote safe and affordable, and multimodal access to opportunities and services; and
- Fund projects that meet the challenges of the transportation system today and in the future.

In 2020, 54 percent of vehicle miles travelled on Federal-aid highways occurred on pavements with good ride quality. The proposed investment level is projected to increase this share to over 61.3 percent in 2026. This forecast is based on analyses developed for the biennial *Status of the Nation's Highways, Bridges, and Transit: Conditions and Performance* (C&P) report and takes into account increased funding requested for the STBG and NHPP programs.

Each biennial C&P report identifies a backlog of needed bridge rehabilitation investments, consisting of all potential improvements to bridges that appear to be cost-effective, based solely on their current conditions. The 25th Edition of the C&P report estimated this backlog to be \$191.3 billion. The proposed funding levels, including funding requested for the STBG and NHPP programs, is projected to help reduce this backlog for bridges by 26.8 percent by 2026.

Through its flexibility, wide range of eligible projects, and targeted nature, the STBG program improves safety, mobility, accessibility, transportation choices, and quality of life for all communities.

Executive Summary

Congestion Mitigation & Air Quality Improvement Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$2.7 billion for the Congestion Mitigation and Air Quality Improvement (CMAQ) Program to help States and local governments reduce harmful criteria pollutant emissions and highway congestion, and also assist many areas in reaching attainment of the National Ambient Air Quality Standards (NAAQS). The IIJA provided \$2.6 billion and \$2.7 billion for CMAQ in FY 2024 and FY 2025, respectively. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The CMAQ Program supports transportation projects and programs that help meet the requirements of the Clean Air Act. CMAQ investments support transportation projects that reduce the mobile source criteria pollutant emissions for which an area has been designated nonattainment or maintenance for ozone, carbon monoxide, and particulate matter. Many CMAQ funded projects, in addition to improving the Nation's air quality, also reduce traffic congestion, promote innovative technologies, and improve safety.

The CMAQ Program supports safety by funding projects that reduce congestion thereby improving traffic flow and system efficiency resulting in lower vehicle crash and injury risk.

CMAQ Program also provides funding to support projects that promote the use of advanced vehicle technologies and innovative projects through public private partnership (PPP).

What benefits will be provided to the American public through this request and why is this program necessary?

The CMAQ Program provides funding for projects that improve air quality in areas with air quality challenges. Through its statutory focus on transportation projects and programs that reduce harmful criteria pollutant emissions, the CMAQ Program enhances quality of life and improves health nationwide by contributing to the attainment and maintenance of the NAAQS that act as a public health benchmark for many of the densely populated areas of the country.

Detailed Justification

Congestion Mitigation & Air Quality Improvement Program

What is the request and what funds are currently spent on the program?

FY 2026 – Congestion Mitigation & Air Quality Improvement Program (\$2.7 billion) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Congestion Mitigation & Air Quality Improvement Program	2,638,965	2,691,744	2,745,579
Total	2,638,965	2,691,744	2,745,579

What is this program and what does this funding level support?

The CMAQ Program serves a crossover function between transportation capital investments and environmental stewardship. Projects supported with CMAQ funds will help States improve air quality and reduce regional traffic congestion. CMAQ funds can be used to support infrastructure projects that target congestion relief and can improve traffic flow and system efficiency, resulting in lower vehicle crash and injury risk. CMAQ funds can also be used to support new and innovative projects and programs that have potential emission reduction benefit.

Projects supported with CMAQ funds must meet the three primary eligibility requirements:

- Reduce criteria pollutant emissions;
- Be located in or benefit a designated nonattainment or maintenance area; and
- Be identified as a transportation project.

Project selection and implementation are made at the State and local levels. FHWA provides program implementation oversight and stewardship, as well training and technical assistance.

CMAQ Program funds are available to support a wide range of government and non-profit organizations, as well as private entities contributing to PPPs, but are planned and administered by the State DOTs and metropolitan planning organizations (MPOs). These organizations often plan or implement air quality programs and projects as well as provide CMAQ funding to others to implement projects. Sharing of total project costs, both capital and operating, is a critical element of a successful public-private venture, particularly if the private entity is expected to realize profits as part of the joint venture. State and local officials are urged to consider a full range of cost-sharing options when developing a PPP, including a larger State or local match.

In addition, States provide annual reports on all CMAQ investments each fiscal year. These reports include: obligations of program funds; descriptions of individual projects; and potential impacts on air quality, congestion, and multimodal choice. The data provided in the annual reports are used to satisfy the statutory required CMAQ database that is available via the CMAQ

Public Access System (PAS). The CMAQ database and the PAS allow for transparency; showing that the program continues to provide incremental benefits through enhanced regional and local air quality improvement, and through contributions to congestion relief. Both of these factors, air pollution and highway congestion, are considered to be negative externalities that reduce the quality of life in many metropolitan areas of the country.

In 2023, approximately 140 million people nationwide lived in counties with pollution levels above the primary NAAQS. The program will provide continuity with State and local programming and provide adequate resources to maintain the air quality progress in many areas as they strive towards attainment of the NAAQS.

What benefits will be provided to the American public through this request and why is this program necessary?

The CMAQ Program provides funding for projects that improve air quality in areas with air quality challenges and reduce traffic congestion. Through its statutory focus on transportation projects and programs that reduce harmful criteria pollutant emissions, the program enhances quality of life and improves health nationwide through its contributions to attainment and maintenance of the NAAQS that act as a public health benchmark for populated areas of the country.

The costs of congestion can be an obstacle to economic activity. In addition, congestion can hamper quality of life through diminished air quality, lost personal time, and other negative factors. Since some congestion relief projects also reduce idling, the negative emissions impacts of stop-and-go driving, and the number of vehicles on the road, they have a corollary benefit of improving air quality. Based on their emissions reductions, these types of projects are eligible for CMAQ Program funding. For example, CMAQ Program funded high-occupancy vehicle and high-occupancy toll lanes can help reduce congestion and improve traffic flow.

The CMAQ Program offers States and MPOs significant flexibility in selecting projects that provide air quality improvements and congestion relief benefits. Recent CMAQ funded projects include converting high-occupancy vehicle lanes to high-occupancy toll lanes, supporting advanced intelligent transportation systems, retrofitting diesel engines in ferry boats, and applying advanced diesel engine technologies for trucks and locomotives.

Since its inception through FY 2023, approximately \$45 billion in CMAQ funds have supported almost 46,000 projects that reduced emissions of particulate matter, carbon monoxide, nitrogen oxides, and/or volatile organic compounds. CMAQ-funded projects, such as public transit and bicycle and pedestrian facilities that promote air quality improvements, multimodal transportation options, and active living can lead to congestion reduction and positive health benefits.

Many CMAQ projects also provide additional benefits. In addition to congestion relief, projects that focus on improved traffic flow and system efficiency can provide safety and public health benefits via lower vehicle crash and injury risk while also reducing traveler stress levels. Certain safety-related CMAQ-eligible projects are specifically permitted to receive 100 percent Federal funding.

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Executive Summary

Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Formula Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$1.5 billion for formula funding to States for activities to assess and address infrastructure vulnerabilities to current and future weather events, natural disasters and changing conditions. The IIJA provided \$1.5 billion for this program in FY 2024 and FY 2025. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The PROTECT Formula Program apportions funding to States to build resilience improvements, including projects that use materials, structural techniques, or non-structural techniques to make surface transportation more resilient to current and future weather events, natural disasters, and changing conditions. Eligible facilities include public roads and bridges, public transportation facilities, and port facilities. Activities by States to develop Resilience Improvement Plans and assess their vulnerabilities to current and future weather events and natural disasters, which will help States plan more resilient systems and design more resilient and cost-effective projects, are also supported by the PROTECT Formula Program.

What benefits will be provided to the American public through this request and why is this program necessary?

PROTECT Formula Program activities will protect surface transportation assets by making them more resilient to current and future weather events, natural disasters, and changing conditions. Community resilience improvements and strategies will allow for the continued operation or rapid recovery of surface transportation systems, and will ensure that transportation infrastructure can continue to serve its primary function over its expected service life. Coastal infrastructure will be better protected from the long-term risk of sea level rise, flooding, and coastal storms, and infrastructure nationwide will be better protected from heavy precipitation, flooding events, extreme temperatures, drought, wildfires, and other changing conditions. Natural infrastructure can be utilized to protect and enhance surface transportation assets while providing economic and ecosystem benefits.

Detailed Justification PROTECT Formula Program

What is the request and what funds are currently spent on the program?

FY 2026 – PROTECT Formula Program (\$1.5 billion) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
PROTECT Formula Program	1,459,428	1,488,616	1,518,389
Total	1,459,428	1,488,616	1,518,389

What is this program and what does this funding level support?

The PROTECT Formula Program apportions funding to States for activities that enable communities to assess and address vulnerabilities to current and future weather events, natural disasters, and changing conditions, such as severe storms, flooding, drought, levee and dam failures, wildfire, rockslides, mudslides, sea level rise, extreme weather, including extreme temperature, and earthquakes. Eligible facilities include public roads and bridges, public transportation facilities, and port facilities including intermodal connectors.

PROTECT Formula Program funds can be used for four types of activities:

- **Planning:** including projects to develop a Resilience Improvement Plan; resilience planning, predesign, design, or the development of data tools, including vulnerability assessments; technical capacity building; and evacuation planning and preparation.
- **Resilience Improvements:** including projects to improve resilience of existing surface transportation infrastructure to changing conditions, such as sea level rise, flooding, wildfires, extreme weather events, and other natural disasters.
- **Community Resilience and Evacuation Routes:** including strengthening, protecting, and improving evacuation routes to meet future needs, ensuring access to critical destinations, and supporting safe passage during an evacuation.
- **At-Risk Coastal Infrastructure:** including work to make coastal highways and non-rail infrastructure more resilient to coastal flooding, coastal erosion, wave action, storm surge, or sea level rise, in order to improve transportation and public safety; and reduce future maintenance and rebuilding costs.

Eligible project costs include project development, planning, design, property acquisition, construction/reconstruction and rehabilitation, and environmental mitigation. PROTECT Formula Program funds also support planning activities, including systems level assessments of vulnerability to current and future weather events, natural disasters, and changing conditions, and current and long-term planning activities and investments to promote resilience.

What benefits will be provided to the American public through this request and why is this program necessary?

The PROTECT Formula Program focuses work and resources on making the highway system and surface transportation more resilient to current and future weather events, natural disasters, and changing conditions. Dedicated funding for resilience projects is needed to ensure that the surface transportation systems withstands current and future weather impacts, natural disasters, and changing conditions.

Projects funded by the PROTECT Formula Program will be more resilient to future threats and provide a range of benefits to the public. While coastal highways are exposed to storm surge, sea level rise and high tide flooding, inland areas are also vulnerable to changing conditions such as flooding made worse by stronger precipitation events, extreme temperatures that can damage pavements, and wildfires followed by rain events that can cause landslides. Resilience improvements and improved routes to support evacuations and post-event relief efforts, for example, will improve the safety of the traveling public and our communities, support freight movements, facilitate economic growth, and reduce cost to travelers and businesses. These activities will also contribute to reductions in long-term/life-cycle infrastructure costs.

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Executive Summary

National Highway Freight Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$1.5 billion for the National Highway Freight Program (NHFP). The IIJA provided \$1.4 billion and \$1.5 billion for NHFP in FY 2024 and FY 2025, respectively. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The NHFP provides funds to States on a formula basis to improve the efficient movement of freight on the National Highway Freight Network (NHFN). States have programmed funding in their State Freight Plans to invest in infrastructure and operational improvements that improve the movement of freight, address transportation bottlenecks in the supply chain, improve safety and productivity, and enhance economic competitiveness.

Investment in the Nation's freight infrastructure is vital for a safe and efficient freight transportation system that supports projected population and economic growth while maintaining a competitive edge in the global economy. Nationwide, truck Vehicle Miles Traveled on average increased 2.4 percent per year on the Interstate from 2019-2023.⁴ Between 2022 and 2050, the U.S. is projected to see freight activity grow by 46 percent in tonnage.⁵ This growth will have an impact on the infrastructure and operations of the Nation's highways.

The NHFP will support projects to address growth and the need for more and better-directed investment in freight infrastructure, consistent with the U.S. DOT's National Freight Strategic Plan, individual State Freight Plans, and the analyses developed by FHWA for the *Status of the Nation's Highways, Bridges, and Transit: Conditions and Performance*, 25th Edition.

What benefits will be provided to the American public through this request and why is this program necessary?

This program addresses a longstanding need to improve the country's supply chains by reducing the existing backlog in freight infrastructure investment. The NHFP offers States and their private-sector partners guaranteed funding to plan and deliver improvements in freight infrastructure and operations that yield a high return on Federal investment for the economy and provide wide-ranging public benefits.

⁴ Source: Highway Statistics Series 2019 and 2023 <https://www.fhwa.dot.gov/policyinformation/statistics.cfm>

⁵ Source: U.S. Department of Transportation, Federal Highway Administration (FHWA), Bureau of Transportation Statistics (BTS), Freight Analysis Framework Version 5 (FAF5.6).

Detailed Justification National Highway Freight Program

What is the request and what funds are currently spent on the program?

FY 2026 – National Highway Freight Program (\$1.5 billion) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
National Highway Freight Program	1,429,439	1,458,028	1,487,189
Total	1,429,439	1,458,028	1,487,189

What is this program and what does this funding level support?

The NHFP provides a dedicated, predictable stream of Federal funding to States to improve the condition and performance of the National Highway Freight Network (NHFN). Under the IIJA, States have an opportunity to use up to 30 percent of their apportioned funding to support improvements across the multi-modal transportation system such as rail projects improvements at ports, highway-rail grade separation, and inland waterways. Since FY 2022, several States have authorized freight intermodal and freight rail projects.

FHWA's program administration focuses on helping States maximize the potential of their NHFP funding. Recent examples of program administration activities include:

- Released comprehensive implementation guidance to clarify eligibility requirements for the NHFP under the IIJA.
- Provided training and technical assistance to States on the development of new State Freight Plans, including a webinar and a State Freight Planning Toolkit. Facilitated the timely review and approval of 49 State Freight Plans.⁶
- Completed re-designation of the Primary Highway Freight System, including the NHFN. Released a webtool that provides maps, a route table, and guidance of the NHFN. This work helped clearly delineate the network eligibility for NHFP projects.
- Developed a report on NHFP funding for intermodal projects that helped initiated collaboration with the Maritime Administration to highlight opportunities for marine intermodal projects.
- Developed strategies for improving freight mobility and addressing freight bottlenecks. This included tools to address freight movement using solutions such as transportation system management and operations, to improved reliability and target capacity improvements at freight bottlenecks.

⁶ As of April 24, 2025. Submission and review of State Freight Plans is ongoing.

As of April 2025, States had obligated 89 percent of all NHFP funds apportioned between FY 2017 and 2024. In addition, some States have further leveraged the NHFP funding by offering it to other non-Federal partners through State-run competitive grant programs, expanding the range of funding partners beyond the typical Federal-State cost-share arrangement. At least four States (California, Illinois, Iowa, and Minnesota) sub-allocated their NHFP funding to projects selected through a competitive grant program run by the State or a designated entity. This innovative approach to investment can increase the non-Federal investment and expand public and private sector participation.

What benefits will be provided to the American public through this request and why is this program necessary?

An efficient, reliable transportation system supports economic competitiveness, which is vital to maintaining stability and supporting employment for the Nation, States, and localities. The U.S. population growth, coupled with consumer demand for goods, will continue to drive freight growth. Nationwide, truck Vehicle Miles Traveled on average increased nearly 3 percent per year on the Interstate from 2019-2023.⁷ Between 2022 and 2050, the U.S. is projected to see freight activity grow by 46 percent in tonnage.⁸ This growth will have an impact on the infrastructure and operations of the Nation's highways.

Freight projects are often multimodal, multi-jurisdictional, complex, or involve partnership with the private sector, making them difficult to administer under other Federal and State funding programs. Freight moves through a vast, complex network of highways, local roads, railways, navigable waterways, and pipelines. Safety, efficiency, and reliability of this network are critical to freight movements and the NHFP provides dedicated, predictable Federal funds to support multimodal supply chains. Although freight moves on all modes of transportation, trucking carries the predominant portion of freight by tonnage and value of goods moved. Investing in freight infrastructure is necessary to enhance capacity, connectivity, and reliability of the freight transportation system. This investment will help the Nation meet its national Truck Travel Time Reliability target under the strain of increased demand on the supply chain.

Many States use NHFP funding for projects other than highway construction. These include freight planning studies, projects to address freight bottlenecks, truck parking facilities, and Intelligent Transportation Systems improvements. Continued investment in the freight transportation system will strengthen U.S. competitiveness and support economic development for years to come. NHFP funding is being used across the country for a variety of projects that benefit the safe and efficient movement of freight, ranging from truck parking facilities and real-time information systems to electronic vehicle screening and credentialing systems.

⁷ Source: Highway Statistics Series 2019 and 2023 <https://www.fhwa.dot.gov/policyinformation/statistics.cfm>

⁸ Source: U.S. Department of Transportation, Federal Highway Administration (FHWA), Bureau of Transportation Statistics (BTS), Freight Analysis Framework Version 5 (FAF5.6).

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Executive Summary

Carbon Reduction Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$1.3 billion for formula grants to States to reduce transportation emissions. The IIJA provided \$1.3 billion for the Carbon Reduction Program in FY 2024 and FY 2025. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The Carbon Reduction Program was created by the IIJA to provide formula grants to States to reduce transportation emissions.⁹ Approximately two-thirds of the funding under this program is suballocated within States by population.

Carbon Reduction Program funds can be used for projects that contribute to the modernization and transformation of our Nation's infrastructure such as vehicle-to-infrastructure communications equipment, energy efficient alternatives to existing street lighting and traffic control devices, advanced congestion management projects, transit projects, on-and off-road pedestrian and bicycle trail facilities, infrastructure to support the deployment of alternate fuel vehicles, and projects to reduce the environmental and community impacts of freight movement including projects to support truck parking.

The program also required States to develop a carbon reduction strategy that supports efforts to reduce transportation emissions. The first iteration was due in 2023 and plans must be revised every four years thereafter.

What benefits will be provided to the American public through this request and why is this program necessary?

The Carbon Reduction Program offers States and Metropolitan Planning Organizations (MPOs) significant flexibility in selecting projects that meet local needs. The program provides funding to implement a mix of strategies appropriate to each community that addresses transportation emissions while also providing for increased safety and mobility performances. The American public will benefit from a clean, efficient, multimodal and smart transportation system that works for all users and enables the sustainable, safe, and efficient movement of people and goods.

⁹ Defined as carbon dioxide emissions from on-road highway sources of those emissions within a State per 23 U.S.C. 175(a)(2)

Detailed Justification Carbon Reduction Program

What is the request and what funds are currently spent on the program?

FY 2026 – Carbon Reduction Program (\$1.3 billion) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Carbon Reduction Program	1,283,497	1,309,167	1,335,350
Total	1,283,497	1,309,167	1,335,350

What is this program and what does this funding level support?

The Carbon Reduction Program is a Federal-aid highway program enacted under the IIJA that provides formula grants to States to reduce transportation emissions. The program provides funding for States to implement projects and programs that make progress towards a clean, efficient, multimodal, and smart transportation system that supports the movement of goods and works for all users.

The Carbon Reduction Program provides a flexible funding source for transportation projects and programs to help reduce transportation emissions and improve the way that the transportation system interacts with people and the environment. Carbon Reduction Program funds can be used for projects and programs that contribute to the modernization and transformation of our Nation's infrastructure such as vehicle-to-infrastructure communications equipment, energy efficient alternatives to existing street lighting and traffic control devices, advanced congestion management projects, transit projects, on-and off-road pedestrian and bicycle trail facilities, infrastructure to support the deployment of alternate fuel vehicles, and port electrification and other projects to reduce the environmental and community impacts of freight movement.

The FY 2026 budget requests \$1.3 billion for the Carbon Reduction Program. Of the total funding under this program, 65 percent will be suballocated by population to communities within each state. Transportation Management Areas are given project selection authority. For eligible projects located outside of a Transportation Management Area, States are required to first coordinate or consult with any MPO or regional transportation planning organization where the project is located, if they exist, before obligating funding for the projects.

What benefits will be provided to the American public through this request and why is this program necessary?

Projects funded with the Carbon Reduction Program will reduce the environmental impacts of transportation emissions in American communities, expand multimodal transportation options, improve energy efficiency, implement new and emerging technologies, and reduce the environmental and community impacts of freight movement. The Carbon Reduction Program offers States and MPOs significant flexibility in selecting projects that meet local needs. The program provides funding for States to implement a mix of strategies to reduce transportation emissions that are appropriate to each State's unique context while also providing for increased safety and mobility performance. The American public will benefit from a clean, efficient, multimodal, and smart transportation system that works for all users and enables the sustainable and safe movement of people and goods.

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Executive Summary

Metropolitan Transportation Planning

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$474.2 million for Metropolitan Transportation Planning funding. The IIJA provided \$455.8 million and \$464.9 million for this program in FY 2024 and FY 2025, respectively. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

Metropolitan areas are comprised of multiple governmental agencies and jurisdictions, which have an interest in and needs for transportation investment. Through a coordinated, regional approach to planning, a metropolitan planning organization (MPO) engages the local jurisdictions, as well as the State Department of Transportation (State DOT) and transit operators in a regional process that identifies the needs and investment priorities for the region. The results are a performance-based long range (20-year) Metropolitan Transportation Plan and a shorter term (4-year) program of transportation projects (Transportation Improvement Program (TIP)). The MPOs are required to establish system performance goals and outcomes as part of the metropolitan transportation planning process and direct their investments toward meeting those outcomes.

This \$474.2 million request will provide MPOs with adequate resources to conduct the metropolitan planning process. Furthermore, this program supports safety and infrastructure goals by helping MPOs follow a coordinated transportation planning process that meets system performance goals, objectives, and indicators.

What benefits will be provided to the American public through this request and why is this program necessary?

This request will help MPOs make investments that improve the Nation's transportation system in a safe, transparent, and accountable manner while engaging the public, elected officials, and other stakeholders in the process. MPOs will then use Federal transportation funds more efficiently and effectively to focus on national performance goal areas.

Through this program, MPOs promote effective transportation planning by working with States to identify transportation improvement options, increased transportation network connectivity, and telecommunications and delivery services.

Detailed Justification Metropolitan Transportation Planning

What is the request and what funds are currently spent on the program?

FY 2026 – Metropolitan Transportation Planning (\$474.2 million) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Metropolitan Transportation Planning	455,821	464,938	474,236
Total	455,821	464,938	474,236

What is this program and what does this funding level support?

MPOs use Metropolitan Planning funds for multimodal, performance based, transportation planning and programming in metropolitan areas. Metropolitan planning activities include the collection and analysis of data on demographics, trends, and system performance; travel demand and system performance forecasting; identification and prioritization of transportation system improvement needs; performance management, and coordination of the planning process and decision-making with the public, elected officials, and stakeholder groups.

The IIJA added housing coordination and planning for Complete Streets to the metropolitan and statewide transportation planning processes. MPOs establish system performance goals and outcomes as part of the metropolitan transportation planning process and direct their investments toward meeting those system performance outcomes.

The IIJA also requires each MPO to use not less than 2.5 percent of its metropolitan planning funds on specified planning activities to increase safe and accessible options for multiple travel modes for people of all ages and abilities. (Similarly, a State must use not less than 2.5 percent of its State Planning and Research funds for such activities.) However, a State or MPO, with the approval of the Secretary, may opt out of the requirement if the State or MPO has Complete Streets standards and policies in place, and has developed an up-to-date Complete Streets prioritization plan that identifies a specific list of Complete Streets projects to improve the safety and mobility of a street.

This \$474.2 million FY 2026 budget request will provide the Metropolitan Transportation Planning program with adequate resources for MPOs to conduct the metropolitan planning processes and direct investments toward improving transportation system outcomes while engaging the public, elected officials, and other stakeholders.

These funds will allow each MPO to carry out a coordinated transportation planning process and develop long range MTPs and TIPs that make effective use of limited transportation funding. These fiscally constrained, prioritized plans and programs account for transportation system performance needs, future population and employment, future land use, economic development,

public involvement, multimodal considerations, and connectivity (including bicycle, pedestrian, highway, and transit), freight movement, environmental mitigation, transportation systems operation, safety, and congestion mitigation. Furthermore, in support of a performance-driven, outcome-based planning process, the IIJA continued the requirement that MPOs have a performance-based process for developing their TIPs.

Additionally, Metropolitan Planning funds are used by MPOs to conduct corridor studies that lead to project development; demonstrate explicit consideration and response to public input; update information to use in travel demand modeling; increase the mobility of people and freight; and improve the resiliency and reliability of the transportation system.

What benefits will be provided to the American public through this request and why is this program necessary?

This request supports MPO's ability to direct investments towards improving the overall transportation system. MPOs will then use Federal transportation funds to focus on the national goal areas more efficiently and effectively through a continuing, cooperative, and comprehensive planning process. MPOs' use of performance measures and targets in the decision-making process will provide transparency, and their reporting of progress toward achieving performance targets will lead to improved accountability.

Through this program, MPOs engage the public and promote effective transportation planning by working with States to identify transportation improvement options, including multiple modes (e.g., vehicle, bicycle, pedestrian, and transit), increased transportation network connectivity, and improved telecommunications and delivery services.

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Executive Summary

Appalachian Development Highway System

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$250 million in advance supplemental appropriations to support the completion of the Appalachian Development Highway System (ADHS). Funds will be distributed by formula to States with one or more counties (including any political subdivision within the area) in the Appalachian Region. The IIJA provided \$250 million in both FY 2024 and FY 2025. This program is funded through the General Fund. Additionally, \$100 million from the General Fund was provided through the appropriations act in FY 2024 and FY 2025.

What is this program and what does this funding level support?

The funds under this program are apportioned to the Appalachian States according to the percentages derived from the 2021 Appalachian Development Highway System Cost-to-Complete Estimate, dated March 2021, and confirmed as each Appalachian State's relative share of the estimated remaining need to complete the ADHS. This apportionment is adjusted to exclude those corridors that such States have no current plans to complete, as reported in the 2013 Appalachian Development Highway System Completion Report, unless those States have modified and assigned a higher priority for completion of an ADHS corridor, as reported in the 2021 Appalachian Development Highway System Future Outlook (or as otherwise identified).

The formula for this program contains the following considerations:

- No Appalachian State will be apportioned an amount more than 30 percent of the amount made available for construction of the Appalachian Development Highway System under this program.
- Each State will be apportioned an amount not less than \$10 million for each of fiscal years 2022 through 2026.
- A State will not receive an apportionment that exceeds the remaining funds needed to complete the Appalachian development highway corridor or corridors in the State, as identified in the latest available cost-to-complete estimate for the system prepared by the Appalachian Regional Commission.

What benefits will be provided to the American public through this request and why is this program necessary?

The ADHS Program supports critical infrastructure, spurring economic growth in this historically isolated region, and ensuring rural regions are connected to cities and towns. The ADHS Program provides residents with safe and reliable access to jobs, education, health care, and social services. It also plays a vital role in giving the Appalachian region access to economic opportunities. Having a modern system of highways is essential for economic growth and for enabling Appalachia to become a net contributor to the national economy.

Detailed Justification Appalachian Development Highway System

What is the request and what funds are currently spent on the program?

FY 2026 – Appalachian Development Highway System (\$250 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Appalachian Development Highway System	350,000	350,000	250,000
Total	350,000	350,000	250,000

What is this program and what does this funding level support?

The ADHS was initiated in 1965 because Appalachia was underserved by the Interstate Highway System, which sometimes bypassed the rural region's rugged terrain. The system is a network of 33 distinct corridors (about 3,000 miles) linking the region to Interstate highways and providing access to regional and national markets. The ADHS provides reliable transportation access in 13 States: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia.

Today, more than 91 percent of the ADHS is under construction or open to traffic. By 2045, close to 100 percent of the network is expected to be complete and open to traffic. The funding provided by this Program will help finalize the network.

The ADHS Program distributes funds by formula to States with one or more counties (including any political subdivision within the area) in the Appalachian Region for construction of the ADHS.

The funds under this program are apportioned to the Appalachian States according to the percentages derived from the 2021 Appalachian Development Highway System Cost-to-Complete Estimate, dated March 2021, and confirmed as each Appalachian State's relative share of the estimated remaining need to complete the ADHS. This apportionment will be adjusted to exclude those corridors that such States have no current plans to complete, as reported in the 2013 Appalachian Development Highway System Completion Report, unless those States have modified and assigned a higher priority for completion of an Appalachian Development Highway System corridor, as reported in the 2021 Appalachian Development Highway System Future Outlook, or more recent estimate and outlook as identified. An updated cost to complete is currently under development and expected to be available in FY 2026.

In implementing the ADHS Program, FHWA works closely with the Appalachian Regional Commission (ARC) – an economic development agency of the Federal government that partners with State governments and counties in the region. The ARC's mission is to promote innovation,

partnership, and investment to build communities, strengthen the economy and improve socioeconomic conditions in Appalachia.

What benefits will be provided to the American public through this request and why is this program necessary?

This program is intended to improve the quality of life of the Appalachia residents and visitors and improve the movement of freight into and out of the region. By significantly increasing the number of areas that are within a reasonable driving distance, this program will greatly increase people's access to jobs, housing, recreation, healthcare, shopping, and other amenities.

The IIJA provides more than \$1.2 billion for the ADHS from FY 2022 through FY 2026. Annual funding for the ADHS will increase approximately 150 percent compared to FY 2021, providing dedicated funding to the ADHS to spur economic growth in the Appalachian region.

Ensuring rural regions are connected to the rest of America's cities and towns is key to our Nation's economic success. In FY 2025, FHWA made available a total of \$346 million to the Appalachian States for ADHS projects.

The construction of the ADHS has increased economic activity across the region – including job creation and business expansion. According to a 2017 analysis titled “Economic Analysis of Completing the Appalachian Development Highway System”, funded by, and completed for the ARC, more than 168,000 jobs were created or maintained due to increased economic activity associated with the ADHS while \$9 billion was added to the gross regional product. The ADHS also saves 231 million hours of travel time annually. Completion of the ADHS is estimated to create 47,000 more jobs and add \$8.7 billion in goods and services annually across the Appalachian States.

The ADHS also has improved travel time for commuters and truckers. Much of the freight transported through the region travels long distance to destinations outside of Appalachia. The region's corridors serve as important national transportation links. According to the above-cited study, in 2015, use of the ADHS resulted in approximately \$10.7 billion in transportation cost savings and productivity gains. These benefits extend beyond the Appalachian States. Twenty percent of car vehicle hours saved, and 31 percent of freight truck vehicle hours saved are for trips with the beginning, end, or both located outside the Appalachian States. This shows that the ADHS plays a vital role for regional and national freight movement.

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Executive Summary

Bridge Replacement, Rehabilitation, Preservation, Protection, and Construction (Bridge Formula Program)

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$5.5 billion in advance supplemental appropriations for a formula program that provides funds to States for highway bridge replacement, rehabilitation, preservation, protection, or construction projects on public roads. The IIJA provided \$5.5 billion in both FY 2024 and FY 2025. This program is funded through the General Fund.

What is this program and what does this funding level support?

The Bridge Replacement, Rehabilitation, Preservation, Protection, and Construction Program (hereafter, Bridge Formula Program (BFP)) supports safety and improves core assets by providing funds to the States to invest in highway bridge replacement, rehabilitation, preservation, protection, or construction projects on any public road.

What benefits will be provided to the American public through this request and why is this program necessary?

The BFP represents the single largest dedicated bridge investment since the construction of the interstate highway system – providing over \$26.5 billion to States, the District of Columbia and Puerto Rico over five years and \$825 million for Tribal transportation facilities. Nationwide, the BFP is expected to help repair approximately 15,000 highway bridges.

The BFP keeps our Nation's bridges safe, improves mobility and enhances economic activity – benefiting both urban and rural areas nationwide. Additionally, the BFP is vitally important in creating employment opportunities to support the development of a skilled transportation workforce, strengthening the economy through the efficient movement of freight, providing access to services, and improving our Nation's transportation infrastructure.

Detailed Justification Bridge Formula Program

What is the request and what funds are currently spent on the program?

FY 2026 – Bridge Formula Program (\$5.5 billion) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Bridge Formula Program	5,500,000	5,500,000	5,500,000
Total	5,500,000	5,500,000	5,500,000

What is this program and what does this funding level support?

The BFP supports safety and improves core assets by providing funds to the States to invest in highway bridge replacement, rehabilitation, preservation, protection, or construction projects on any public road.

This program includes two set-asides:

- 15 percent is set-aside for use on off-system bridges, an estimated \$796 million for FY 2026. For funds used on an off-system bridge that is owned by a county, town, township, city, municipality or other local agency, or federally recognized Tribe, the Federal share is 100 percent.
- 3 percent is set-aside for use on Tribal Transportation Facility bridges, an estimated \$165 million for FY 2026. The Federal share for these projects is 100 percent.

After these set-asides, funds for this program are distributed by the following statutory formula:

- 75 percent by the proportion that the total cost of replacing all bridges classified in poor condition in such State compared to the sum of the total cost to replace all bridges classified in poor condition in all States.
- 25 percent by the proportion that the total cost of rehabilitating all bridges classified in fair condition in such State compared to the sum of the total cost to rehabilitate all bridges classified in fair condition in all States.

The program also requires that the apportionments be adjusted so that each State receives no less than \$45 million each fiscal year.

The BFP has a broad range of eligibilities to address the Nation's bridge needs. Funds can be used on any highway bridge that is listed in the National Bridge Inventory (NBI), which in 2024 included 623,218 bridges. It can also be used on any new highway structure that upon the completion of construction would meet the established definition of a highway bridge and would be required to be reported to the NBI, irrespective of what public agency owns the bridge.

As this is a new program that was established by the enactment of the IIJA, data is not yet available to show its impact on the transportation infrastructure. However, this program supplements the other FHWA programs in which highway bridge projects are eligible, such as the Bridge Investment Program (BIP), the Surface Transportation Block Grant (STBG) Program and National Highway Performance Program (NHPP). Long-term commitments to funding the STBG and NHPP have resulted in the percentage of the deck area of highway bridges classified as in “Poor” condition dropping from 6.7 percent in 2014 to 4.9 percent in 2024 even as the total number of bridges in the Nation's inventory increased from 610,749 to 623,218. With the BFP, additional benefits are expected as program funds are encouraged to be first used for projects that improve the condition of in-service highway bridges classified in poor condition and that preserve or improve the condition of in-service highway bridges classified in fair condition.

Additionally, States are required to set aside 15 percent of their BFP funding to address off-system bridge needs. This set-aside will supplement the existing STBG off-system bridge set-aside, and the expectation is that additional benefits will be achieved in addressing the needs and improving the condition of off-system highway bridges. To maximize the benefits of this program with respect to off-system bridges, an increased Federal share is provided for off-system bridge projects not owned by a State Department of Transportation or a Federal agency. The Federal share for costs reimbursed with BFP funds under this program for an off-system bridge, owned by a county, town, township, city, municipality or other local agency, or Federally recognized Tribe, is 100 percent.

What benefits will be provided to the American public through this request and why is this program necessary?

The BFP supports keeping our Nation’s highways and bridges safe, while investing to rebuild the Nation’s aging infrastructure – benefiting both urban and rural areas nationwide. Additionally, the BFP is vitally important in creating employment opportunities to support the development of a skilled transportation workforce, strengthening the economy through the efficient movement of freight, and improving our Nation’s transportation infrastructure.

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Executive Summary

Federal Lands & Tribal Transportation Programs

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$1.4 billion for the Federal Lands and Tribal Transportation Programs (FLTTP). IIJA provided \$1.4 billion for these programs in both FY 2024 and FY 2025. IIJA funding for the FLTTP is through the Highway Trust Fund. An additional \$150 million from the General Fund was provided in FY 2024 and FY 2025 through the annual appropriations act for the Tribal Transportation Program.

What is this program and what does this funding level support?

Federal Lands Transportation Program (FLTP) –\$456 million for projects that improve multimodal transportation on roads, bridges, trails, transit systems, electric vehicle infrastructure, and other transportation facilities *within* the Federal estate (e.g., national forests, parks, wildlife refuges, and recreation areas and other Federal public lands) on infrastructure primarily owned (or maintained) by the Federal Government.

Federal Lands Access Program (FLAP) –\$309 million for projects that improve multimodal transportation on roads, bridges, trails, transit systems, and other transportation facilities that *access* the Federal estate on infrastructure *owned (or maintained) by States, local governments, or Tribes*, with an emphasis on high-use Federal recreation sites or Federal economic generators.

Tribal Transportation Program (TTP) –\$628 million for projects to provide safe and adequate multimodal transportation and public road access to and within Indian reservations, Tribal lands, and Alaska Native Village communities. The TTP contributes to the economic development, self-determination, and employment of federally recognized Tribes and Native Americans.

Nationally Significant Federal Lands and Tribal Projects Program (NSFLTTP) – \$55 million for the construction, reconstruction, and rehabilitation of nationally significant projects within, adjacent to, or accessing Federal and Tribal lands.

What benefits will be provided to the American public through this request and why is this program necessary?

These programs support safe, seamless, and multimodal transportation access to and within Federal and Tribal lands which represent nearly 32 percent of the Nation’s land area. Rural areas benefit greatly from these programs as many rural townships’ local economies, adjacent to national parks, forests, and other Federal and Tribal lands, are fueled by recreational opportunities within the Federal estate. In addition to recreational uses, these lands support the economy and communities in energy generation, resource extraction, agriculture, and tourism, among other uses. A reliable and safe surface transportation infrastructure that provides access to these areas is critically important to sustaining and growing jobs in these areas.

Detailed Justification Federal Lands Transportation Program

What is the request and what funds are currently spent on the program?

FY 2026 – Federal Lands Transportation Program (\$456 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Federal Lands Transportation Program	438,965	447,965	455,965
Total	438,965	447,965	455,965

What is this program and what does this funding level support?

The Federal Government owns approximately 30 percent of the land in the United States. The Federal Lands Transportation Program (FLTP) invests in the Nation’s infrastructure and supports critical transportation needs within the country’s transportation network by providing safe and reliable access within the national parks, forests, wildlife refuges, recreation areas, and other Federal public lands. These Federal public lands are found across the Nation’s rural and urban areas.

Of these funds:

- The FLTP partners – National Park Service (NPS), Fish and Wildlife Service (FWS), and Forest Service (FS) – are provided approximately \$424 million. Of the authorized amount:
 - \$360 million is authorized for the National Park Service;
 - \$36 million is authorized for the Fish and Wildlife Service; and
 - \$28 million is authorized for the Forest Service.
- FHWA will allocate \$32 million equally among four other eligible recipients including the Bureau of Land Management (BLM), Bureau of Reclamation (BOR), U.S. Army Corps of Engineers (USACE), and the Presidio Trust (PT).
- FHWA will reserve a percentage of the funding, not to exceed twenty percent, for integrated transportation planning between Federal Land Management Agencies (FLMAs) and State Departments of Transportation (SDOTs) which includes the following activities: long range transportation planning, bridge inspections, collection of road and bridge inventory and condition data and management, and cooperative research and technology deployment. This set-aside supports comprehensive multi-agency planning efforts and positions the program to better support economic growth, safety, and connectivity.

The FLTP funding provides an effective mechanism to leverage resources from other Federal and non-Federal funding sources. The Federal funding is sometimes pooled with other State and/or county funds to deliver a single project consisting of multiple owners. This saves taxpayers' dollars and expedites project delivery through a single acquisition.

Each eligible Federal agency submits a single investment plan which describes how it intends to use the funds. Each proposed investment plan is required to demonstrate how it supports authorizing legislation, including the Secretary of Transportation's goals and principles and how it supports the resource and asset management goals of the Secretary of the respective FLMA.

Based on data reported from these seven FLMA's, this program can support the combined transportation infrastructure across the Federal estate:

- Over \$17 billion in deferred maintenance needs;
- Over 375,000 miles of roads open to the public;
- Over 14,000 bridges;
- Over 175,000 miles of trails;
- Over 4,400 boat ramps;
- Jurisdiction of 640 million acres; and
- Over 1 billion recreation visits across all 50 States.

The FLTP supports and improves safety. FLMA's are required to report on the condition of their roads and bridges in their official National Federal Lands Transportation Inventory. Safety features are promoted according to their crash reduction factor to maximize safety.

The FLTP fosters innovation in transportation and transportation technologies. Projects are evaluated for compatibility with FHWA's Every Day Counts initiative, as well as other innovation deployment priorities that will improve infrastructure performance and investment. These innovative efforts identify and rapidly deploy proven, yet underutilized, innovations to shorten the project delivery process, enhance roadway safety, reduce traffic congestion, enhance the life of infrastructure, and integrate automation.

What benefits will be provided to the American public through this request and why is this program necessary?

The FLTP ensures that roads and bridges on Federal lands are safe, well-maintained, and accessible to all. FLTP outcomes include completed infrastructure projects that provide safe, seamless, multimodal access on Federal lands thereby supporting increased visitation, improved transportation infrastructure safety, condition, and reduced congestion; development of transportation inventories and plans that support informed decision-making and policymaking; and research and innovation development and deployment. These outcomes help expand economic development and create new jobs in and around rural and urban Federal lands that contribute to the local, regional, and national economies.

FLTP projects are implemented by FHWA and FLMA's. FHWA anticipates the following project accomplishments:

- Improve over 800 lane miles of roadways on Federal lands;

- Enhance safety through innovation deployments on projects;
- Repair and replace 106 bridges to improve safety and mobility;
- Invest in several transit systems; and
- Advance National Transportation Plans benefitting: USACE, BLM, and FS.

Detailed Justification Federal Lands Access Program

What is the request and what funds are currently spent on the program?

FY 2026 – Federal Lands Access Program (\$309 million) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Federal Lands Access Program	296,975	303,975	308,975
Total	296,975	303,975	308,975

What is this program and what does this funding level support?

The Federal Lands Access Program (FLAP) invests in the Nation’s infrastructure by funding and supporting transportation facilities owned (or maintained) by State, county, local, and Tribal governments, which provide access to lands owned and operated by the Federal Government, e.g., national parks, forests, refuges, national recreation areas, which are primarily rural in nature. FLAP (23 U.S.C. 204) and the FLTP (23 U.S.C. 203) are separate yet complementary programs that support seamless transportation access to and through Federal lands open to the public.

To ensure efficient and effective access to destinations within the Federal estate, it is essential that local, State, and non-Federally owned roads connecting to Federal Lands Transportation facilities—such as those just outside park or forest boundaries—are maintained in safe and good condition. This allows the traveling public to reach Federal lands seamlessly and fully enjoy the recreational and other opportunities they offer.

Frequently, the local, State, and non-Federally owned roads that access Federal lands are lower classification roads that generally have lower State and local priority, as well as limited eligibility under the Federal-aid highway program. Prior to the authorization of FLAP, many of these important local, State, and non-Federally owned roads fell into a state of disrepair due to constrained transportation resources. FLAP addresses this gap and is intended to complement the FLTP.

Critical funding resources are made available to those local, State, and non-Federally owned transportation facilities that provide access to the high-use Federal recreational areas or Federal economic generators within the Federal estate, with the opportunity to produce the greatest return on investment to landowners, communities adjacent to Federal lands, and the American people, who are looking for seamless transportation to these popular recreational destinations.

The structure and allocation of the \$309 million FLAP is a formula distribution by State. Since all States have Federal lands of some type, each State benefits from some portion of this funding. The formula criteria include visitation to Federal lands, Federal public road miles, number of

Federal bridges, and the amount of Federal public lands within each State. Further, 80 percent of the funds are directed towards the 12 western States with at least 1.5 percent of total Federal lands: Alaska, Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming. The remaining 38 States, Washington D.C., and Puerto Rico receive the remaining 20 percent of the funds.

The selection of projects in each State is made locally by a Programming Decisions Committee comprised of representatives from the State DOT (SDOT), FHWA, and a local public agency. These decisions are made in coordination with FLMAs with an emphasis on improving safety and investing in the Nation's infrastructure. Funds are available for transportation infrastructure, owned (or maintained) by States, Tribes, or local public agencies, on improvement projects which support the Secretary of Transportation's goals and principles and provide critical access to Federal lands.

FLAP funds are commonly pooled with other Federal and non-Federal funding sources and serve as an effective mechanism for leveraging taxpayers' dollars in rural America. Through funding flexibilities in current law, and when coupled with integrated transportation planning between FLMAs and States, projects that otherwise may have been constructed separately can be combined into a single project and be delivered in a cost-effective and time-efficient manner.

FLAP will reserve a percentage of the funding, not to exceed twenty percent, for integrated transportation planning between FLMAs and SDOTs, which includes the following activities: long-range transportation planning, bridge inspections, collection of road and bridge inventory and condition data management, and cooperative research and technology deployment. This set-aside supports comprehensive, multi-agency planning efforts and positions that address the Administration's priorities of economic growth, safety, and connectivity.

What benefits will be provided to the American public through this request and why is this program necessary?

The FLAP supports the Secretary's priorities by ensuring that roads and bridges providing access to Federal lands are safe, well-maintained, and accessible to all. FLAP projects provide safe, seamless, and multimodal access to and through Federal lands which expands economic development and creates new jobs in and around Federal lands. Collectively, they improve the quality of life for all Americans by improving the condition, resilience and safety of road and bridge assets, promoting, and improving safety for all road users, connecting communities, and prioritizing infrastructure resiliency in and around our national treasures. In addition, Transportation investments stemming from FLAP allow visitors to experience America's treasures in a safe and seamless manner.

The FLAP funding projects are implemented by FHWA, SDOTs, and local governments, among others. FHWA anticipates the following project accomplishments with these funds:

- Improve over 164 lane miles of roadways accessing Federal lands;
- Improve safety through use of innovations and design;
- Repair and replace 8 bridges to improve safety and mobility;
- Invest in several transit systems; and
- Improve over 3 miles of trails.

Detailed Justification Tribal Transportation Program

What is the request and what funds are currently spent on the program?

FY 2026 – Tribal Transportation Program (\$628 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Tribal Transportation Program	752,460	762,960	627,960
Total	752,460	762,960	627,960

What is this program and what does this funding level support?

The Tribal Transportation Program (TTP) promotes a coordinated approach to multimodal transportation in Indian country on roads owned by the Bureau of Indian Affairs (BIA), sovereign federally recognized Tribal governments, and other roads owned by States, counties, or local governments which provide access to, or are located within, Tribal communities. TTP funds are eligible for transportation planning, research, maintenance, engineering, rehabilitation, and construction of roads, bridges, trails, transit systems, and other transportation facilities on the National Tribal Transportation Facility Inventory (NTTFI).

The requested \$628 million for FY 2026 will support a comprehensive, coordinated, and goal-oriented approach to Tribal transportation infrastructure management. Tribes have recorded approximately 156,715 miles of existing roads on the NTTFI. Approximately 29,358 miles are identified as BIA routes and another 20,606 miles as Tribal routes. The remaining mileage is owned by others including States, counties, townships, boroughs, or other Federal agencies. Funding the TTP at the requested amount is necessary to invest in the Nation’s infrastructure, support and improve safety, and provide mobility and access for these communities.

The structure and allocation of the \$628 million to the 574 federally recognized Tribes is based on a statutory formula that was established in MAP-21 and carried forward in the FAST Act and IIJA. The statutory funding formula has various factors and takedowns, including four set-asides described below, that determine a “tribal share percentage” for each federally recognized Tribe. This percentage is applied to the year’s available program funding to calculate each Tribe’s share of TTP funding for that year. Below are descriptions of the four set-asides in the TTP:

The **Tribal Transportation Program Safety Fund (TTPSF)** is a four percent set-aside that supports data driven safety priorities identified by Tribes. The intent of the TTPSF is to prevent and reduce deaths or serious injuries in transportation-related crashes in Tribal areas. The TTPSF emphasizes the development of strategic transportation safety plans using a data-driven approach to target transportation safety needs in Tribal communities. TTPSF places an emphasis on crash data collection and analysis. Ultimately, planning and data analysis leads to the implementation

of infrastructure and non-infrastructure projects that improve transportation safety using both TTP funds and funding leveraged from other sources.

Since TTPSF was created under MAP-21, FHWA has awarded over \$141 million to federally recognized Tribes for 1027 projects to address transportation safety issues in Tribal areas over 10 rounds of competitive grants for projects supporting the development of safety plans, data assessment, improvement, and analysis activities, and infrastructure improvements. TTPSF awards funding to Tribal areas that have historically been overlooked by many safety analyses due to various factors, including underreporting of crashes. Many of the projects will strengthen the local economies by generating job opportunities in economically disadvantaged communities.

In 2025, FHWA will consider 108 applications from Tribes and award approximately \$21 million in TTPSF grants that improve road safety on Tribal lands. The funding is provided directly to Tribes for a range of projects, including the development of safety plans, data analysis activities, pedestrian infrastructure improvements, roadway departure countermeasures, intersection safety, visibility, and traffic calming.

The **Tribal High Priority Projects (Tribal HPP) Program** is a \$9 million set-aside that provides funds for an Indian Tribe to complete their highest priority project when their annual allocation of TTP funding is insufficient, or for any Indian Tribe that has an emergency or disaster affecting a transportation facility in the National Tribal Transportation Facility Inventory. Since the Tribal HPP was authorized under IIJA in 2022, FHWA has provided nearly \$23.3 million to federally recognized Tribes for 33 priority projects. In 2024, FHWA funded 10 priority projects at nearly \$7.4 million in Tribal HPP funds.

Transportation Planning is a two percent set-aside for each Tribe to carry out transportation planning activities through a cooperative process that fosters involvement by all users of the transportation system. The purpose of transportation planning is to evaluate a wide range of alternatives to address a Tribe's multi-modal transportation needs, to develop short, mid-, and long-term strategies to meet transportation needs, and to support these strategies by defining future policies, goals, and investments. These strategies are developed through a comprehensive approach to analyzing how current and future land use, economic development, traffic demand, public safety, health, and social needs impact the Tribes' transportation system.

Program Management and Oversight (PM&O) is a five percent set-aside for administration of the program. The PM&O set-aside provides funding for payroll, office space, office supplies, travel, and for carrying out the stewardship and oversight and the inherent Federal functions/responsibilities of the TTP. These inherent Federal functions include fund distribution, environmental documentation review and approval, project construction inspection, financial management, and program reviews. PM&O funding also supports IT support and equipment, maintenance of the National Tribal Transportation Facility Inventory (NTTFI), and other special TTP-specific and required studies, and technical assistance. Technical assistance activities include funding the Tribal Technical Assistance Program (TTAP), outreach on Tribal government recreation travel and tourism activities, and bridge inspections on the Tribal and BIA bridges across the country. The FHWA retains approximately 18 percent of the overall PM&O

budget to fund program administration for 23 full time employees with the balance of funds going to the BIA.

What benefits will be provided to the American public through this request and why is this program necessary?

The TTP supports improving transportation safety, access, and mobility in Tribal communities. This program provides better access to housing, emergency services, schools, stores, jobs, and medical services, among others, and improves the quality of life on Tribal lands for all the 574 federally recognized sovereign Tribal governments. More than 8 billion vehicle miles are traveled annually on the NTTFI system, despite more than 60 percent of the system being unpaved.

These roads, trails, bridges, transit systems, and other transportation facilities provide safe and adequate transportation for public access to, within, and through Indian reservations and native communities for Native Americans, visitors, recreational users, resource users, and others, while contributing to the health, safety, and economic development of Native American communities.

The TTP is focused on improving transportation infrastructure in Indian Country, but many TTP projects also address community health, livability, sustainability, and transportation alternatives. The anticipated FY 2026 accomplishments will include significant improvements in safety, infrastructure, planning, and transportation capacity building and will continue to support access to resources that address transportation infrastructure needs in Indian Country.

The design and construction of Tribal transportation infrastructure consistent with strategic long-range transportation plans and goals of the Tribes and DOT, will considerably benefit facilities included in the NTTFI. Further, the development of data-driven transportation safety plans will lead to investment decision-making that prevents and/or significantly reduces fatalities and serious injuries. Technical assistance and training will be provided to Tribes by FHWA and BIA to support Tribal transportation capacity building, foster innovation in transportation and transportation technologies, while providing stewardship and oversight of programs and priorities.

Detailed Justification

Nationally Significant Federal Lands and Tribal Projects Program

What is the request and what funds are currently spent on the program?

FY 2026 – Nationally Significant Federal Lands and Tribal Projects Program (\$55 million – Highway Trust Fund) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Nationally Significant Federal Lands and Tribal Projects	55,000	55,000	55,000
Total	55,000	55,000	55,000

What is this program and what does this funding level support?

The Nationally Significant Federal Lands and Tribal Projects (NSFLTP) Program, established under Section 1123 of the Fixing America's Surface Transportation (FAST) Act, Public Law 114-94) and amended by Section 11127 of the Infrastructure Investment and Jobs Act (IIJA, Public Law 117-58), provides funding for the construction, reconstruction, and rehabilitation of nationally significant projects within, adjacent to, or provide access to Federal and Tribal lands.

The NSFLTP program plays a vital role in addressing complex transportation challenges nationwide, particularly those affecting infrastructure that serves Federal and Tribal lands. Eligible applicants include Federal Land Management Agencies, federally recognized Indian Tribes, States, and local governments. To qualify, eligible projects must be a single continuous project on a Federal Lands transportation facility, a Federal Lands access transportation facility, or a Tribal transportation facility. The project must also have an estimated cost of at least \$12.5 million and have completed the National Environmental Policy Act (NEPA) review process. By statute, 50 percent of the program's funds made available annually must support projects on Tribal Transportation Facilities, and the remaining 50 percent of the funds must be dedicated to Federal Lands transportation facilities and Federal Lands access transportation facilities. Of the 50 percent of funding dedicated for Federal Lands transportation and Federal Lands access facilities, at least 1 project submitted by a U.S. National Park Service unit with 3 million or more annual visitors must be funded. For project selection, FHWA considers criteria established in authorizing legislation.

Grants from the NSFLTP Program are in high demand among tribes and other eligible recipients. From 2018 to 2023, \$4 billion has been requested, but only \$708 million has been awarded on 22 projects due to funding availability. This program is essential, particularly for funding projects on remote Tribal lands, where it can significantly improve safety, quality of life, and economic opportunities.

What benefits will be provided to the American public through this request and why is this program necessary?

The NSFLTP Program provides a reliable source of funding for major, high-cost projects that typically cannot be funded with other funding sources due to the scope and expense of the project. This competitive grant program complements both the Federal Lands Transportation and Access programs along with the Tribal Transportation Program by funding a number of critical projects annually that require significant investments. Prior to the authorization of this program, there was not a designated grant program to fund these large, nationally significant projects. These projects often did not qualify or compete well for other grant programs and were rarely funded through the States apportioned funds.

This program provides the American people with safe access to Federal and Tribal lands and addresses this former funding gap. Through effective transportation access to Federal lands, visitors can enjoy the recreational opportunities within these Federal estates. In doing so, they are contributing significantly to economic generation in rural America, particularly the small businesses that operate just outside Federal lands within gateway communities across the country.

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Executive Summary

Bridge Investment Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$2.5 billion for a competitive grant program to assist eligible entities in replacing, rehabilitating, preserving, or protecting highway bridges currently in the National Bridge Inventory, including replacing or rehabilitating bridge-size culverts. The IIJA provided \$2.5 billion for the Bridge Investment Program in FY 2024 and FY 2025. This program receives \$1.8 billion from the General Fund in each of FY 2024, FY 2025, and FY 2026 through advance appropriations. Additionally, this program receives \$650 million, \$675 million, and \$700 million from the Highway Trust Fund in FY 2024, FY 2025, and FY 2026, respectively.

What is this program and what does this funding level support?

The Bridge Investment Program complements the Bridge Formula Program, also created by IIJA, to increase investment in existing bridges that carry public roads and improve safety. This program allows States, Metropolitan Planning Organizations, local governments, Federal Land Management Agencies, Tribal governments, and other eligible entities to apply for funding to complete projects that improve the safety, efficiency, and reliability of the movement of people and freight over bridges and improve the condition of bridges. Additionally, the financial assistance provided by the program leverages and encourages non-Federal contributions from sponsors and stakeholders.

What benefits will be provided to the American public through this request and why is this program necessary?

This program creates opportunities for all levels of government to fund highway bridge projects while leveraging Federal funding. It offers States, Metropolitan Planning Organizations, local governments, Federal Land Management Agencies, Tribal governments, and other eligible entities an ability to advance both large and other than large bridge projects. Projects funded by this program will fix our aging highway bridges, thereby enhancing the safety, capacity, and connectivity of our Nation's transportation infrastructure.

Detailed Justification Bridge Investment Program

What is the request and what funds are currently spent on the program?

FY 2026 – Bridge Investment Program (\$2.5 billion) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Bridge Investment Program	2,497,000	2,522,000	2,547,000
Total	2,497,000	2,522,000	2,547,000

What is this program and what does this funding level support?

The Bridge Investment Program is a competitive grant program that provides financial assistance to States, Metropolitan Planning Organizations, local governments, political subdivisions of a State or local government, special purpose districts or public authorities with a transportation function, Federal Land Management Agencies, and Tribal governments to complete projects on existing highway bridges that align with the program's statutory goals to:

- Improve the safety, efficiency, and reliability of the movement of people and freight over bridges.
- Improve the condition of bridges by reducing:
 - The number of bridges in poor condition or in fair condition and at risk of falling into poor condition within the next three years;
 - The total person miles traveled over bridges in poor condition or in fair condition and at risk of falling into poor condition within the next three years;
 - The number of bridges that do not meet current geometric design standards or cannot meet the load and traffic requirements typical of the regional transportation network; and
 - The total person miles traveled over bridges that do not meet current geometric design standards or cannot meet the load and traffic requirements typical of the regional transportation network.
- Provide financial assistance that leverages and encourages non-Federal contributions from sponsors and stakeholders.

The FY 2026 budget request of \$2.5 billion for this program will provide competitive planning project grants for feasibility analysis and revenue forecasting associated with the potential of becoming eligible for a Bridge Investment Program construction grant. There are two types of construction grant projects: Large Bridge Projects (eligible projects with total costs greater than \$100 million); and Bridge Projects (eligible projects with total costs not greater than \$100 million). At least 50 percent of program funds made available out of the Highway Trust Fund will be used for Large Bridge Projects, and a portion of funds will be set-aside for Tribal Transportation Facility Bridge projects. Both types of construction grants are eligible for a single

project that bundles two or more bridge projects. For Large Bridge Projects, the Secretary will submit an annual report to Congress on funding recommendations, based on project evaluations. For Bridge Projects, evaluations will also be used prior to providing a grant. Considerations for project evaluations will be based on statutory requirements and include whether the project:

- Addresses a need to improve the condition of the bridge(s);
- Generates safety, environmental, or economic benefits, improved movement of freight and people, or cost savings including reduced maintenance costs and costs avoided by the prevention of closure or reduced use of a bridge(s);
- Is cost effective based on an analysis of whether the benefits and avoided costs are expected to outweigh the project costs;
- Is supported by other Federal or non-Federal financial commitments or revenues adequate to fund ongoing maintenance and preservation; and
- For Large Bridge Projects, is consistent with the objectives of an applicable asset management plan.

What benefits will be provided to the American public through this request and why is this program necessary?

Nationally and regionally significant highway bridge projects are often complex, making them difficult to efficiently implement under other Federal and State funding programs. This program creates opportunities for all levels of government to fund highway bridge projects while leveraging Federal funding. It offers States, Metropolitan Planning Organizations, local governments, Federal Land Management Agencies, Tribal governments, and other eligible entities an ability to advance large and smaller highway bridge projects.

This program supplements the other FHWA programs in which highway bridge projects are eligible, such as the Bridge Formula Program, the Surface Transportation Block Grant Program and National Highway Performance Program. Long-term commitments to funding the latter two programs have resulted in the percentage of the deck area of highway bridges classified as in “Poor” condition dropping from 6.7 percent in 2014 to 4.9 percent in 2024 even as the total number of bridges in the Nation’s inventory increased from 610,749 to 623,218. With the Bridge Investment Program, additional benefits and improvements to highway bridge conditions are expected. This program is anticipated to have a significant effect on the Nation’s aging highway system, as it provides an opportunity to eligible entities an ability to advance both Large Bridge Projects and Bridge Projects. These improvements will contribute to enhancing the safety, capacity, and connectivity of our Nation’s transportation infrastructure.

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Executive Summary

Congestion Relief Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$50 million to provide competitive grants to States, local governments, and metropolitan planning organizations (MPOs) to reduce congestion in the most densely populated metropolitan areas of the United States. The IIJA authorized \$50 million for this program in both FY 2024 and FY 2025. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The Congestion Relief Program provides competitive grants to States, local governments, and MPOs to advance innovative, integrated, and multimodal solutions for congestion relief in the most densely populated metropolitan areas of the United States.

States and MPOs compete for grants to support eligible projects within urbanized areas containing populations of more than one million individuals. Priority is given to eligible projects located in urbanized areas that are experiencing high degrees of recurring congestion.

Eligible projects may include: the deployment and operation of mobility services; integrated congestion management systems; systems that implement or enforce high occupancy vehicle toll lanes, cordon pricing, parking pricing, or congestion pricing; and incentive programs that encourage travelers to carpool or use non-highway travel modes.

In addition, the Congestion Relief Program permits the Secretary to allow the use of tolls on the Interstate System as part of a project carried out with a program grant, subject to certain requirements. The Secretary may approve the use of tolls on the Interstate System under the program in up to ten urbanized areas.

What benefits will be provided to the American public through this request and why is this program necessary?

The goals of the program are to reduce congestion in the most densely populated metropolitan areas of the United States along with the economic, social, and environmental costs associated with that congestion, and to optimize use of the existing highway and transit systems.

Detailed Justification Congestion Relief Program

What is the request and what funds are currently spent on the program?

FY 2026 – Congestion Relief Program (\$50 million) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Congestion Relief Program	50,000	50,000	50,000
Total	50,000	50,000	50,000

What is this program and what does this funding level support?

The Congestion Relief Program provides competitive grants to States, local governments, and MPOs for projects in large, urbanized areas to advance innovative, integrated, and multimodal solutions to mitigate congestion in the most densely populated metropolitan areas of the United States. Grants are limited to eligible projects located in urbanized areas containing populations of more than one million. Priority is given to those areas that are experiencing high degrees of recurring congestion. The Federal cost-share will not exceed 80 percent of the total cost of a project. The minimum grant award is \$10 million.

Funds from a grant under the program may be used for a project or an integrated collection of projects, including planning, design, implementation, and construction activities to achieve program goals. Eligible projects may include: the deployment and operation of mobility services; integrated congestion management systems; systems that implement or enforce high occupancy vehicle toll lanes, cordon pricing, parking pricing, or congestion pricing; and incentive programs that encourage travelers to carpool, to use non-highway travel modes, or to travel during nonpeak periods.

In addition, the Congestion Relief Program permits the Secretary to allow the use of tolls on the Interstate System as part of a project carried out with a program grant, subject to certain requirements. The Secretary may approve the use of tolls on the Interstate System under the program for up to 10 urbanized areas.

The “integrated congestion management systems” supported by the program is defined to mean the integration of management and operations of a regional transportation system, that includes, at a minimum, traffic incident management, work zone management, traffic signal timing, managed lanes, real-time traveler information, and active traffic management. This is intended to maximize the capacity of all facilities and modes across the applicable region.

What benefits will be provided to the American public through this request and why is this program necessary?

The goals of the program are to reduce highway congestion in the most densely populated metropolitan areas of the United States; to reduce the economic, social, and environmental costs associated with that congestion, including transportation emissions; and to optimize use of existing highway and transit systems.

The program aims to achieve these goals through: improving intermodal integration with highways, highway operations, and highway performance; reducing or shifting highway users to off-peak travel times or to non-highway travel modes during peak travel times; and value pricing.

The Nation's local, regional, and national transportation systems play a vital role in creating access to goods and services which sustain and grow our Nation's economy. Highway congestion, therefore, is an economic development issue because it thwarts business attraction and expansion and reduces the quality of life for residents. The program supports advancement of innovative solutions to address the congestion challenge of the present and to modernize and effectively manage our transportation system for the future.

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Executive Summary

Infrastructure for Rebuilding America

What is the request and what funds are currently spent on the program?

The FY 2026 budget request is \$2.3 billion (which includes \$770 million subject to appropriation) to support highway and freight projects of national or regional significance. The IIJA provided \$1.6 billion for this program in FY 2024 comprised of \$1.0 billion and \$640 million from the Highway Trust Fund and the General Fund through advance appropriations, respectively. In FY 2025 and FY 2026, the funding is comprised of \$900 million and \$640 million from the Highway Trust Fund and the General Fund through advance appropriations, respectively, plus an additional \$770 million subject to appropriation in FY 2026.

What is this program and what does this funding level support?

The Infrastructure for Rebuilding America (INFRA) competitive grant program supports advancing nationally significant multimodal freight and highway projects to improve the safety, efficiency, and reliability of the movement of freight and people.

This program allows States, metropolitan planning organizations, local governments, and other eligible entities to apply for funding to complete projects that improve safety, generate economic benefits, reduce congestion, enhance resiliency, and hold the greatest promise to eliminate freight bottlenecks and improve critical freight movements.

The FY 2026 budget request of \$2.3 billion for INFRA will advance critical highway and bridge projects on the National Highway Freight Network (NHFN) and the National Highway System (NHS) that improve the safe, secure, and efficient movement of people and goods throughout the United States and improve the national economy. The program also supports freight and highway projects that are multimodal, multi-jurisdictional, complex, or involve partnership with the private sector – projects which are difficult to develop and implement using other Federal and State funding programs.

What benefits will be provided to the American public through this request and why is this program necessary?

This program, which advances nationally significant multimodal freight and highway projects, offers public-sector agencies and their private sector partners a path forward to make real improvements in highway and freight infrastructure and operations that will leverage Federal investment. Projects supported by this program provide public benefits including improved national and regional economic vitality, innovation, and safety in both rural and urban areas.

The Department's approach for implementing INFRA addresses critical issues facing the Nation's highway, bridge, rail, and port infrastructure. Projects already funded by this program are fixing aging infrastructure and providing enhanced safety, capacity, and connectivity for highways and the freight system. This program creates opportunities for all levels of government and the private sector to partner in efforts to fund infrastructure, increasing accountability across a broader range of system providers and operators and leveraging Federal funding. The program also encourages innovative approaches to improve the necessary processes for building significant projects.

Detailed Justification Infrastructure for Rebuilding America

What is the request and what funds are currently spent on the program?

FY 2026 – Infrastructure for Rebuilding America (\$2.3 billion) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Infrastructure for Rebuilding America	1,640,000	1,540,000	2,310,000
Total	1,640,000	1,540,000	2,310,000

What is this program and what does this funding level support?

INFRA is a competitive grant program that provides financial assistance to States, metropolitan planning organizations, Tribal governments, special-purpose districts, multistate corridor organizations and port authorities with a transportation function, and local governments to complete projects that align with the program’s statutory goals to:

- Improve the safety, efficiency, and reliability of the movement of freight and people in and across rural and urban areas;
- Generate national or regional economic benefits and an increase in the global economic competitiveness of the U.S.;
- Reduce highway or freight congestion and bottlenecks;
- Improve connectivity between modes of freight transportation;
- Enhance the resiliency of critical highway or freight infrastructure and help protect the environment;
- Improve roadways vital to national energy security, including highways that support movement of energy equipment; and
- Address the impact of population growth on the movement of people and freight.

FY 2026 funds will be used to make awards that increase the impact of projects by leveraging capital and allowing innovation in the project delivery and permitting processes, including public-private partnerships. INFRA promotes innovative safety solutions that will improve the transportation system. INFRA also targets performance and accountability in project delivery and operations.

The program is anticipated to have a significant effect on the ability of our Nation to meet the growth in freight and passenger demand in a responsible, effective, and safer way. Nationally and regionally significant highway and freight projects are often multimodal, multi-jurisdictional, complex, or involve partnership with the private sector, making them difficult to efficiently implement under other Federal and State funding programs.

What benefits will be provided to the American public through this request and why is this program necessary?

INFRA grants advance projects that support economic growth and make use of project delivery and financing innovations. The necessity of this program is evidenced by the large number of eligible applications compared to the available funding. In the latest round of the INFRA program for FY 2025-2026, the Department received 175 eligible grant applications requesting more than \$24.7 billion in grant funding, approximately 9 times the awarded amount of \$2.7 billion.

In May 2025, the Department announced \$262 million for six INFRA projects in five States. These projects reflect the Department's goal of getting back to basics: building more, building efficiently, and building quickly.

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Executive Summary

Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Competitive Grant Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$300 million for competitive grants to eligible entities for activities to assess and address infrastructure vulnerabilities to current and future weather events, natural disasters and changing conditions. The IIJA provided \$300 million for this program in FY 2024 and FY 2025. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation (PROTECT) Competitive Grant Program complements the PROTECT Formula Program, which is similarly focused on protecting surface transportation assets by making them more resilient to current and future weather events, natural disasters, and changing conditions. The program awards competitive grants to States, Metropolitan Planning Organizations, local governments, Tribes, and other recipients for projects in four areas: Planning Grants, Resilience Improvement Grants, Community Resilience and Evacuation Route Grants, and At-Risk Coastal Infrastructure Grants. Eligible PROTECT Competitive Grant Program facilities include public roads, public transportation facilities, intercity rail passenger transportation, and ports.

What benefits will be provided to the American public through this request and why is this program necessary?

PROTECT Competitive Grant Program activities will protect surface transportation assets by making them more resilient to impacts of current and future weather events, natural disasters, and changing conditions. For example, resilient improvements and strategies will allow for the continued operation or rapid recovery of surface transportation systems and will ensure that transportation infrastructure can continue to serve its primary function over its expected service life. Coastal infrastructure will be better protected from the long-term risk of sea level rise, flooding, and coastal storms. Natural infrastructure can be utilized to protect and enhance surface transportation assets while providing economic and ecosystem benefits.

Detailed Justification PROTECT Competitive Grant Program

What is the request and what funds are currently spent on the program?

FY 2026 –PROTECT Competitive Program (\$300 million) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
PROTECT Competitive Grants	300,000	300,000	300,000
Total	300,000	300,000	300,000

What is this program and what does this funding level support?

The PROTECT Competitive Grant Program awards competitive grants to eligible entities for activities that enable communities to assess and address transportation system vulnerabilities to current and future weather events and other natural disasters and changing conditions. Natural disasters include, but not limited to: severe storms, flooding, drought, levee and dam failures, wildfire, rockslides, mudslides, sea level rise, extreme weather, including extreme temperature, and earthquakes. Eligible facilities include public roads and bridges, public transportation facilities, intercity rail, and port facilities including intermodal connectors.

PROTECT Competitive Grant Program funds can be used for four types of projects:

- **Planning Grants:** including projects to develop a Resilience Improvement Plan; resilience planning, predesign, design, or the development of data tools including vulnerability assessments; technical capacity building; and evacuation planning and preparation.
- **Resilience Improvement Grants:** including projects to improve resilience of existing surface transportation infrastructure to current and future weather events, natural disasters, and changing conditions, such as sea level rise, flooding, wildfires, extreme weather events, and other natural disasters.
- **Community Resilience and Evacuation Routes Grants:** including strengthening, protecting, and improving evacuation routes to meet future needs, ensuring access to critical destinations, and supporting safe passage during an evacuation.
- **At-Risk Coastal Infrastructure Grants:** including work to make coastal highways and non-rail infrastructure more resilient to coastal flooding, coastal erosion, wave action, storm surge or sea level rise in order to improve transportation and public safety; and reduce future maintenance and rebuilding costs. (For these grants, eligible entities include the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands and are restricted to those in, or bordering on, the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico, Long Island Sound, or one or more of the Great Lakes.)

Eligible project activities include project development, design, property acquisition, construction/reconstruction and rehabilitation, and environmental mitigation. PROTECT Competitive Grant Program funds also support planning activities, including systems level assessments of surface transportation vulnerability to natural disasters, changing conditions, and current and long-term planning activities and investments to promote resilience.

What benefits will be provided to the American public through this request and why is this program necessary?

The PROTECT Competitive Grant Program is the first Federal-aid highways competitive grant program that focuses work and resources on making the highway system and surface transportation more resilient to natural hazards, including changing conditions. Dedicated grant funding for resilience projects is needed to ensure surface transportation systems withstand current and future weather impacts, natural disasters, and changing conditions.

Projects funded by the PROTECT Competitive Grant Program will be more resilient and provide a range of benefits to the public. While coastal highways are exposed to storm surge, sea level rise and high tide flooding, inland areas are also vulnerable to changing conditions, such as flooding made worse by stronger and more frequent precipitation events, extreme temperatures that can damage pavements, and wildfires followed by rain events that can cause landslides. Resilience improvements and improved routes to support evacuations and relief efforts after events, for example, will improve the safety of the traveling public and our communities, support freight movements, and facilitate economic growth. The PROTECT Competitive Grant Program also supports improved regional planning, programming, and project level analysis that address future risks, not just historical risks, to ensure that communities can minimize life cycle costs and maximize benefits resulting from building, operating, and maintaining transportation systems.

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Executive Summary

Reduction of Truck Emissions at Port Facilities

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$80 million for competitive grants that reduce port-related emissions from idling trucks. The IIJA provided \$80 million for this program in both FY 2024 and FY 2025. In FY 2024, FY 2025, and FY 2026, \$50 million and \$30 million are provided from the Highway Trust Fund and the General Fund through advance supplemental appropriations, respectively.

What is this program and what does this funding level support?

The Reduction of Truck Emissions at Port Facilities Program funds projects through competitive grants to reduce truck-related emissions at port facilities. Grantees will test, evaluate, and deploy innovative solutions such as port electrification and other emerging technologies and strategies.

What benefits will be provided to the American public through this request and why is this program necessary?

Port operations generate a significant amount of truck traffic. Commercial motor vehicles serve the port, picking up and dropping off freight shipments, and operating in service on port property. Trucks queue at port gates prior to port openings for credential checks and back-ups form due to heavy demand. There may also be trucks that need to stay at ports, or intermodal port facilities, to meet Federal hours of service requirements, for refueling, and for other driver or vehicle service needs.

This program can demonstrate strategies, designs, and operational improvements, through the use of emerging technologies to reduce noise and emissions linked to commercial trucking activities at ports and intermodal port facilities. It offers an opportunity to explore innovative and alternative port infrastructure projects and streamline operations for improved public and environmental health. These solutions will leverage Federal investment in emissions reduction.

The program will also yield best practices that can be shared and implemented at ports and other areas of concentrated commercial motor vehicle activity nationwide. Projects supported by this program will provide public benefits to the port workforce and surrounding port community including reduced air pollution and a possible reduction in traffic congestion or noise. Truck parking solutions related to the provision of auxiliary services or vehicle charging may also reduce the incidence of trucks parking in unsafe locations or unofficial areas such as port neighborhoods.

Detailed Justification

Reduction of Truck Emissions at Port Facilities

What is the request and what funds are currently spent on the program?

FY 2026 – Reduction of Truck Emissions at Port Facilities (\$80 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Reduction of Truck Emissions at Port Facilities	80,000	80,000	80,000
Total	80,000	80,000	80,000

What is this program and what does this funding level support?

The Reduction of Truck Emissions at Port Facilities Program funds projects through competitive grants that reduce truck-related noise and emissions at port facilities. Grantees will test, evaluate, and deploy innovative solutions such as port electrification and other emerging technologies and strategies. The program also supports studies and provides for a Report to Congress after all the projects are completed. Grants awarded will not exceed an 80 percent Federal share.

What benefits will be provided to the American public through this request and why is this program necessary?

Community and environmental health consequences of air pollution resulting from heavy-duty diesel trucks concentrated at and near ports can be substantial. A study of impacts from growth at the ports of Los Angeles and Long Beach, California¹⁰ found that vehicle-related air pollutants and their resulting health impacts, including the frequency of respiratory ailments and mortality, is highly localized within approximately 100 to 400 meters downwind. Emissions from total shipping (i.e., produced by international, domestic, and fishing) rose 9.6 percent from 2012 to 2018, and carbon dioxide (CO₂) emissions grew 9.3 percent.¹¹ Port traffic emissions are expected to increase 50 percent by 2050 from 2018 values under a business-as-usual scenario.¹²

This program will address emissions related to trucking operations and provide a framework for environmentally sound port expansion and growth. The Department will encourage projects that improve workforce conditions, the public and environmental health of nearby communities, and support growth and resiliency. Projects could be used to implement critical infrastructure and operations programs. This program offers an opportunity to explore innovative port infrastructure projects that will provide benefits to the port workforce and surrounding port community, including reduced air pollution and a possible reduction in traffic congestion or noise. Truck parking solutions related to the provision of auxiliary services or vehicle charging may also reduce the incidence of trucks parking in unsafe or unofficial areas.

¹⁰ *Transportation Research Record: Journal of the Transportation Research Board*, No. 2067, Transportation Research Board of the National Academies, Washington, D.C., 2008, pp. 38–46

¹¹ Fourth International Maritime Organization Green House Gases Study of 2020

¹² [Green Shipping Corridors Framework](#), Department of State, April 12, 2022

Executive Summary

Rural Surface Transportation Grant Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$500 million for competitive grants to eligible entities to improve and expand the surface transportation infrastructure in rural areas. The IIJA provided \$400 million and \$450 million for this program in FY 2024 and FY 2025, respectively. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The Rural Surface Transportation Grant Program provides competitive grants to eligible entities to improve and expand the surface transportation infrastructure in rural areas. The goals of the program are to increase connectivity, improve safety and reliability of the movement of people and freight, generate regional economic growth, and improve quality of life.

The Federal share is at least 80 percent, and up to 100 percent for projects on the Appalachian Development Highway System (ADHS), or for projects that address a surface transportation infrastructure need identified for the Denali access system program. At least 25 percent of the funds are reserved for projects that further the completion of designated routes of the ADHS. The program sets aside 15 percent of the funding for eligible projects in States with higher-than-average rural roadway lane departure fatalities. At least 90 percent of rural grant amounts must be for projects of at least \$25 million.

What benefits will be provided to the American public through this request and why is this program necessary?

Rural transportation networks are critically important for domestic production and export of agriculture, mining, and energy commodities, as well as the quality of life for all Americans. Two-thirds of rail freight originates in rural areas, and nearly half of all truck vehicle-miles-traveled (VMT) occur on rural roads. Rural roads account for a significant proportion of total lane miles in the United States, and they play a significant role in our nation's transportation system, safely moving people and goods to their destinations. However, rural areas face several transportation challenges relating to safety, usage, and infrastructure condition. While only 19 percent of the U.S. population lives in rural areas, 43 percent of all roadway fatalities occur on rural roads, and the fatality rate on rural roads is almost 2 times higher than on urban roads.¹³ Rural bridges that are closed or posted, for example, require American travelers to make detours nearly twice as long as those necessitated by their urban counterparts.

This program provides grants for rural areas to address transportation gaps and challenges. Addressing these challenges will facilitate supply chains and getting goods to market, providing economic benefits both to these regions and to the entire U.S. economy. It also helps to address safety challenges disproportionately faced by rural communities and travelers.

¹³ U.S. Department of Transportation, Bureau of Transportation Statistics, Rural Transportation Statistics available at <https://www.bts.gov/rural>

Detailed Justification

Rural Surface Transportation Grant Program

What is the request and what funds are currently spent on the program?

FY 2026 – Rural Surface Transportation Grant Program (\$500 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Rural Surface Transportation Grant Program	400,000	450,000	500,000
Total	400,000	450,000	500,000

What is this program and what does this funding level support?

The Rural Surface Transportation Grant Program provides competitive grants to eligible entities to improve and expand the surface transportation infrastructure in rural areas. The goals of the program are to increase connectivity, improve safety and reliability of the movement of people and freight, generate regional economic growth, and improve quality of life.

This program provides grants for rural areas to address transportation gaps and challenges. Addressing these challenges will facilitate supply chains and getting goods to market, providing economic benefits both to these regions and to the entire U.S. economy. It also helps to address safety challenges disproportionately faced by rural communities and travelers. Eligible entities are States, regional transportation planning organizations, local governments, Tribal governments or consortia of Tribal governments, and multijurisdictional groups comprising the previously listed entities.

Eligible projects include:

- A highway, bridge, or tunnel project eligible under the National Highway Performance Program, the Surface Transportation Block Grant, and the Tribal Transportation Program; or a highway freight project eligible under the National Highway Freight Program.
- A highway safety improvement project, including a project to improve a high-risk rural road as defined by the Highway Safety Improvement Program.
- A project on a publicly owned highway or bridge that provides or increases access to an agricultural, commercial, energy, or intermodal facility that supports the economy of a rural area.
- A project to develop, establish, or maintain an integrated mobility management system, a transportation demand management system, or on-demand mobility services.

What benefits will be provided to the American public through this request and why is this program necessary?

This program provides grants for rural areas to address transportation gaps and challenges. Addressing these challenges facilitates supply chains and getting goods to market, providing economic benefits both to these regions and to the entire U.S. economy. It also helps to address safety challenges disproportionately faced by rural communities and travelers. Rural roads account for 68 percent of total lane miles in the United States and play a significant role in our Nation's transportation system, safely moving people and goods to their destinations. However, rural areas face several transportation challenges relating to safety, usage, and infrastructure condition.

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Executive Summary

Federal Allocation Programs

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$547 million for the Federal Allocation Programs. The IJA provided \$534 million and \$541 million for these programs in FY 2024 and FY 2025, respectively. These programs are funded through the Highway Trust Fund, with the exception of \$68 million from the General Fund through advance appropriations in each of FY 2024, FY 2025, and FY 2026 for the Construction of Ferry Boats and Ferry Terminal Facilities.

What is this program and what does this funding level support?

This program category contains six separate programs that have had a long-standing, positive impact on our Nation's highway infrastructure.

What benefits will be provided to the American public through this request and why is this program necessary?

The **Construction of Ferry Boats and Ferry Terminal Facilities** program provides funding for ferry services which are important links in the network of Federal-aid highways, and in many cases, are the only reasonable form of transportation.

The **Disadvantaged Business Enterprise Supportive Services** program benefits the American public by helping develop a healthy small business sector, thereby creating jobs, stimulating innovation, and providing employment opportunities.

Emergency Relief program funds are critical to maintaining mobility and safety for the American public following a disaster. The ER program provides funding to States, Federal Land Management Agencies, and Tribal governments for the repair and reconstruction of Federal-aid highways and roads on Federal lands following a disaster.

The **Highway Use Tax Evasion Projects** program provides funding to the Internal Revenue Service and the States to carry out intergovernmental enforcement efforts, along with training and research, to reduce evasion of payment of motor fuel and other highway use taxes, which are the principal sources for Federal and State highway funding.

The **On-the-Job Training Supportive Services** program helps develop the capacity of the Nation's current and future highway construction industry workforce.

The **Territorial and Puerto Rico Highway Program** has provided for the construction of critical infrastructure in Puerto Rico and the four territories. The program stimulates local economic growth, which generates a positive impact on a national level. It also provides critical infrastructure that serves key facilities with a strategic role for national defense.

Detailed Justification

Construction of Ferry Boats and Ferry Terminal Facilities

What is the request and what funds are currently spent on the program?

FY 2026 – Construction of Ferry Boats and Ferry Terminal Facilities (\$186 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Construction of Ferry Boats and Ferry Terminal Facilities	182,400	184,400	186,400
Total	182,400	184,400	186,400

What is this program and what does this funding level support?

The FY 2026 budget request of \$186 million is required to maintain and improve important transportation connections on the Federal-aid highway system, as well as provide access to remote areas where other modes of transportation may not be available for passengers and vehicles.

The Construction of Ferry Boats and Ferry Terminal Facilities (FBP) program provides funding to construct ferry boats and ferry terminal facilities. Funds are proportionally distributed to eligible ferry operations, based on the number of ferry passengers, the number of vehicles carried, and the total route miles serviced.

Ferry services are important links in the network of Federal-aid highways. Often ferries carry significant numbers of passengers and vehicles. In many cases, they are the only reasonable form of transportation, particularly on coastal islands which have year-round residents.

What benefits will be provided to the American public through this request and why is this program necessary?

The Construction of Ferry Boats and Ferry Terminal Facilities program addresses mobility and access in urban and rural areas by providing valuable assistance to help States and other entities replace or acquire new ferry boats; update navigational control systems; construct new terminals; and replace and construct new docking facilities. Through these activities, the program supports vital connections on the network of Federal-aid highways and increasing mobility and safety particularly for citizens for which ferry services are the only reasonable transportation option. For FY 2024, this program has made \$169 million in formula funding available for 112 eligible ferry operations in 35 States and three U.S. territories.

Detailed Justification

Disadvantaged Business Enterprise Supportive Services Program

What is the request and what funds are currently spent on the program?

FY 2026 – Disadvantaged Business Enterprise Supportive Services (\$10 million)
(\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Disadvantaged Business Enterprise Supportive Services ^{1/}	10,000	10,000	10,000
Total	10,000	10,000	10,000

1/ Program funded as set-aside from Administrative Expenses.

What is this program and what does this funding level support?

The FY 2026 budget requests \$10 million for the Disadvantaged Business Enterprise Supportive Services (DBE/SS) Program. State Departments of Transportation (State DOTs), as recipients of Federal-aid highway funds are required to administer a Disadvantage Business Enterprise (DBE) program. The DBE/SS program supports the ability of State DOTs to achieve the objective of the DBE program, which ensures that small firms are prepared to compete for DOT-assisted contracts in the transportation industry (49 CFR Part 26).

The DBE/SS Program under section 140(c) of title 23 United State Code, authorizes FHWA to fund \$10 million annually to participating State DOTs to administer programs that develop and provide training and technical assistance to DBE firms to improve their business practices, overcome barriers to success, and improve their ability to participate on federally assisted contracts. Greater participation of small businesses in improving America’s infrastructure promotes healthy competition, drives job creation, supports wealth generation and transfer, and strengthens the economic foundation of our nation.

The DBE/SS funds made available each fiscal year are allocated by the FHWA to State DOTs by formula and are eligible for a 100 percent Federal share, with no State match required. The primary purpose of the DBE/SS program is to provide training, capacity building assistance, and services to firms certified in the DBE program. This training and support is intended to increase their activity within the program, and to facilitate the firms’ development into viable, self-sufficient organizations capable of competing for, and performing on, federally assisted highway projects.

Since FY 2015, FHWA has required State DOTs accepting DBE/SS funds to create and administer Business Development Programs (BDPs). These BDPs must provide DBEs the opportunity to be evaluated and must provide a structured process for the DBEs to receive firm-specific training and guidance to be competitive within the heavy highway marketplace. Program activities include seminars that highlight DBE program regulation and/or policy changes,

workshops geared to help small firms grow their business capacity, and training in bonding and financial assistance, marketing, and accounting.

What benefits will be provided to the American public through this request and why is this program necessary?

The program directly supports small business development. Small businesses are vital to the health of the Nation's economy and can significantly contribute to infrastructure redevelopment initiatives. Small businesses generate new employment opportunities within their local communities and thereby contribute to the stability of these communities.

The program is necessary to assist a sector of the small business community to build their capacity and ability to compete for contracts.

Detailed Justification Emergency Relief Program

What is the request and what funds are currently spent on the program?

FY 2026 – Emergency Relief Program (\$100 million) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Emergency Relief Program ^{1/}	100,000	100,000	100,000
Total	100,000	100,000	100,000

1/ In FY 2024, FY 2025, and FY 2026, \$5.7 million is sequestered from Emergency Relief each year (table does not reflect sequestration).

What is this program and what does this funding level support?

Congress authorized the Emergency Relief (ER) program from the Highway Trust Fund in section 125 of title 23, United States Code, providing for the repair or reconstruction of Federal-aid highways and roads on Federal lands that have suffered serious damage as a result of: (1) natural disasters; or (2) catastrophic failures from an external cause. This program supports the Secretary's key priorities of infrastructure and safety by supplementing the commitment of resources from States, their political subdivisions, or other Federal agencies, to help pay for unusually heavy expenses resulting from extraordinary conditions that damage existing infrastructure and allow such infrastructure to return to a safe condition.

Examples of natural disasters include floods, hurricanes, earthquakes, tornadoes, tidal waves, severe storms, landslides, and wildfires. A catastrophic failure from an external cause is defined as the sudden and complete failure of a major element or segment of the highway system that causes a disastrous impact on transportation services. The cause of the catastrophic failure must be determined to be external to the facility. A bridge suddenly collapsing after being struck by a barge is an example of a catastrophic failure from an external cause. Failures due to an inherent flaw in the facility itself do not qualify for ER assistance.

When a natural disaster or catastrophic failure occurs, the ER program is available to provide assistance to restore essential traffic, prevent future damage and protect the remaining facility. Longer-term permanent repairs to restore damaged highways are also funded through the ER program. When economically justified, betterments to damaged highways, including those aimed at improving the resiliency of those facilities, would be eligible for funding through the ER program. Additionally, the law makes eligible the cost of a comparable facility that is designed to current geometric and construction standards required for the types and volume of traffic the facility will carry over its design life.

The ER program has been funded through a recurring annual authorization of \$100 million since 1972. In accordance with the Budget Control Act of 2011, ER funds authorized from the

Highway Trust Fund in 23 U.S.C. 125 are subject to the sequestration of funding. When the ER program has demonstrated needs exceeding available funding, Congress has provided supplemental appropriations, typically from the General Fund.

Over the past seven years, the ER Program has allocated an average of \$2.2 billion annually. Since 2005, over \$26.9 billion has been provided through supplemental appropriations to the ER program, in addition to the annual \$100 million authorization. This includes recent appropriations of \$1.5 billion in FY 2017, \$1.4 billion in FY 2018, \$1.7 billion in FY 2019, \$2.6 billion in FY 2022, \$803 million in FY 2023, and \$8.1 billion in FY 2025 for nationwide disasters. These appropriations were funded by the General Fund.

What benefits will be provided to the American public through this request and why is this program necessary?

ER program funds are critical to maintaining mobility and safety for the American public following a disaster. Natural disasters and catastrophes that destroy highways and bridges are unpredictable events and can occur anywhere in the country. The ER program provides funding to States, Federal Land Management Agencies, and Tribal governments for the repair and reconstruction of Federal-aid highways and roads on Federal lands following a disaster. The ER Program supports statute, the Secretary's priorities, and Executive Order 14239 (Achieving Efficiency Through State and Local Preparedness) by returning damaged roads and bridges to safe operating conditions, improving damaged roads and bridges by upgrading to current design standards, and, when eligible, improving resiliency.

The ER program enhances national security and creates a more resilient infrastructure. Incorporating protective features into ER-funded projects will help to mitigate the risk or recurring damage from extreme weather events. The success of implementing protective features and resiliency can be documented by the reconstruction of the Sanibel Causeway after Hurricane Ian (2022). With funding provided by the ER program, the Florida Department of Transportation successfully utilized non-traditional design measures and contracting approaches to improve resiliency which allowed the Causeway to withstand the 5-foot storm surge generated by Hurricane Milton (2024) without suffering significant damage.

Through the ER program, FHWA has the ability to provide funding through the "quick release" method, which helps fund the restoration of critical transportation infrastructure immediately after an emergency event. These funds are a down payment toward restoring damaged transportation infrastructure. In the immediate period following the impact of Hurricane Helene, FHWA allocated \$539.7 million in ER funding via multiple "quick releases" to begin funding the immediate repair and reconstruction of the roadway network in the affected States including North Carolina, South Carolina, Tennessee, and Virginia. ER funds were used to facilitate emergency and ongoing permanent repairs to Interstate 40, Interstate 26, and the Blue Ridge Parkway.

Detailed Justification Highway Use Tax Evasion Projects

What is the request and what funds are currently spent on the program?

FY 2026 – Highway Use Tax Evasion Projects (\$4 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Highway Use Tax Evasion Projects ^{1/}	4,000	4,000	4,000
Total	4,000	4,000	4,000

1/ Program funded as set-aside from Administrative Expenses.

What is this program and what does this funding level support?

The Highway Use Tax Evasion Projects (HUTE) program provides funding to the Internal Revenue Service (IRS) and the States to carry out intergovernmental enforcement efforts, along with training and research, to reduce evasion of payment of motor fuel and other highway use taxes, which are the principal sources for Federal and State highway funding. The budget requests \$4 million to fund this program in FY 2026. Of this amount: \$2 million is available to make grants for intergovernmental enforcement efforts, including research and training. The intergovernmental enforcement efforts grants are awarded to State agencies through a competitive application process from which FHWA and the IRS make selections based on the most innovative, intergovernmental proposals. The States then perform various tasks, including increased enforcement, enhancement of data systems, and coordination with other State agencies.

The remaining funding may, at the discretion of the Secretary of Transportation, either be awarded for intergovernmental enforcement efforts grants, or allocated to the IRS for their enforcement efforts.

While the statute allows for the IRS to determine the use of their allocations, they must be used in some fashion related to the identification and elimination of highway use tax evasion. IRS initiatives may include, but are not limited to, office examinations, refinery and terminal examinations, and on-road enforcement in areas such as the illegal use of dyed diesel fuel by motor vehicles.

The FY 2026 request will continue to fund IRS initiatives, including the expansion of the Joint Operations Center for National Fuel Tax Compliance (JOC), a joint FHWA/IRS/State initiative and new, innovative, and intergovernmental enforcement efforts at the State level.

Through the efforts of this program, the IRS has launched a number of initiatives over the past ten years, including: Diesel Examinations, Tire Tax Examinations, the review of Heavy Highway Vehicle Use Tax (HVUT) returns, mislabeled imported fuel examinations, examinations of

mislabeled products at refineries and terminals, and examinations of questionable credit claims. These are just some of the efforts supported in part by the annual allocation to the IRS.

Over the past five years, \$10 million in funding was provided to the IRS, which resulted in \$992 million in assessments through various activities, including internal audits, refinery and terminal inspections, and retail truck inspections. The IRS initiatives are not solely funded from Highway Use Tax Evasion funds, but they provide a significant portion of the funding.

The following table shows examples of initiatives at the State level, comparing amounts provided by this program and the results from Fiscal Years: 2021, 2022, and 2023. These awards have an annual reporting requirement for which the report is due at the end of each fiscal year.

Year	Agency	Expenditures	Results	Description
2023	Arizona Department of Transportation	\$ 59,288	\$ 265,622	Results are from State assessments on 283 leads from 39 taxpayers. Amount includes taxes, penalties, and interest. Information mainly from comparisons of State data and ExStars (IRS reporting) data.
2023	Kentucky Finance and Administration Cabinet	\$ 2,194	\$ 495,730.13	Results are from audits including additional taxes and refund reductions.
2023	North Carolina Department of Revenue	\$ 117,951	\$ 1,200,468	For the reporting period, 21 audits were completed generating \$1,200,468 in revenue assessments. A total of 90 JOC audits have been completed, resulting in \$10,728,298 in revenue assessments, since 2015.
2022	Arizona Department of Transportation	\$ 90,520	\$ 4,772,084	Results are from State assessments on 283 leads from 39 taxpayers. Amount includes taxes, penalties, and interest. Information mainly from comparisons of State data and ExStars (IRS reporting) data.

2022	Colorado Department of Revenue	\$ 82,400	\$ 7,044,555	Based on information provided by fuel distributor data, information received from other distributors, and information received from other states, the Fuel Unit tracks assessments made for the FHWA Motor Fuel Tax Compliance project.
2022	North Carolina Department of Revenue	\$ 36,204	\$ 1,961,343	Since North Carolina began actively auditing in 2015 utilizing JOC data, a total of 69 audits have been completed, resulting in \$9,527,830 in revenue assessments, and an overall efficiency rating of \$4,563 per hour spent on an audit.
2021	Arizona Department of Transportation	\$ 108,444	\$ 14,649,522	Results are from State assessments on 565 leads from 45 taxpayers. Amount includes taxes, penalties, and interest. Information mainly from comparisons of State data and ExStars (IRS reporting) data.

As the data indicates, there are significant findings at the IRS and State levels; however, highway use tax evasion persists with new methods of evasion regularly employed. The continued funding of this program would strengthen not only the successful efforts already in place, but also the enhanced practices resulting from training and vital equipment, such as enhanced motor fuel tracking computer software that is critical for sharing information between the IRS and States. The HUTE program funding can also be used for training in the assessment of highway tax evasion. Many States have opted for this training, which provides great value by preparing practitioners to complete the assessments noted in the above table.

What benefits will be provided to the American public through this request and why is this program necessary?

The collection of highway use taxes is a critical part of the Federal-aid highway program. The HUTE program will increase transportation revenues at the Federal and State levels ensuring that these valuable tax dollars can be properly used to increase the safety and mobility of the Nation's roads and bridges.

Due to the unique nature of this program, there is a heavy emphasis on identifying and preventing evasion of highway use taxes. In addition to the fact that motor fuels are hazardous materials, and evasion often accompanies theft, the unaccounted-for movement, and handling of the product can cause safety issues. Furthermore, the adulteration of fuel can create unstable mixtures, damaging engines and creating a potential for fires and other hazards. Often it is found that those who are evading the taxes have a willingness to avoid all safety protocols.

The evasion of highway use taxes directly impacts the Highway Trust Fund and thus reduces the revenue available for all highway-related programs. The revenue will help grow an inclusive and sustainable economy. We can invest in our transportation system to provide American workers and businesses reliable and efficient access to resources, markets, and good-paying jobs.

This program shows that FHWA is committed to collecting the correct amount of taxes that are due, thus ensuring that the proper revenue is being deposited into the Highway Trust Fund, and ultimately providing the necessary funding to support our transportation programs.

Detailed Justification On-the-Job Training Supportive Services

What is the request and what funds are currently spent on the program?

FY 2026 – On-the-Job Training Supportive Services (\$10 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
On-the-Job Training Supportive Services ^{1/}	10,000	10,000	10,000
Total	10,000	10,000	10,000

1/ Program funded as set-aside from Administrative Expenses.

What is this program and what does this funding level support?

Section 140(b) of Title 23, United States Code, authorizes the Department to develop, conduct, and administer surface transportation and technology training, including skill improvement programs, and to develop and fund summer transportation institutes. The U. S. Department of Transportation (DOT) implements three programs under this authority: the On-the-Job Training Supportive Services (OJT/SS) program; the National Summer Transportation Institute (NSTI) program; and the Summer Transportation Internship Program (STIP).

The primary objective of the OJT/SS program is to increase the overall effectiveness of each State DOT's approved OJT/SS program in connection with Federal-aid highway construction projects. In order to be eligible for the receipt of these funds, State DOTs must establish an OJT/SS program. The objective of the OJT/SS program is to provide resources to program participants that enable them to participate in highway construction training opportunities.

Supportive services may include, but are not limited to, the following: assistance with childcare expenses; temporary lodging associated with the training; transportation assistance such as vouchers from public transit or rideshares; personal protective equipment and work gear such as steel-toed boots; stipends for necessities such as food while actively in training. The objective is to enhance capacity of the highway construction workforce. The supportive services funding is used to build skill sets and provide job accessibility in local, State and federally funded construction projects.

The purpose of NSTI is to create awareness and to stimulate interest in middle and high school students in transportation-related Science, Technology, Engineering, and Math (STEM) courses and to encourage students to take advantage of career opportunities, both present and future, in the transportation industry. In addition to providing a realistic preview of transportation-related STEM courses, the program provides academic enhancement activities and encourages students to pursue transportation-related course work at the college and university level. Funding is provided to States to partner with accredited academic institutions for the NSTI program.

Funding also supports the STIP program. The STIP program provides summer employment opportunities to students to engage with DOT modes to work in a transportation-related career field.

What benefits will be provided to the American public through this request and why is this program necessary?

For the American public, a skilled workforce is vital to designing, constructing, operating, and maintaining a safe and efficient transportation system that underpins the national economy. The OJT/SS and NSTI programs support the transportation and highway construction industries by establishing and maintaining apprenticeships, training, and educational opportunities. The programs familiarize individuals with transportation-related training opportunities and encourages them to pursue a career in transportation. This is necessary to meet the workforce needs of our Nation's current and future transportation and highway construction industries.

According to a 2024 national survey by the Associated General Contractors of America¹⁴, 81 percent of construction firms reported difficulty finding qualified workers. The OJT/SS and NSTI programs are necessary to assist the highway construction industry with identifying, training, and placing individuals on transportation and highway construction projects. They do so by helping prepare individuals to be competitive in transportation careers. The programs offer an opportunity for individuals to grow and retool their skills to address the ever-expanding needs of America's transportation sector.

¹⁴ Source: https://www.agc.org/sites/default/files/users/user21902/2024_Outlook_National_FINAL.pdf

Detailed Justification Territorial and Puerto Rico Highway Program

What is the request and what funds are currently spent on the program?

FY 2026 – Territorial and Puerto Rico Highway Program (\$237 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Territorial and Puerto Rico Highway Program	228,000	232,500	237,000
Total	228,000	232,500	237,000

What is this program and what does this funding level support?

This program provides funding to Puerto Rico and the four territories of American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the United States Virgin Islands. Of the FY 2026 budget request of \$237 million, \$187 million would be provided to Puerto Rico, and the remaining \$50 million is divided among the four territories via an administrative distribution.

The Transportation Equity Act for the 21st Century of 1998 established the Puerto Rico Highway Program. The Federal-Aid Highway Act of 1970 created the Territorial Highway Program, and subsequent legislation continued the program. The Infrastructure Investment and Jobs Act continues to provide dedicated funding to assist each territory in the construction and improvement of a system of arterial and collector highways, and necessary inter-island connectors.

Fifty percent of the funds provided to Puerto Rico must be spent on projects eligible under the National Highway Performance Program (NHPP), 25 percent must be spent on projects eligible under the Highway Safety Improvement Program (HSIP), and the remaining 25 percent can be spent for any purpose under chapter 1 of title 23, United States Code. The location and eligibility requirements are similar to those that apply to the States.

Funds provided to the four territories may be used for projects eligible under the Surface Transportation Block Grant Program (STBG); preventive maintenance; ferry boats, terminals, and approach roadways; engineering, economic and planning studies; regulation and equitable taxation of highways; and research and development. The four territorial programs are administered under individual agreements between the Secretary and the chief executive officer of each of the territories.

Territorial and Puerto Rico Highway Program funding is critical to providing transportation infrastructure to Puerto Rico and the four territories. Puerto Rico and the four territories have military facilities or serve a strategic role important to national defense. They also contribute to the national economy through tourism, agriculture, and access to foreign trade.

What benefits will be provided to the American public through this request and why is this program necessary?

The Territorial and Puerto Rico Highway Program supports the construction of critical infrastructure in Puerto Rico and the four territories of American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the United States Virgin Islands. This program helps repair and rebuild roads and bridges, thereby increasing safety, mobility, and accessibility. In addition, this program supports critical infrastructure that serves key facilities that have a strategic role for national defense. Furthermore, projects funded through this program have a positive impact on the life of residents by improving access to job centers, as well as educational and healthcare facilities.

Executive Summary

Research, Technology & Education (RT&E) Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$521 million for the RT&E Program. The IIJA provided \$519 million and \$520 million for this program in FY 2024 and FY 2025, respectively. This program is funded through the Highway Trust Fund, with the exception of \$19 million from the General Fund in advance supplemental appropriations in FY 2024, FY 2025, and FY 2026 for University Transportation Centers.

What is this program and what does this funding level support?

The RT&E program delivers research, development, technology transfer, and training to address critical knowledge gaps that are not effectively addressed by other research sponsors and to foster the implementation of technologies to meet current and future highway transportation needs across all communities. Research products are transferred to the end users and/or made available in the marketplace through various technology transfer mechanisms supported by the RT&E Program.

The RT&E Program is comprised of the following subprograms:

- Highway Research & Development: \$147 million for research and development to produce transformative solutions to improve safety, foster innovation, accelerate projects, and better meet operations, policy, and infrastructure needs.
- Technology & Innovation Deployment: \$110 million to turn research products into proven technologies that address emerging needs, invest in the Nation's infrastructure, and promote rapid adoption of proven, market-ready technologies and innovations.
- Intelligent Transportation Systems Program (ITS): \$110 million for innovative research and rapid deployment of applications and tools that facilitate a safe, connected, integrated, and automated transportation system that is information-intensive to better serve the interests of users and be responsive to the needs of travelers and system operators.
- Training & Education Program (T&E): \$26 million to train the current and future transportation workforce, transferring knowledge quickly for effective deployment.
- State Planning and Research program (SP&R – Planning Portion: \$799 million; Research portion: \$266 million-- Non-add): The States must set aside \$266 million of their formula program funds to conduct research and deploy technologies and innovations of local, regional, and national interest. This program is a set-aside from the NHPP, STBG, HSIP, CMAQ, and NHFP programs.
- University Transportation Centers (\$101 million), and Bureau of Transportation Statistics (\$27 million): These programs are administered by the Office of the Assistant Secretary for Research and Technology.

What benefits will be provided to the American public through this request and why is this program necessary?

Through strategic research and targeted implementation of innovations and technologies, FHWA's RT&E program is leading a fundamental shift in how America's roads, bridges, and critical transportation infrastructure are planned, designed, built, managed, and maintained. These forward-looking efforts not only enhance safety but also improve efficiency, reduce long-term costs, and support economic competitiveness. Through the RT&E program, FHWA is advancing technical excellence within the transportation sector while also delivering tangible benefits that directly impact the daily lives of the American people. The innovations developed and advanced through the RT&E program play a pivotal role in improving safety across the nation's transportation network, helping to reduce crashes, injuries, and fatalities on our roads.

These advancements drive efficiency and reliability in how people and goods move, reducing congestion and travel times, leading to time savings and lower fuel costs. These research-driven improvements enhance economic competitiveness by supporting businesses, facilitating smoother freight movement and stronger regional connectivity. Improved mobility and reduced demand on aging infrastructure ensures Americans can travel more safely, efficiently, and with confidence in the system they rely on. Given the rapid pace of technological change, the RT&E program is essential to ensuring transportation innovation. Continued investment in this program ensures that emerging technologies – such as advanced materials and intelligent transportation systems – are effectively integrated into our national infrastructure in a way that maximizes public benefit. In summary, the RT&E program is a strategic national asset that drives innovation, strengthens the economy, and improves the safety and well-being of every American.

Detailed Justification Highway Research and Development Program

What is the request and what funds are currently spent on the program?

FY 2026 – Highway Research and Development Program (\$147 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Highway Research and Development Program	147,000	147,000	147,000
Total	147,000	147,000	147,000

What is this program and what does this funding level support?

This request enables the Department to conduct, sponsor, sustain, and guide highway research and development activities that address current and emerging highway challenges across all communities and provide data and information to support policy decisions. The program provides funding that is required to support a comprehensive and coordinated research and development program that will advance the safety of the Nation’s surface transportation system, improve efficiency and reliability, improve core assets, improve resilience, and modernize our Nation’s transportation infrastructure to meet future demands.

Highway Research and Development (HRD) governs the Research and Development (R&D) portion of FHWA’s RT&E program. Eligible research areas under HRD include improving highway safety, improving infrastructure integrity, strengthening transportation planning, streamlining environmental decision-making, reducing congestion, improving highway operations and travel reliability, and enhancing freight productivity. HRD also funds Exploratory Advanced Research (EAR).

The FHWA fosters innovation development as a continuous, collaborative cycle by working with stakeholders and private partners to identify and invest in emerging needs. With a longstanding tradition of effective collaboration, FHWA partners with States and local agencies, Federal agencies, academia, and private industry to coordinate efforts, share knowledge, and leverage the unique capabilities of each to advance shared goals. In addition, FHWA develops integrated, cross-modal strategies in alignment with broader U.S. Department of Transportation (DOT) objectives, ensuring that research and technology initiatives support national priorities. Leveraging the outputs of this process, the Agency sets targeted goals to address national gaps and opportunities through research and technology deployment, analyzing trends, stakeholder input, and research outcomes to position the transportation system to meet both current challenges and future demands.

FHWA’s Office of Research, Development, and Technology (RD&T) is based at the Turner-Fairbank Highway Research Center (TFHRC), a federally owned and operated national research facility in McLean, Virginia. The TFHRC serves as the cornerstone of FHWA’s research and

innovation efforts, housing 15 specialized laboratories and state-of-the-art support facilities where cutting-edge exploratory and applied research and development activities are conducted. The TFHRC staff administers the majority of FHWA's research and development activities in the areas of infrastructure, safety, automation, and digital project delivery. This research spans critical areas such as Intelligent Transportation Systems, policy, innovative finance, planning, operations, and the environment and is primarily conducted or administered by FHWA offices located at the DOT Headquarters, directly influencing the design, construction, and maintenance of the nation's transportation system.

HRD is administered in conjunction with the Technology and Innovation Deployment Program (TIDP) and supports the Training and Education Program (T&E), the Intelligent Transportation System Program (ITS), and the State Planning and Research Program (SP&R).

What benefits will be provided to the American public through this request and why is this program necessary?

The programs under FHWA's R&D portfolio cover exploratory advanced research, applied research and development, and initial testing of technological solutions that address emerging needs and support the infrastructure of the future. FHWA's research programs seek to improve safety, reduce congestion, enhance infrastructure design and construction, and provide data and analyses to decision-makers throughout the transportation community. The FHWA research programs fill a critical gap in the development of transformative innovations. While the private sector and university research programs are critical to the advancement of highway safety, operations, and infrastructure, the FHWA research program is not constrained by the same barriers to innovation, such as risk aversion and long-term investments. This allows FHWA, in coordination with these other research entities, to lead the way and accelerate innovation in critical areas that will serve as a direct benefit to taxpayers across the Nation and will support continued economic competitiveness.

Improving Highway Safety for All Users: This program aims to help stakeholders reduce fatalities and serious injuries for all users on all public roadways. The program conducts research, develops training, and assists DOT's partners and stakeholders in applying the Safe System Approach. It researches needs among all roadway users to better understand human behavior and the relationship among all users, infrastructure, and vehicles. The research includes projects to provide improved State and local safety data systems that commonly record crash, roadway inventory, and traffic volume data, as well as improve the ability of road owners and operators to make science-based safety decisions. FHWA works with NHTSA Crash Data Systems to identify how data analytics can be applied to combine multiple data sets and define the effectiveness of safety countermeasures through Crash Modification Factors. FHWA staff regularly meet with the National Center for Statistics and Analysis from NHTSA to discuss novel ways to analyze the data collected at NHTSA. FHWA is working to leverage NHTSA's efforts in collecting information on personal conveyance vehicles (i.e., scooters/bikes) in crashes as well as more accurate and timelier information from all crash data elements.

The program will advance key actions aimed at eliminating fatal and serious injuries for all road users through a holistic view of the road system that anticipates human mistakes and develops the road system to be forgiving of human errors. This effort will involve collaboration with

agencies as they design and operate roadway systems to fully integrate the needs of all users, accommodate human behavior and human error, and minimize injury severity. The program is working with the public, academic, and private sectors to create low-cost tools that can identify, detect, and protect all road users on approach to an intersection.

Improving Infrastructure Integrity, Sustainability, and Practices: This program consists of a coordinated set of RD&T activities focused on leading, supporting, and enabling improvements in highway infrastructure safety, efficiency, integrity, sustainability, and resilience. The program provides the data, information, and systems required to link Federal transportation investments to improvements in system performance. It delivers tools, technologies, information, and guidelines that highway owners can apply to effectively maintain and improve infrastructure integrity and meet user needs. Efficiency is being achieved by developing and advancing technologies to enable data management, data integration, and the digital transformation of project delivery.

New areas of research planned for FY 2026 include, but are not limited to:

- research, demonstration, deployment, and technical assistance on technologies that enhance construction practices by increasing safety, reducing costs, increasing quality, or accelerating project delivery;
- research and development of hydrological modeling tools, including those focusing on resilience, extreme events, and dynamics of floodplains;
- innovative methods for the hydraulic design of bridges and culverts, the mechanics of scour, and coastal engineering;
- development of methods to improve in-service pavement structural assessment to help plan timely and lifecycle cost-effective maintenance and rehabilitation;
- accelerated pavement testing to assess performance of asphalt additives that can facilitate responsible use of recycled materials in pavement construction;
- research on novel materials with the intent to identify or develop test methods that can assess long-term performance of admixtures;
- expansion of readily accessible datasets documenting infrastructure performance along with insight derived through analysis of such data to support the advancement of highway infrastructure design and enhance the management of highway infrastructure conditions; and
- improvement of long-term infrastructure performance forecasting accounting to multiple applicable factors.

Strengthening Transportation Planning and Streamlining Environmental Decision-Making: This program will carry out RD&T to improve and optimize the cost of transportation planning and streamline environmental decision-making processes and minimize the potential impact of surface transportation on the environment.

Reducing Congestion, Improving Operations, and Enhancing Freight Productivity: This program results in innovative technologies and processes that lead to systemwide improvements in how FHWA, along with State and local agencies, manages and improves the efficiency and reliability of the National Highway System (NHS). Program activities require research and specialized attention to assess the opportunities and challenges presented by new and advanced technologies.

In FY 2026, FHWA will develop new tools to enable analysis and visualization of congestion issues and trends to support data-driven decision-making and effectiveness of investments. FHWA will advance proof-of-concept work to connect data sets to better analyze safety challenges and identify opportunities to improve operations for safe mobility.

In FY 2026, FHWA will incorporate new data, algorithms, artificial intelligence (AI), and machine learning (ML) tools, strategies, and techniques being developed in other Federal and university laboratories into research on policy, strategy effectiveness, demonstrations, and advanced analysis, modeling, and simulation (AMS) tools. Advanced AMS tools will allow for a more detailed and comprehensive assessment of how transformative technologies, such as Automated Driving Systems and Cooperative Driving Automation (CDA), will impact the NHS. AMS tools will also enable the assessment of operations strategies that leverage CDA to enhance traffic flow, safety and mobility, and infrastructure resilience.

In FY 2026, FHWA will continue to actively research, develop, and deploy projects related to managing disruptions to operations in road weather management, work zone management, traffic incident and events management, and nonrecurring event data management. Together, these efforts support the USDOT strategic goals and help provide improved safety and mobility, while providing resilient infrastructure and timely traveler information.

In FY 2026, FHWA will continue to pursue revisions and updates to the *Manual on Uniform Traffic Control Devices for Streets and Highways* (MUTCD) that allow deployment of solutions for State and local jurisdictions to improve safety, operation, and mobility of their roadway networks. To support these efforts, FHWA will continue to actively research and develop traffic control device concepts and strategies that support this goal, focusing on the road user by conducting human factors studies with participants in the Highway Driving Simulator and the Sign Laboratory, and take advantage of emerging technologies including those related to connected and automated systems. In conjunction with these efforts, FHWA will also continue to administer the current edition of the MUTCD and oversee the adoption and deployment by the State agencies. This effort involves providing outreach and training materials, practitioner guidelines for experimentation with new traffic control devices and applications, and an updated *Standard Highway Signs* publication. Support will also be provided for two Pooled-Fund studies focusing on traffic control devices.

In FY 2026, FHWA will update and incorporate new data and analysis with the Freight Mobility Trends tool, visualization tools for the Vehicle Inventory and Use Survey and the Freight Analysis Framework (FAF), as well as the Vehicle Size and Weight Enforcement data portal. This information assists with policy decisions that respond to freight transportation and supply chain needs and provides data for the National Freight Strategic Plan and the Highway Freight Conditions and Performance Report to Congress while providing national data on freight mobility to support stakeholders at State DOTs and MPOs.

New and ongoing research will focus on a select number of areas including, but not limited to:

- Mitigating freight impact on air quality and communities near major freight facilities;
- Freight transportation improvements to support supply chain reliability and resilience;

- Developing a truck size and weight research implementation plan;
- Methods to prevent bridge strikes through countermeasures such as warning systems and oversized vehicle routing procedures;
- Addressing the shortage of truck parking needed for safe commercial motor vehicle operations; and
- Advancement of new technologies with connected/automated freight vehicles.

Accelerating the Implementation and Delivery of New Innovations and Technologies:

This program encompasses initiatives and activities that seek to address all aspects of highway transportation, including planning, financing, operation, structures, materials, pavements, environment, construction, and the duration of time between project planning and project delivery.

Accelerating the Discovery of Transformational Solutions: This program supports strategic investment to respond to changing needs and capabilities in transportation infrastructure, safety, operations, planning, policy, and innovation development and deployment. The program monitors legislative developments, helps to coordinate the RT&E budget allocation, maintains TFHRC, organizes strategic R&D investment, and provides marketing and communications. It administers research in ITS, policy, innovative finance, planning, and the environment.

The EAR program conducts initial-stage investigations and supports early-stage, extramural and intramural research through open solicitations, partnering with other agencies, and placement of postdoctoral researchers in FHWA. It is the only funding specifically addressing the need for longer-term, higher-risk research in highway transportation. In addition, Small Business Innovation Research (SBIR) is a highly competitive, awards-based activity that encourages domestic small businesses to engage in R&D addressing high-priority research areas within DOT.

Strategic Innovation for Revenue Collection (SIRC) and the National Motor Vehicle Per-Mile User Fee Pilot (National Pilot) are two legislatively mandated programs included in the Infrastructure Investment and Jobs Act. The SIRC program supports the development of feasibility research, tests, evaluations, or deployment of a road usage fee and other user-based alternative revenue mechanisms to help maintain the long-term solvency of the Highway Trust Fund. Pilot projects are funded through competitive grants to eligible States, metropolitan planning organizations, and local governments. The National Pilot is in part dependent on inputs from the SIRC program. Both programs aim to identify innovative, sustainable, and operationally effective solutions for funding highway infrastructure investments in the future.

Crosscutting: This program encompasses a wide set of programs that support all DOT strategic goals, including RD&T initiatives in policy analysis, outreach, highway data and information, and the Federal Lands Highway. The program also allows FHWA to provide special focus each year on legislative mandates, administration priorities, and certain emerging RD&T issues that the agency would like to accelerate through increased investment.

Detailed Justification Technology and Innovation Deployment Program

What is the request and what funds are currently spent on the program?

FY 2026 – Technology and Innovation Deployment Program (\$110 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Technology and Innovation Deployment Program	110,000	110,000	110,000
Total	110,000	110,000	110,000

What is this program and what does this funding level support?

This request will enable the Department to accelerate the integration and adoption of proven innovative practices and technologies into standard usage to significantly improve safety, system efficiency, infrastructure, reliability, and performance. The Technology and Innovation Deployment Program (TIDP) will fund efforts to advance research products into proven technologies and demonstrated practices; identify the market forces that will influence successful technology and innovation deployment; and plan and deliver effective technical assistance, training, communication, and outreach to promote rapid adoption of proven, market-ready technologies and innovations.

The TIDP reflects the Department’s approach to modernizing infrastructure with safety, resilience, and users in mind. The program will continue to foster innovation and actively accelerate the deployment of innovative technologies and practices that improve system safety and efficiency, enhance project delivery, improve core transportation assets, support resilience, and transform our Nation’s infrastructure. The TIDP benefits all aspects of highway transportation and includes the following eligible activities:

- Deploying research results and products developed under the Highway Research and Development (HRD) program.
- Establishing and carrying out demonstration programs.
- Providing technical assistance and training to transportation agencies and stakeholders.
- Developing tools and methods to enhance and accelerate the adoption of proven innovative practices and technologies into standard usage.

This program will support the deployment of proven technologies and transportation-related innovations and processes through financial and technical assistance, training, peer exchanges, collaboration with industry groups, and information and knowledge exchange. Through its oversight role, FHWA will evaluate the deployment methods to determine effectiveness, assess needed improvements, and document outcomes.

In the early stages, as an innovation or new technology moves from research to development, FHWA will seek out willing State, local, and Tribal transportation agencies to pilot new

technologies or be early adopters. These early adopters often receive financial and technical assistance to mitigate the increased risk of piloting new technologies or initiatives.

As an innovation or new technology becomes more mature and is ready for more widespread use, training aids will be developed for delivery, and early adopters often become “lead” States. Lead States share best practices, challenges, and successes and encourage others to adopt the innovation. Peer exchanges and pooled funds are used to encourage States or other transportation agencies to directly share knowledge and information and transfer technology.

The TIDP will promote proven, market-ready technologies and innovations. Specific programs will provide resources that enable States and local agencies to accelerate the speed with which innovative technologies and practices enter into standard usage. The FHWA technical specialists, program office subject matter specialists, and field office personnel will work with State and local agencies to encourage the use of these technologies and practices by their peers, as they are best positioned to discuss how these innovations address specific transportation issues and provide benefits and efficiencies.

The TIDP is administered in conjunction with the HRD Program and supports the Training and Education Program (T&E), the Intelligent Transportation System (ITS) Program, and the State Planning and Research (SP&R) Program.

What benefits will be provided to the American public through this request, and why is this program necessary?

Key stakeholders and beneficiaries from this program include State transportation agencies, Federal Land Management Agencies (FLMAs), local public agencies, Tribal transportation agencies, and industry groups. FHWA’s technology deployment programs within TIDP seek to improve safety and performance, enhance infrastructure design and construction, and provide data and analyses to transportation decision-makers. The primary programs to accomplish these goals are:

Improving Highway Safety for All Users: This program addresses the contributing factors of roadway deaths and serious injuries related to roadway design, construction, and maintenance. The program promotes proven safety infrastructure treatments and strategies through information exchange among peer organizations and collaboration with State and local agencies. They design and operate roadways to fully integrate the Safe System Approach (SSA)¹⁵ by accommodating the needs of all road users, anticipating human error, and minimizing injury severity. The program also provides guidance, policies, tools, and technical assistance to help State and local agencies manage and administer initiatives like the Highway Safety Improvement Program and the Strategic Highway Safety Plans.

Improving Infrastructure Integrity, Sustainability, and Practices: This program delivers tools, technologies, information, and guidelines to help highway owners maintain and improve infrastructure integrity and sustainability to meet user needs. Activities include training and

¹⁵ The Safe System Approach (SSA) aims to eliminate fatal and serious injuries for all road users through a holistic view of the road system that anticipates human mistakes and develops the road system to be forgiving of human errors.

guidance in applying standards, technologies, datasets, and state-of-the-art engineering practices. FHWA infrastructure leaders and program staff regularly engage with key stakeholders to gather input concerning challenges, address opportunities through the program, and gather information on other organizations' work.

Strengthening Transportation Planning and Streamlining Environmental Decision-Making: This program improves and minimizes the cost of transportation planning and streamline environmental decision-making. The program works with States and metropolitan planning organizations (MPOs) to provide a strategic and data-driven approach to transportation decision-making that efficiently allocates resources, maximizes return on investments, and achieves performance goals. Decision-makers are taught techniques and tools to efficiently make tradeoffs between performance metrics and understand how a complex transportation system reacts to investments and policy changes. Program activities include rulemaking, guidance, training, and technical assistance.

Reducing Congestion, Improving Operations, and Enhancing Freight Productivity: This program supports innovative technologies and processes that lead to systemwide improvements in the management, efficiency, and reliability of the National Highway System. A foundation of the program is the continued development of outreach and training materials. Through targeted outreach and technology transfer (T2), the program advances state-of-the-practice, improves the capabilities of agencies to develop and deliver Transportation Systems Management and Operations (TSMO) activities, empowers agencies to effectively manage disruptive events, and fosters the coordination and collaboration necessary to move toward implementing roadway investments that provide new capabilities and strategies to improve safe mobility and contribute to infrastructure preservation.

In FY 2026, FHWA will continue to actively develop and deliver training, technical assistance, and outreach related to managing disruptions to operations in road weather management, work zone management, traffic incident and events management, and nonrecurring event data management. Together, these efforts support the USDOT strategic goals and help provide agencies with resources that impact safety, mobility, and economic resilience.

Accelerating the Implementation and Delivery of New Innovations and Technologies: This program supports numerous T2 activities to accelerate the implementation and delivery of innovations and technologies that result from highway R&D and that benefit all aspects of highway transportation:

- Accelerated Implementation and Deployment of Pavement Technologies (AIDPT): This program encourages highway agencies to adopt and implement new pavement technologies that save money, enhance safety, improve performance, increase efficiency, and reduce delay. Program activities focus on providing tools, technologies, and guidance, supporting updated policies, and improving the safety, durability, sustainability, and cost-effectiveness of highway infrastructure materials.
- Accelerated Implementation and Deployment of Advanced Digital Construction Management Systems (ADCMS): ADCMS are market-ready digital technologies and processes for construction and engineering activities management. The ADCMS program

aims to promote, implement, deploy, demonstrate, showcase, support, and document the application of ADCMS practices, performance, and benefits.

- Advanced Transportation Technologies and Innovative Mobility Deployment (ATTAIN): Formerly known as the Advanced Transportation and Congestion Management Technologies Deployment Program (ATCMTD), ATTAIN will be funded by \$60 million in FY 2026 as a set-aside from the HRD, TIDP, and ITS programs. ATTAIN will award grants to States and other eligible entities to: improve the mobility of people and goods; improve the durability and extend the life of transportation infrastructure; reduce costs and improve return on investments; measure and improve operational performance; reduce the number and severity of traffic crashes and increase driver, passenger, and pedestrian safety; collect, disseminate, and use real-time transportation-related information; facilitate account-based payments for transportation access and services and integrate payment systems across modes; monitor transportation assets; deliver economic benefits by reducing delays, improving system performance, and providing for the efficient and reliable movement of goods and services; accelerate the deployment of connected/autonomous vehicles technologies; or incentivize travelers to share or shift trips depending on travel demand and system capacity.
- Accelerated Innovation Deployment (AID) Demonstration Program: AID provides funding to support and mitigate the risk associated with first-time or early adoption of innovations by State DOTs, FLMAAs, local and Tribal governments, and MPOs. Funds are available to cover the cost of implementing innovations in planning, financing, operations, pavements, structures, materials, environment, and construction.
- Every Day Counts Program (EDC): EDC is a State and local-based program that identifies and rapidly deploys proven yet underutilized market-ready innovations that make the transportation system adaptable, sustainable, and safer for all. Proven EDC innovations facilitate greater efficiency at the State, local, and Tribal levels, saving time, money, and resources that ensure infrastructure is built better, faster, and smarter. As of 2025, each State has used 26 or more of the 57 innovations promoted through EDC.
- State Transportation Innovation Council (STIC) Incentive Program: This program provides technical assistance and resources to help STICs foster a culture of innovation and make innovations standard practice. Additionally, the program provides funding of up to \$125,000 per State per fiscal year to support the standardization of innovative practices in a State's transportation agency or other public sector STIC stakeholders.
- Accelerating Market Readiness (AMR) Program: AMR moves highway industry innovations from prototype to market-ready status by funding pilot demonstrations and evaluations. Up to \$3 million in funding is available for annual AMR awards. The program matches emerging and transformative innovations to transportation organizations interested in testing and evaluating them. Eligible activities include field evaluations and testing, pilots, and performance results documentation.
- Innovation Implementation Deployment Management: FHWA programs use TIDP funding to conduct technology and innovation deployment on other program priorities, provide technical resources to support the implementation of innovations, and develop appropriate guidance to aid in deployment.

Crosscutting: This program encompasses a wide set of programs supporting RD&T and T2 initiatives in policy analysis, outreach, highway data and information, and the Federal Lands Highway. T2 initiatives include new ways to promote transportation access, adapting existing foreign innovations that could significantly improve highways and highway transportation services in the United States. T2 also includes facilitating knowledge exchange with other countries by leveraging binational government-to-government partnerships and disseminating data and information by working with States, local, and Tribal transportation agencies, private businesses, and research communities.

Detailed Justification Intelligent Transportation Systems (ITS) Program

What is the request and what funds are currently spent on the program?

FY 2026 – Intelligent Transportation Systems Program (\$110 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Intelligent Transportation Systems Program	110,000	110,000	110,000
Total	110,000	110,000	110,000

What is this program and what does this funding level support?

The Intelligent Transportation Systems (ITS) Program fosters innovation in transportation through the development and deployment of interoperable advanced systems and technologies that transform and enhance safety and efficiency, resulting in improved travel reliability, saved lives and time, and increased mobility and productivity. The ITS Program strategically leverages technological evolution, taking advantage of Information and Communications Technology (ICT) advances in cybersecurity, automation, and communications technologies, among others, via cooperation with industry, academia, State, local, Tribal, and Territorial (SLTT) transportation operating agencies, vehicle and device manufacturers, and transportation application and service developers.

The ITS Joint Program Office (JPO) serves as the Department’s multi-modal technology research program, working toward improving transportation safety, mobility, and efficiency; while enhancing productivity, convenience, reliability, and resiliency through the integration of innovative and interoperable technologies within the Nation’s surface transportation system. The ITS JPO is responsible for administering and coordinating the ITS Program and technology advancement initiatives among all DOT Operating Administrations. The research builds on and leverages the technologies and concepts developed across all modes to establish a multi-modal and seamless interoperable transportation environment. Through this undertaking, the ITS JPO serves as the DOT’s organizational resource for avoiding duplication and ensuring the Department is on the forefront of technological transformation to make certain our transportation system is safe, efficient, and resilient.

Deployment: The ITS Deployment Program enables communities to deploy innovative technologies, partnerships, and practices for advanced, interoperable ITS solutions to local or regional transportation challenges, and allows the Department to gather important information on how well the system performed and additional research needs. The Deployment Program initiatives bring publicly and privately sponsored research together to create large-scale, replicable, and integrated ITS deployments that address the safety and mobility challenges of today’s communities and populations. The program provides funding, technical assistance, and

evaluation support to multiple deployment and research initiatives and the application of ITS solutions to enhance safety and mobility. New deployment initiatives in FY 2026 include efforts to advance connectivity with a focus on using interoperable vehicle-to-everything (V2X) technology and supporting Departmental efforts for increased multimodal safety through complete streets and deploying novel technology solutions at intersections. In FY 2026, the continued execution of the ‘Saving Lives with Connectivity Accelerating V2X Deployment’ grant awards will advance connected and interoperable vehicle technologies focused on road safety, mobility, and efficiency. The awardees, through technology that enables vehicles and wireless devices to communicate with each other and with roadside infrastructure in a safe and secure manner via an interoperable secure credential management system, will highlight use of the 5.9 GHz spectrum and demonstrate standards-enabled interoperability. The Complete Streets AI Initiative is a multi-phase effort funding small businesses to develop powerful new decision-support tool(s) for State, local, and Tribal transportation agencies that assists in the siting, design, and deployment of Complete Streets. At the intersection level, the Intersection Safety Challenge will improve intersection safety through the innovative application of emerging technologies to identify and mitigate unsafe conditions involving vehicles and vulnerable road users.

Automation: The ITS JPO’s automation research is a component of the Department’s vision of supporting the safe, reliable, efficient, resilient, and cost-effective interoperable integration of automation into the broader multimodal transportation system. Driving automation is one of the major transportation industry trends of this decade. Through close collaboration and monitoring of current industry and academic technology innovators and leaders in automation, the ITS JPO continues the pursuit of goals supporting the safe and beneficial deployment of an automated future. Advanced Driver Assistance Systems (ADAS) are widely available in passenger vehicles; however, their development and refinement continue. Automated Driving System (ADS)-equipped vehicles are being piloted in passenger vehicles, commercial motor vehicles, and transit buses. In addition, Cooperative Driving Automation (CDA) will be a focus of attention as interoperable connectivity between vehicles and infrastructure is established.

Emerging / Enabling Technologies: The Emerging and Enabling Technologies Program focuses on cultivating the next generation of transportation systems. As the scale of ITS increases and expands to become part of other industry environments (i.e., smart cities and communities), vehicle manufacturers, infrastructure providers, innovators, and entrepreneurs discover new opportunities to use technology and associated data. These technological advances, along with new functionality, new applications, new operational concepts, and disruptive innovations, need to be tracked and planned for by DOT. These technologies have the potential to greatly impact transportation operations, for which the ITS JPO will leverage past and current ITS and research into new, innovative opportunities in partnership with modal administrations and stakeholders. Artificial intelligence presents a transformational opportunity offering a powerful, flexible, and automated approach to analyzing the vast and complex data generated by modern transportation systems, leading to more accurate insights, predictive analytics, and more efficient, safe, and productive transportation networks. As ever-increasing amounts of data from infrastructure becomes available, there is a need to understand and optimize this roadway digital infrastructure to enhance safety, mobility, and efficiency of our transportation system.

Accelerating Deployment: The ITS JPO seeks to spur adoption of ITS technology, and help stakeholders and localities deploy maturing ITS systems. The ITS Program provides knowledge and technology transfer, while additionally supporting technical assistance, training, outreach, program evaluation, and other stakeholder engagement through a variety of means. One example is the Smart Community Resource Center (SCRC), which serves as a tool to connect deployers with resources that can be used to develop intelligent transportation systems and smart community transportation programs. Importantly, the SCRC raises overall awareness of ITS to new groups of professionals who typically work in urban planning disciplines other than transportation. Another example is the Architecture Reference for Cooperative and Intelligent Transportation (ARC-IT), a national reference for planning, defining, and integrating ITS. ARC-IT currently supports over 150 ITS services, and continues to evolve with technological advancements, research breakthroughs, and changing stakeholder needs. By funding foundational research activities on standards development, cybersecurity, human factors guidelines, and reference architecture maintenance and development, the ITS JPO accelerates the deployment of safe, secure, and interoperable large-scale ITS while also informing and supporting regulatory decision-making.

What benefits will be provided to the American public through this request and why is this program necessary?

The ITS JPO includes a portfolio of rigorous research, development and technology deployment support intended to optimize public benefit from technological transformation of transportation via large-scale interoperable deployments that enhance safety and mobility. This work is directly aligned with DOT's mission of ensuring the Nation has the safest, most efficient, and modern transportation system in the world. The Program's work is designed to leverage rapidly occurring public and private innovations which will allow the Program to continue serving as an innovative hub for all aspects of American transportation, from automation and digital infrastructure/data to accessibility and cybersecurity. Over the past three decades, the ITS JPO has enabled intelligent transportation technology to be integrated into vehicles and infrastructure and has catalyzed existing and planned deployments by government agencies and private entities. As the private sector's role in technology development and implementation has accelerated, the ITS JPO has funded training and outreach activities to develop a modern transportation workforce that can adapt to new technology needs. Coordinating with states, local communities, and the private sector, the ITS JPO continues to help in implementing and evaluating new emerging technologies and collaborating on interoperability research.

Detailed Justification Training and Education Program

What is the request and what funds are currently spent on the program?

FY 2026 – Training and Education (\$26 million) (\$000)			
Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Training and Education	25,500	25,750	26,000
Total	25,500	25,750	26,000

What is this program and what does this funding level support?

Training and Education (T&E) is responsible for the training and professional capacity building of the current and future transportation workforce, transferring knowledge quickly and effectively to and among transportation professionals, and providing education solutions throughout the full innovation lifecycle.

T&E provides a wide variety of services and products:

- The National Highway Institute (NHI)* delivers quality training for transportation professionals through a broad range of continuously evolving courses and delivery options. The NHI's course catalog includes over 400 training courses in nearly 20 transportation industry-related program areas. The delivery options span the spectrum from web-based training available any time of day to in-person training. The delivery options integrate the latest digital tools, adult learning models, and industry trends and are designed and developed in collaboration with professionals from FHWA, State and local agencies, and industry partners. For FY 2024, the NHI delivered 586 instructor-led training courses, reaching over 12,467 learners. Also, in FY 2024, the NHI's self-directed web-based training reached 60,009 learners. The course content is routinely and continuously reviewed and updated to incorporate innovative technologies and practices. As an accredited provider, the NHI offers individuals an opportunity to earn continuing education units toward their professional credentials. The NHI's training solutions, along with innovative curriculum and delivery methods, will build new skills and improve the professional capacity of America's transportation workforce.
- The Local and Tribal Technical Assistance Programs (LTAP/TTAP)* deliver training, technical assistance, and technology transfer tailored to the needs and capacity of local public agencies and Tribal governments. Deployed and administered in concert with State transportation agencies, the LTAP maintains and builds the local public agencies' professional capacity as their workforce is responsible for networks that are an integral and vital component of the Nation's transportation system. Serving a comparable function for the Native American Tribal Governments across the United States, the TTAP

is deployed and administered by FHWA. Both programs consider and integrate innovative technologies and practices into the resources they provide.

- *Education/Academic Programs* provide opportunities for potential and new entrants into the transportation workforce to acquire the skills and professional capacity to improve system performance. From early education through postgraduate work, these programs focus on attracting, retaining, and advancing the transportation workforce by building awareness and interest in transportation career options; promoting an understanding of the positive impact transportation has on mobility and economic opportunity; and encouraging professionals to take the next steps in their careers through skills acquisition and enhancement.
 - The Dwight David Eisenhower Transportation Fellowship Program (DDETFP) advances the United States transportation workforce by attracting the Nation's brightest minds and encouraging students from the community college level through the doctorate level to pursue careers in a transportation-related field by awarding grants to qualified students.
 - The Garrett A. Morgan Technology and Transportation Education Program promotes science, technology, engineering, and mathematics (STEM) applications, with a transportation focus, at elementary and secondary school levels to engage young minds toward the pursuit of a career in transportation.
- *The Transportation Education and Training Development and Deployment Program* works collaboratively with the academic community and State departments of transportation to evaluate current and future skills and training needs at all levels of the transportation workforce and to develop, test, review, and implement new curricula and education programs to meet those needs in transportation education development and deployment.
- *The Transportation Centers for Excellence* provide technical assistance, information sharing of best practices, and training in the use of tools and decision-making processes that can assist States in effectively implementing surface transportation programs, projects, and policies. The three focus areas are:
 - transportation safety;
 - project finance; and
 - innovative ways to streamline the transportation delivery process.

What benefits will be provided to the American public through this request and why is this program necessary?

The Training and Education (T&E) Program provides resources for the development and delivery of technical assistance, training, professional development, and education programs to improve the professional capacity of the workforce that manages, develops, and maintains the Nation's highway system. It provides educational and professional capacity-building opportunities and resources to the surface transportation community by routinely updating and delivering training and technical assistance on core competencies; identifying and developing training and technical assistance needs for emerging competencies and new skills; actively promoting technology transfer and innovative practices into the transportation workforce; and

actively supporting the successive generations of transportation professionals in the acquisition of their advanced degrees.

This request enables the Department to directly support a key underpinning of a safe and efficient surface transportation system - improving the skills and increasing the knowledge of the current and future transportation workforce. By improving the current and future workforce, this program will advance the safety of the Nation's highways, promote economic stability, and improve the core assets of our Nation's transportation infrastructure to better meet the needs of the future.

The professional capacity and abilities of the transportation workforce are essential elements in the effective and efficient development, maintenance, operation, and expansion of the Nation's transportation system. The deployment of innovative methods, practices, and technologies that improve safety, system performance, reliability, and economic competitiveness relies on the ability of the transportation workforce to absorb knowledge quickly and on the continuous building of professional capacity and skills. The T&E program advances strategies to meet emerging workforce challenges through the delivery of technical assistance, training, professional capacity building, and education programs that develop appropriately skilled and prepared transportation workers.

The T&E program is administered in conjunction with the Highway Research and Development (HRD) Program and supports the Technology and Innovation Deployment Program (TIDP), the Intelligent Transportation System (ITS) Program, and the State Planning and Research (SP&R) Program.

Detailed Justification State Planning and Research

What is the request and what funds are currently spent on the program?

FY 2026 – State Planning and Research (Planning: \$799 million; Research: \$266 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
State Planning & Research (planning portion)	767,420	782.843	798.574
State Planning & Research (research portion)	255.807	260,948	266,191
Total	1,023,227	1,043,791	1,064,765

What is this program and what does this funding level support?

The State Planning and Research (SPR) Program is apportioned formula funds set aside that supports the States' transportation planning (SPR-Subpart A) and research, development, and technology transfer (RD&T) activities (SPR-Subpart B).

Funding for the total SPR Program comes from a two percent set-aside from each State's apportionments of five programs: National Highway Performance Program (NHPP), Surface Transportation Block Grant Program (STBG), Highway Safety Improvement Program (HSIP), Congestion Mitigation Air Quality Improvement Program (CMAQ), and National Highway Freight Program (NHFP).

SPR-Subpart A funding represents a maximum of 72.5 percent of the State's total SPR Program, which is used by the States to establish a continuous, comprehensive, and cooperative (3-C) statewide transportation planning process. Eligible SPR-Subpart A activities per 23 U.S.C. 505(a) include:

- Engineering and economic surveys and investigations.
- The planning of future highway programs and local public transportation systems and the planning of the financing of such programs and systems, including metropolitan and statewide planning under United States Code sections 134 and 135.
- Development and implementation of management systems, plans, and processes under United States Code sections 119, 148, 149, and 167.
- Studies of the economy, safety, and convenience of surface transportation systems and the desirable regulation and taxation of such systems.
- The conduct of activities relating to the planning of real-time monitoring elements.

SPR-Subpart B funding represents a minimum of 25 percent of the State's total SPR program, which is used to support the States' RD&T activities. These funds are used to establish a

comprehensive management process to identify, prioritize, conduct, and evaluate transportation research at the State level. Eligible SPR-Subpart B activities per 23 U.S.C. 505(a) include:

- Research, development, and technology transfer activities are necessary in connection with the planning, design, construction, management, and maintenance of highways, public transportation, and intermodal transportation systems.
- Study, research, and training on the engineering standards and construction materials for transportation systems described in the previous bullet, including the evaluation and accreditation of inspection, and testing and the regulation and taxation of their use.

Additionally, the IIJA requires each State to use not less than 2.5 percent of its SPR funds on specified planning activities to increase safe and accessible options for multiple travel modes for all users. (Similarly, an MPO must use not less than 2.5 percent of its Metropolitan Planning Program funds for such activities.) However, a State or MPO, with the approval of the Secretary, may opt out of the requirement if the State or MPO has standards and policies in place and has developed an up-to-date prioritization plan that identifies a specific list of projects to improve the safety, mobility, or accessibility of a street for all users.

What benefits will be provided to the American public through this request and why is this program necessary?

The FHWA SPR-Subpart A program provides funding for the States to meet State-identified transportation planning needs and enables the States to foster innovation, invest in their infrastructure, and address the needs of communities. States will then use Federal transportation funds more efficiently and effectively to focus on the national performance goal areas and the goals of the IIJA. Examples of products that States produce using the SPR-Subpart A program include the Long-Range Statewide Transportation Plan, Statewide Transportation Improvement Program (STIP), regional and corridor studies, data collection such as traffic counts, and forecasts of future transportation demand.

The FHWA SPR-Subpart B program provides funding for the States to meet State-identified research needs. Using the research management process, high priority is given to applied research on State or regional problems, transfer of technologies from researchers to users, and research for setting standards and specifications. This results in better-informed strategic goals that balance safety, economic growth, and infrastructure preservation. The States may adapt findings to practical applications by developing and transferring new technologies. Additionally, the program promotes enhanced collaboration with transportation stakeholders.

FHWA works with State Departments of Transportation (State DOTs) to administer the SPR-Subpart B program. The State DOTs can use their SPR-Subpart B funds to address specific needs within their State or pool their contributions through different mechanisms to further leverage their funds.

States may use their SPR-Subpart B funds to do internal research. One example of this is a recently completed study conducted by the Iowa DOT, which focuses on updating Iowa DOT's current specifications for the design of a bridge pier system under expected truck collision loads

to reflect recent updates referenced in the *AASHTO LRFD Bridge Design Specifications*.¹⁶ The study will also introduce new specifications for a three-column frame pier that could be used as a standard design under collision.

In addition to providing stewardship and oversight of the SPR-Subpart B program, FHWA works with State DOTs on the National Cooperative Highway Research Program (NCHRP), which is a State program to address issues integral to State DOTs using SPR funds. The NCHRP program, which is funded by SPR-Subpart B contributions, funds projects that are selected by the States through the American Association of State Highway and Transportation Officials (AASHTO) Special Committee on Research and Innovation. The NCHRP program has a long history of developing valuable tools, innovations, and resources for the States. A recent example is NCHRP Report 897: *Tools to Facilitate Implementation of Effective Metropolitan Freight Transportation Strategies*. This report provides transportation practitioners and decision makers with guidance for implementing effective metropolitan freight transportation strategies.

FHWA also administers the Transportation Pooled Fund (TPF) Program, which enables State DOTs, and other public and private entities to combine resources to address transportation-related challenges. By combining efforts and resources on high-priority highway research topics, States, FHWA, and other transportation partners develop innovative solutions while extending the reach and impact of their research. The TPF studies often result in institutionalized practices that provide wide-ranging national benefits.

One notable study under the TPF program is the Evaluation of Low-Cost Safety Improvements (ELCSI), which aims to create effective safety countermeasures that mitigate risks on U.S. roadways for those with budgets of all sizes. The study has successfully identified and implemented high-impact safety solutions, such as retroreflective tape and optimal sign heights, which may not always be visible to the public but have been proven to significantly reduce crashes and save lives. A notable project within the ELCSI study is the “Pavement Safety Performance” project, which explores different treatment methods—such as chip seal and high-friction surfaces—particularly focused on enhancing safety at horizontal curves where approximately 25 percent of highway fatalities occur. The study has contributed over 800 crash modification factors that showcase the effectiveness of these low-cost safety measures, showcasing their critical role in improving road safety nationwide.

Another significant initiative is the Human-Centered Steel Bridge Inspection study, which addresses the limitations of traditional bridge inspection methods. This research, led by the Kansas Department of Transportation, focuses on enhancing bridge inspections by integrating computer vision and artificial intelligence technologies. These innovations facilitate real-time detection of structural defects, such as fatigue cracks and corrosion. The project also leverages augmented reality tools, including headsets and tablet devices, to improve inspection accuracy and efficiency. Furthermore, using unmanned aerial vehicles for remote inspections supports a human-centered approach, ultimately enhancing the safety and reliability of bridge assessments.

¹⁶ The *AASHTO LRFD Bridge Design Specifications* are intended for use in the design, evaluation, and rehabilitation of bridges. The specifications employ the Load and Resistance Factor Design (LRFD) methodology, using factors developed from current statistical knowledge of loads and structural performance. This 9th edition includes revisions to almost all sections of the specifications.

Lastly, TPF-5(368): Performance-Engineered Concrete Paving Mixtures—aims to bring innovations to State agencies, facilitating the adoption of advanced testing methods that promise enhanced concrete performance. This initiative is backed by a coalition that includes the Federal Highway Administration, 19 State Departments of Transportation, and 4 National Associations from the concrete paving industry, all committed to maximizing pavement efficiency and longevity. The principles of performance-engineered mixes have been formalized in AASHTO R 101, the Standard Practice for Developing Performance Engineered Concrete Pavement Mixtures, providing a solid framework for ensuring improved outcomes in concrete durability and efficiency, improving the longevity of our infrastructure improvements nationwide.

Executive Summary

Prioritization Process Pilot Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$10 million for the Prioritization Process Pilot Program (PPPP). The IIJA provided \$10 million in both FY 2024 and FY 2025 for this program. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The PPPP awards competitive grants to selected States and metropolitan planning organizations (MPOs) serving an urbanized area population greater than 200,000 to fund the development and implementation of publicly accessible, transparent prioritization processes to assess and score projects according to locally determined priorities, and to use such evaluations to inform the selection of projects to include in transportation plans. The program will support data-driven approaches to planning that, on completion, can be evaluated for public benefit.

What benefits will be provided to the American public through this request and why is this program necessary?

The American people are the primary beneficiary of our Nation's transportation system which is built to serve public mobility and productivity. Transportation decisions need to be made in a comprehensive manner, using a planning process that includes public input and considers safety, security, land use, and economic development. Public participation is an integral part of the transportation process which helps ensure that decisions are made in consideration of, and to benefit public needs and preferences. A continuous, transparent, and accountable process enables agencies to make better informed decisions throughout and builds mutual understanding and trust between the agencies and the public they serve. To this end, the PPPP will fund the development and implementation of publicly accessible, transparent prioritization processes for the ranking and selection of projects for inclusion in short-range and long-range transportation plans.

Detailed Justification Prioritization Process Pilot Program

What is the request and what funds are currently spent on the program?

FY 2026 – Prioritization Process Pilot Program (\$10 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Prioritization Process Pilot Program	10,000	10,000	10,000
Total	10,000	10,000	10,000

What is this program and what does this funding level support?

The Prioritization Process Pilot Program (PPPP) awards grants to selected States and MPOs serving urbanized areas over 200,000 to fund the development and implementation of publicly accessible, transparent prioritization processes to assess and score projects according to locally determined priorities, and to use such evaluations to inform the selection of projects to include in transportation plans and transportation improvement programs. The program will support data-driven approaches to planning that, on completion, can be evaluated for public benefit. The maximum amount of a grant under this program is \$2 million.

If a grant recipient has fully implemented a prioritization process, they may use any additional remaining grant funds for any transportation planning purpose. If the inclusion or exclusion of a project in a transportation improvement program or statewide transportation improvement program deviates from the priority ranking for that project established under this program, the eligible entity is required to provide a public explanation for the decision.

What benefits will be provided to the American public through this request and why is this program necessary?

The PPPP will encourage States and MPOs to develop transparent and accountable processes to guide project selection in the development of the transportation plan and transportation improvement program and will lead to the development of data-driven approaches to planning that can be evaluated for public benefit. The process will assess and score projects on the basis of priority objectives that are developed by the State or MPO for their local area, and on the basis of their contribution and benefits toward meeting the priority objectives for the area, the costs of the project or strategy relative to the contribution and benefits, and public support. The process will lead to the development of a prioritized list of projects, include an opportunity for public input, and will support a performance-based approach to transportation decision-making.

Executive Summary

Reconnecting Communities Pilot Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget includes \$205 million for the Reconnecting Communities Pilot (RCP) Program. Of this amount, \$100 million is advance supplemental appropriations from the General Fund and \$105 million is funded through the Highway Trust Fund. In FY 2024, \$200 million was provided for this program, of which \$100 million is advance supplemental appropriations from the General and \$100 million was funded through the Highway Trust Fund. In FY 2025, \$202 million was provided for this program, of which \$100 million was advance supplemental appropriations from the General Fund and \$102 million was funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The RCP Program will provide planning, planning technical assistance, and capital construction grants to assess the feasibility and impacts of removing, or retrofitting existing transportation facilities that create barriers to mobility, or to carry out projects that remove, retrofit, or replace an eligible facility.

The planning grants study the feasibility and impacts of removing, retrofitting, or mitigating an existing eligible facility to restore community connectivity. The construction grants carry out the project which may include removing, retrofitting, mitigating, or replacing a facility. In addition, there are planning technical assistance grants to build organizational or community capacity to engage in transportation planning and identify innovative solutions to infrastructure challenges, including reconnecting communities.

What benefits will be provided to the American public through this request and why is this program necessary?

Our Nation's vast network of roads and bridges has connected communities from coast to coast and made it possible for people to access opportunities within their communities and beyond. However, infrastructure decisions at times have divided and fragmented communities. Without access to safe and efficient transportation options, a community's ability to prosper, grow, and access opportunities is negatively impacted. The RCP Program will support projects that help to make communities whole, providing mobility and economic opportunities to the American people.

Detailed Justification Reconnecting Communities Pilot Program

What is the request and what funds are currently spent on the program?

FY 2026 – Reconnecting Communities Pilot Program (\$205 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Reconnecting Communities Pilot Program	200,000	202,000	205,000
Total	200,000	202,000	205,000

What is this program and what does this funding level support?

The RCP Program will improve safety, mobility, access, and economic development in communities. The program will award both planning and construction grants to:

- Study the feasibility and impacts of removing, retrofitting, or mitigating existing transportation facilities that create barriers to mobility, access, or economic development.
- Conduct planning activities necessary to design a project to remove, retrofit, or mitigate an existing eligible facility.
- Conduct construction activities necessary to carry out a project to remove, retrofit, or mitigate an existing eligible facility.

Eligible facilities include highways or other transportation facilities that create barriers to community connectivity, including barriers to mobility, access, or economic development, due to high speeds, grade separations, or other design factors.

The Federal share for a planning grant project may not exceed 80 percent, and a planning grant may not exceed \$2 million per recipient. The minimum award amount for a capital construction grant shall be \$5 million and the Federal share may not exceed 50 percent. The maximum Federal assistance provided for a project award may not exceed 80 percent.

The RCP Program contributes to a performance measure to complete projects that reconnect communities that were divided by transportation corridors.

What benefits will be provided to the American public through this request and why is this program necessary?

The development of the Interstate Highway System connected our country in ways it had not been previously, but, in some instances, it also fragmented neighborhoods and divided communities. Similar fragmentation has sometimes been created by other types of infrastructure including rail lines. In these communities, the nearby highway or transportation facility creates real barriers to community cohesion and limits transportation and economic opportunities for the American people.

Transportation can play an important role in supporting community revitalization. As multimodal transportation systems connect Americans to employment, education, healthcare and other essential services, these infrastructure investments create jobs and benefit businesses. Providing transportation options that connect urban and rural communities can also offer public health, safety, and air and water quality benefits, among others.

Through this competitive grant program, States, MPOs, nonprofit organizations, local governments, and Tribal Governments can apply for grants to lay the groundwork for restoring community connectivity by improving safety and mobility, access, and support economic opportunities, as well as grants for projects that addresses existing fragmentation and create new community connections.

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Executive Summary

Wildlife Crossings Pilot Program

What is the request and what funds are currently spent on the program?

The FY 2026 budget requests \$80 million for the Wildlife Crossings Pilot Program to provide grants to eligible recipients for projects designed to reduce wildlife-vehicle collisions (WVC) and improve habitat connectivity. The IIJA provided \$70 million in FY 2024 and \$75 million in FY 2025 for this program. This program is funded through the Highway Trust Fund.

What is this program and what does this funding level support?

The Wildlife Crossings Pilot Program is a competitive grant pilot program for projects that seek to achieve a reduction in the number of wildlife-vehicle collisions and improved habitat connectivity for terrestrial and aquatic species. The funding level will support a range of project types and include the full breadth of surface transportation project delivery starting with research and design through construction activities.

The pilot program (23 U.S.C. 171) is complemented with legislative requirements under 23 U.S.C. 172 that promote outreach with a range of public and private stakeholders to leverage existing expertise, data, and tools to support the administration of this program. Early collaboration with stakeholders will support the efficient and effective delivery of this program through shared resources. In doing so, this funding can be targeted toward projects that yield the greatest safety outcomes to the traveling public while concurrently realizing the conservation and protection benefit to wildlife.

What benefits will be provided to the American public through this request and why is this program necessary?

The pilot program will benefit safety and reduce costs for the traveling public by reducing WVCs. In the 2008 Wildlife-Vehicle Collision Reduction Study Report to Congress, the estimated cost of WVCs exceeded \$8 billion per year in injuries, deaths, and property damage. The savings from wildlife crossing structures generally exceed project costs when considering the reduced injuries, deaths, and property loss. Additionally, the program will benefit wildlife conservation by improving habitat connectivity and species survival. Without this competitive pilot program, States and other eligible recipients would continue to either eliminate or defer project designs that yield both safety and habitat protection benefits due to competing priorities thereby missing critical opportunities to save lives, preserve wildlife, and reduce property damage.

Detailed Justification Wildlife Crossings Pilot Program

What is the request and what funds are currently spent on the program?

FY 2026 – Wildlife Crossings Pilot Program (\$80 million) (\$000)

Program	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request
Wildlife Crossings Pilot Program	70,000	75,000	80,000
Total	70,000	75,000	80,000

What is this program and what does this funding level support?

The Wildlife Crossings Pilot Program (WCPP) is a competitive grant program for projects that increase the adoption of safety countermeasures for reducing wildlife-vehicle collisions (WVCs). Funding directly supports projects administered through the State Departments of Transportation and Federal Lands Highway for an array of projects to a broad spectrum of awardees and partners, including Federal Agency partners, Tribes, local governments, non-governmental organizations, and institutions of higher education.

What benefits will be provided to the American public through this request and why is this program necessary?

This pilot program, authorized under the IIJA, will help fund projects that mutually support safety, infrastructure investment, and conservation and protection of wildlife.

The WCPP will benefit safety and reduce costs for the traveling public by reducing WVCs. According to the National Highway Traffic Safety Administration, between 2016 and 2020 over 930 fatal crashes were caused by collisions with live animals. In addition to injury and death, WVCs can result in property damage, economic impacts, emotional trauma, secondary crashes, and travel delays. Significant costs can be associated with vehicle repair or replacement, while emergency response services and maintenance staff are often required to assist with the aftermath of a WVC.

A majority of WVCs occur on two-lane roads often affected rural and Tribal communities. These rural areas, where at least 60 percent of the funds must be spent, will benefit greatly from improved traveler safety and reduction in WVCs.

The Wildlife Crossings Pilot Program will facilitate a transportation system that is safer for travelers and more accommodating to the needs of wildlife to move across the landscape.

Executive Summary

Administrative Expenses

What is the request and what funds are currently spent on the program?

The FY 2026 Budget includes \$507.4 million in contract authority for FHWA administrative expenses and an equal amount of Limitation on Administrative Expenses (LAE). In addition, the IIJA provides \$71.8 million (\$86.8 million less \$15 million resulting from the cancellation of FY 2026 NEVI funding) in appropriated budget authority for FHWA administrative expenses as takedowns from Highway Infrastructure Programs funding. The total administrative expenses funding level requested for FY 2026 is \$579.3 million.

In FY 2024 and FY 2025 the IIJA provided \$486.8 million and \$497.0 million in contract authority for administrative expenses, respectively. In addition, the IIJA provided \$86.8 million in appropriated budget authority in both FY 2024 and FY 2025 for administrative expenses as takedowns from Highway Infrastructure Programs funding.

The contract authority amount includes \$3.2 million each fiscal year for administrative expenses of the Appalachian Regional Commission (ARC). The remainder is for FHWA General Operating Expenses (GOE).

What is this program and what does this funding level support?

FHWA's GOE supports salaries and benefits for staff, as well as rent, communications, utilities, contractual services, travel, supplies, and equipment to support the delivery of FHWA's programs. The FY 2026 Administrative Expenses request is essential for FHWA to effectively deliver and manage the \$72.6 billion requested in the FY 2026 Budget for FHWA's programs. The Administrative Expenses request comprises less than one percent of the overall FHWA request.

What benefits will be provided to the American public through this request and why is this program necessary?

The IIJA substantially increases funding for FHWA's ongoing programs continued from prior authorization acts while also authorizing a significant number of new programs. As a result, FHWA's administrative funding is integral to implementing the investment laid out in the IIJA. To this end, a properly staffed, trained, and equipped workforce is vital for FHWA to properly implement the IIJA in the timely, efficient, and helpful manner that best supports our stakeholders.

Detailed Justification Limitation on Administrative Expenses

What is the request and what funds are currently spent on the program?

FY 2026– Limitation on Administrative Expenses (\$579 million) (\$000)

Program	FY 2024 Enacted	FY 2025 Enacted	FY 2026 Request
Limitation on Administrative Expenses ^{1/}	486,800	497,016	507,436
Highway Infrastructure Programs (administrative takedown) ^{2/}	86,816	86,816	71,816
Total	<u>573,616</u>	<u>583,832</u>	<u>579,252</u>

1/ All fiscal years include FHWA General Operating Expenses (GOE) and transfers to the Appalachian Regional Commission (ARC) for administrative activities associated with the Appalachian Development Highway System (ADHS). Other non-administrative programs funded by set asides from administrative expenses are included in the Federal Allocation Programs justification.

2/ The IIJA provides funding for administrative expenses as takedowns from the Highway Infrastructure Programs (HIP). The HIP administrative expenses funding will be used for information technology investments, contractual services, and other investments and services to support the implementation and administration of the IIJA.

What is this program and what does this funding level support?

FHWA administrative expenses provide the resources necessary to maintain oversight and administrative operations for FHWA's programs. Funding supports activities to meet Administration priorities and implement Executive Orders. Additionally, funding supports administrative expenses for the ARC.

Funding Request

The FY 2026 budget requests \$507.4 million in LAE for FHWA administrative expenses, which includes \$3.2 million for administrative expenses of the ARC. In addition, the IIJA provides \$71.8 million (\$86.8 million less \$15 million resulting from the cancellation of FY 2026 NEVI funding) in budget authority as takedowns from Highway Infrastructure Programs funding, totaling \$579.3 million for FHWA administrative expenses.

ARC Administrative Funding

The administrative funding request for ARC is \$3.2 million and is included within FHWA's overall administrative expenses request. ARC administrative funds provide for salaries, benefits, travel, and related expenses for both ARC and FHWA employees that are working on the ADHS.

FHWA Field Organization

The majority of FHWA's employees are located at 52 division offices – one in each State; Washington, DC; and Puerto Rico. FHWA Division offices provide front line program delivery assistance to partners and customers, including but not limited to, planning and research, preliminary engineering, technology transfer, right-of-way, bridge, highway safety, traffic operations, design, construction, maintenance, engineering coordination, highway beautification, and administration. In addition, jointly with the Federal Transit Administration, FHWA operates four metropolitan offices in Philadelphia, New York City, Chicago, and Los Angeles, that are extensions of their respective division offices. These offices provide technical assistance, guidance, and information regarding Federal transportation programs to local, State, and other Federal agencies in these metropolitan areas.

FHWA's Office of Federal Lands Highway (FLH) promotes effective, efficient, and reliable administration for a coordinated program of Federal public roads and bridges; to protect and enhance our Nation's natural resources; and to provide transportation access for Native Americans. FLH provides financial resources and transportation engineering assistance for public roads that service the transportation needs of Federal and Tribal lands. FLH provides these services in all 50 States, the District of Columbia, Puerto Rico, and United States Territories through three field offices located in Ashburn, Virginia, Lakewood, Colorado, and Vancouver, Washington. In addition, FLH staffs 13 regional project offices strategically located throughout the Nation.

FHWA Headquarters Organization

FHWA's headquarters program staff, located in Washington, D.C., provide national leadership and work directly with division offices, States, and other stakeholders to advance FHWA's programs. FHWA's headquarters program offices are organized by discipline:

- The Office of Safety leads FHWA's safety initiatives and programs which include the Safe System Approach, local and rural safety, proven safety countermeasures, and the Highway Safety Improvement program.
- The Office of Infrastructure provides leadership, technical expertise, and program assistance in the areas of stewardship, oversight, and management, bridges and structures, and preconstruction, construction, and pavements.
- The Office of Operations leads FHWA's efforts in the areas of congestion management, Intelligent Transportation Systems deployment, traffic operations, emergency management, and freight management and operations.
- The Office of Planning, Environment, and Realty serves as FHWA's advocate and national leader for environmental protection and enhancement, comprehensive intermodal and multi-modal transportation planning, and fair and prudent acquisition and management of real property.

- The Office of Research, Development, and Technology is located at the Turner-Fairbank Highway Research Center (TFHRC), a Federally owned and operated national research facility in McLean, Virginia. TFHRC provides the highway community with advanced and applied research and development related to new and existing highway technologies.

In addition, FHWA's headquarters support offices provide agency-wide support for FHWA's programs, including:

- development of agency-wide policies and procedures and providing support and assistance related to formulation and execution of agency budgets, and the proper utilization and accounting of agency resources;
- providing accurate, useful, timely, and comprehensive legal advice and services, and outreach and cooperation on legal matters relating to Federal transportation programs; and,
- development of agency-wide policies and providing assistance and technical expertise in matters relating to facilities management, vehicle fleet management, and real property management.

Departmental Working Capital Fund (WCF) Consolidation

As part of an effort to make government more efficient, the Department will be consolidating certain support functions including information technology, human resources, communications, government and congressional affairs, procurement, and civil rights into a Department-led shared services model. Costs for these shared services will be billed to modes through the Department's WCF. FHWA anticipates that approximately 214 positions will transfer to the Department as part of this consolidation. Reflecting these changes and other reorganization efforts, the FY 2026 organization chart in Section I of this Budget no longer includes an Office of Civil Rights, Office of Public Affairs, or Office of Technical Services.

FHWA Real Property

FHWA's administrative expenses funding is vital to maintaining, operating, and renovating owned properties which include the TFHRC in McLean, Virginia, and the Western Federal Lands (WFL) Headquarters facility in Vancouver, Washington.

- The TFHRC houses FHWA's Office of Research, Development, and Technology. The center houses 15 laboratories and conducts applied and exploratory advanced research in vehicle-highway interaction, and a host of other types of transportation research in safety, pavements, highway structures and bridges, human-centered systems, operations and intelligent transportation systems, and materials.
 - The FHWA has an annual need to construct, repair, furnish, improve, alter, or purchase fixed equipment for TFHRC to ensure the facility is properly maintained and continues to meet the evolving mission of the agency.

- In addition to operation and maintenance, planned improvements for the TFHRC may include, but are not limited to: roof replacement, ceiling grid and lighting improvements, emergency generator, air handler, pump, furniture, and equipment replacement, roadway paving, air quality improvement system installation, environmental and humidity control system upgrades, and expansion of the nondestructive evaluation lab.
- The WFL Headquarters facility is used for WFL's main office, materials testing laboratory, warehouse storage, parking for government vehicles, and equipment storage.
 - The facility is approaching the end of its useful life and requires major renovations to provide workspace accommodations that support mission growth and align with modern code and safety standards.
 - In addition to operation and maintenance and standard facility improvements such as painting, surface finishes, fixture and durable equipment replacement, and office space improvements, a full office renovation is needed.
 - Renovation needs include, but are not limited to design, construction engineering, and management and construction services for the WFL Headquarters facilities to address necessary repairs due to failing roof systems; mechanical, electrical, and plumbing systems that are beyond their useful life; and code and infrastructural deficiencies of the main building, materials laboratory, and the artillery stable (the latter of which is a historic structure used for the warehousing of soil samples, core drillings, materials testing equipment, geotechnical equipment, field tools, forklifts, and permanent records).

What benefits will be provided to the American public through this request and why is this program necessary?

FHWA administrative funding is integral to the effective delivery of FHWA's programs in accordance with Federal laws and regulations and in furtherance of Administration priorities. To this end, FHWA's most important resource is our staff who provide the expertise and dedication necessary to implement the IIJA in the timely, efficient, and helpful manner that best supports our stakeholders. FHWA's administrative funding, which comprises less than one percent of our overall funding request, directly supports our staff, with the majority of the funding covering personnel costs. The administrative funding requested in the FY 2026 Budget is necessary to ensure that FHWA has the requisite staff and resources to support the investment provided by the IIJA. The following provides just a few examples of the many ways in which FHWA's staff supports the implementation of the IIJA and the Administration's priorities.

Safety First

Safety is FHWA's top priority. FHWA staff ensure that FHWA's programs work towards reducing fatalities and injuries on our Nation's roads and bridges.

- FHWA's Proven Safety Countermeasures (PSC) initiative is a collection of 28 countermeasures and strategies effective in reducing roadway fatalities and serious

injuries on our Nation's highways. FHWA staff works with transportation agencies across the Nation on the widespread implementation of PSCs to accelerate the achievement of local, State, and National safety goals. Each PSC addresses at least one, and sometimes multiple safety focus areas including speed management, intersection safety, roadway departures, and pedestrian and bicyclist safety.

- FHWA is a national leader in safety-related research, development, and technology deployment. FHWA's Office of Safety Research and Development is helping to reduce highway crashes and related fatalities and injuries by developing and implementing safety innovations. For example, FHWA's Federal Outdoor Impact Laboratory is used to better understand crash events. One way this is accomplished is by staging controlled, high-speed motor vehicle collisions into roadside hardware (e.g., guardrails, sign supports, cable barriers, concrete safety shapes) to evaluate effectiveness.
- The men and women fixing our streets, highways, and bridges are among the most vulnerable road users because their jobs require them to be on foot near oncoming traffic. To help bring awareness to the risks faced by our construction workers, FHWA partners with other transportation agencies on the annual National Work Zone Awareness Week. The most recent event held in April 2025 focused on highlighting the role that inattention at highway work zones plays in causing vulnerable road user and automobile crash-related fatalities.
- In 2024, 23 police officers were struck and killed by vehicle traffic. In the last five years, nearly 300 traffic incident responders have been struck and killed in the line of duty, 40 percent of which were police officers. FHWA strives to better protect these courageous individuals. More than 800,000 responders, including over 200,000 law enforcement personnel, have completed FHWA's Traffic Incident Management Responder Training which is saving lives and reducing the time and costs of traffic incident response.

Infrastructure Investment

Our Nation's bridges and roads are vital to the everyday lives of working people and freight travel that supports our national economy. FHWA staff works to ensure that our transportation infrastructure strengthens our Nation and improves the quality of life for Americans.

- Bridges are key components of our Nation's roadway network providing invaluable connectivity for communities nationwide. FHWA provides national policy and technical guidance related to the design, construction, inspection, evaluation, management, and preservation of our Nation's inventory of over 610,000 highway bridges, more than 500 tunnels, and numerous other structures across the country. FHWA annually distributes funding of approximately \$7 billion to assist transportation agencies plan, design, build, repair, rehabilitate, and inspect such bridges and structures.
- All communities nationwide can be economic contributors and should have access to economic opportunities. FHWA programs help to build economic growth and access in communities. FHWA's Appalachian Development Highway System (ADHS) Program

supports the completion of the ADHS, which is a network of approximately 3,000 miles of roads linking the Appalachian region to interstates and providing access to regional and national markets.

- FHWA works with Tribes to ensure that Federal funds go towards projects that proactively address safety, workforce development, and economic development. The tribal road inventory includes approximately 58,500 miles of Bureau of Indian Affairs and Tribally-owned public roads, 102,500 miles of State, county, and local government public roads, and 12,500 miles of proposed roads. FHWA's Tribal Technical Assistance Program (TTAP) delivers highway curriculum and technical assistance to the 567 Federally-recognized Tribes. These resources, available through the seven TTAP Centers, enable Tribes to build workforce capacity and innovatively address roadway network challenges.
- Through the Emergency Relief program, FHWA staff work diligently to assist in natural disasters or catastrophic failures that result in damage to our transportation infrastructure. FHWA staff stands ready to help communities repair and recover from disasters and become more resilient to future events. FHWA has provided \$540 million in Emergency Relief Program funds via "Quick Release" to State DOTs in North Carolina, South Carolina, Tennessee, and Virginia, and to the U.S. Forest Service and the National Park Service, to help with immediate repairs to roads and bridges impacted by Hurricane Helene.
 - Quick release funding helps the Nation take steps to begin to recover after saddening and life-changing events, while ensuring that our highways and other transportation infrastructure continues to be functional to all road users. Quick release funding is an initial installment to help restore essential services. FHWA continues to support emergency relief repairs and construction through the completion of projects.

Innovation

FHWA's suite of research, technology, and education programs develop and deliver the solutions that meet current challenges and future needs. These programs cover the entire innovation life cycle including agenda setting, research and development, technology testing and evaluation, and deployment and impact evaluation of market-ready technologies and innovations. Additionally, the Research, Technology, and Education program is committed to providing superior training and education to transportation professionals.

The TFHRC is critical in providing vital resources for advancing the body of knowledge that has been created and development by FHWA's researchers. Researchers develop, test, and seek solutions to complex technical problems through the development of more economical designs that work to produce the end result of a safer, longer-lasting highway transportation system.

- FHWA supports and conducts long-term, high-risk research that has the potential to create substantial breakthroughs in transportation. In recent years, the Exploratory

Advanced Research Program has worked with technology driven factors to ensure safety and mobility for all road users. For example, the program recently worked with artificial intelligence (AI) models to enhance traffic camera images. With AI generated traffic images, it can provide real-time crash detection to emergency responders. With faster detection and faster technology, AI will directly work to decrease the response time for emergency responders and improve outcomes for victims.

- Ten States are actively participating in the Advanced Digital Construction Management Systems (ADCMS) competitive grant program. These grants are helping States to advance technology from design and engineering to construction and operations. Through the work of local agencies, Tribes, and private industry, ADCMS can help to reduce congestion through more efficient projects. The program champions state-of-the-art machinery and optimized software to perform tasks faster, thereby reducing the construction timeframe with the goal of having a positive impact on all road users.

Exhibit IV-1
Department of Transportation
FY 2026 Budget
Federal Highway Administration
Research, Technology, and Education Budget Narrative
(Budget Authority in Thousands)

Budget Account	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request	Applied Research	Technology Transfer	Facilities	Experimental Development	Major Equipment, R&D Equipment
Research, Technology & Education (RT&E) Program								
Highway Research and Development	127,596	129,360	147,000	73,500	47,040	-----	26,460	-----
Technology and Innovation Deployment Program	95,480	96,800	110,000	-----	110,000	-----	-----	-----
Training and Education Program	22,134	22,660	26,000	-----	26,000	-----	-----	-----
Intelligent Transportation Systems	95,480	96,800	110,000	83,600	26,400	-----	-----	-----
University Transportation Centers (UTC) ^{1/}	70,308	71,720	82,000	82,000	-----	-----	-----	-----
State Planning and Research (SP&R) ^{2/}	255,807	260,948	266,191	159,714	66,548	-----	39,929	-----
Advanced Transportation Technologies & Innovative Mobility Deployment [Non-add] ^{3/}	[52,080]	[52,800]	[60,000]	-----	[60,000]	-----	-----	-----
Subtotal, RT&E Program	666,805	678,288	741,191	398,814	275,988	-----	66,389	-----
Administrative, RT&E	27,364	27,472	27,672	12,468	8,628	4,500	2,076	-----
Add: Bureau of Transportation Statistics ^{1/}	26,500	26,750	27,000	27,000	-----	-----	-----	-----
Less: Administrative	-27,364	-27,472	-27,672	-12,468	-8,628	-4,500	-2,076	-----
Less: State Planning and Research (SP&R)	-255,807	-260,948	-266,191	-159,714	-66,548	-----	-39,929	-----
Total RT&E Program ^{4/5/}	437,498	444,090	502,000	266,100	209,440	-----	26,460	-----
IIJA HIP Supplemental Appropriations (GF)								
University Transportation Centers (UTC) ^{1/}	19,000	19,000	19,000	19,000	-----	-----	-----	-----
Subtotal, IIJA HIP Supplemental Appropriations (GF)	19,000	19,000	19,000	19,000	-----	-----	-----	-----
Administrative, IIJA HIP Supplemental Appropriations (GF)	285	285	285	285	-----	-----	-----	-----
Less: Administrative	-285	-285	-285	-285	-----	-----	-----	-----
Total HIP Supplemental Appropriations (GF)	19,000	19,000	19,000	19,000	-----	-----	-----	-----
Total Programs ^{4/5/}	456,498	463,090	521,000	285,100	209,440	-----	26,460	-----

1/ Details for this program are contained in the Office of the Assistant Secretary for Research and Technology FY 2026 budget.

2/ Title 23 U.S.C. 505(b) requires State DOT's to expend no less than 25 percent of their annual SP&R funds on RT&E activities. Total SP&R funding represents 2 percent of apportioned programs, exclusive of the Metropolitan Planning Program, Carbon Reduction Program, and Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Program.

3/ Advanced Transportation Technologies & Innovative Mobility Deployment is funded by set-asides from Highway Research and Development, Technology and Innovation Deployment Program, and Intelligent Transportation Systems.

4/ Subtotals may not add due to rounding.

5/ The FY 2024 amounts reflect the 13.2 percent reduction resulting from the imposition of the obligation limitation. The FY 2025 amounts reflect the 12 percent reduction resulting from the impositions of the obligation limitation. FY 2026 amounts reflect authorized amounts per program before the "lop-off" percentage has been applied.

EXHIBIT IV-2
Department of Transportation
FY 2026 Budget
Federal Highway Administration
RT&E Program Funding by DOT Strategic Goal

This exhibit not included with this submission.

**FEDERAL HIGHWAY ADMINISTRATION
RESEARCH, TECHNOLOGY, AND EDUCATION (RT&E)**

RT&E PROGRAM NAME: HIGHWAY RESEARCH & DEVELOPMENT PROGRAM

Objectives: To research and develop transformational technologies that support and improve safety; improve the mobility of people and goods; stimulate growth, productivity, and competitiveness; reduce congestion; improve the durability and extend the life of transportation infrastructure; foster innovation in transportation and transportation technologies; accelerate and improve the efficiency of project delivery; and support the transition to the transportation system of the future through innovative practices and technologies.

Fiscal Year (FY) 2024: \$127.6 million

In FY 2024, FHWA conducted research to enhance safety and mobility through developing tools to enhance the safety of all road users; led research to prepare roadway infrastructure for and to advance emerging capabilities in automation and cooperation; piloted user-based alternative revenue mechanisms at the State level to enhance the strength and durability of the highway infrastructure; and enhanced the ability to use non-traditional data sources to solve highway transportation issues.

The Strategic Innovation for Revenue Collection (SIRC) Program continued implementation of the initial round of competitive grants to fund pilot projects that develop feasibility research, tests, evaluations, or deployment of a road usage fee and other user-based alternative revenue mechanisms to eligible States, Metropolitan Planning Organizations, and local governments to support the long-term solvency of the Highway Trust Fund.

FHWA continued to effectively address infrastructure vulnerability to the forces of flowing water, which is critical to improving infrastructure resiliency and safety. Hydraulics and geotechnical engineers at FHWA collaboratively developed improved design tools to more reliably estimate scour around bridge foundations and soil erosion at roadside stream banks while also facilitating the design of effective protective measures. The products of this research enabled more resilient highway infrastructure.

Fiscal Year 2025: \$129.4 million

In FY 2025, FHWA is building on prior research and continues to work toward solutions that address the Nation's most critical infrastructure-related needs. The FHWA R&T Program for FY 2025 includes both follow-on initiatives from prior work and new activities that address emerging needs. Specific activities being worked on include research on automated driving systems, multimodal mobility, advanced infrastructure materials, and infrastructure resilience. FHWA is carrying out research that supports safety initiatives for all users of transportation systems and continues to develop and disseminate research to support better safety data collection and analysis, and guidelines for planning, project development, and roadway design.

Fiscal Year 2026: \$147.0 million

In FY 2026, FHWA will expand on previous research and continue to work toward solutions that address the Nation's most pressing infrastructure needs. The FHWA R&T Program for FY 2026

will include both follow-up initiatives from previous work and new activities to address emerging needs. Specific activities will include research into automated driving systems, multimodal mobility, advanced infrastructure materials, and infrastructure resilience. FHWA will conduct research to support safety initiatives for all users of transportation systems and will continue to develop and disseminate research to support better safety data collection and analysis, and guidelines for planning, project development, and roadway design. FHWA will continue activities focused on leading, supporting, and enabling improvements in highway infrastructure integrity, and provide tools, technologies, information, and guidelines that highway owners can apply to effectively maintain and improve infrastructure performance and meet user needs.

RT&E PROGRAM NAME: TECHNOLOGY AND INNOVATION DEPLOYMENT PROGRAM

Objectives: Accelerate the adoption of proven innovative practices and technologies as standard practices to significantly improve: safety, system efficiency, infrastructure health, reliability, and performance.

Fiscal Year 2024: \$95.5 million

In FY 2024, this program supported the deployment of innovative and proven transportation technologies and processes through financial and technical assistance, training, peer exchanges, collaboration with industry groups, information, and knowledge exchange. Innovations were rolled out to enhance the highway transportation system through the above initiatives.

Fiscal Year 2025: \$96.8 million

In FY 2025, FHWA continues to support a series of critical technology deployment programs that provide direct benefits to State and local transportation departments. These programs include:

- *Every Day Counts (EDC) program:* A stakeholder-driven program that identifies underutilized market-ready technologies with high payoffs and accelerates their deployment and widespread adoption throughout the Nation. This program has successfully highlighted several safety-based initiatives (e.g., Safe Transportation for Every Pedestrian, Focus on Rural Roadway Departures) and others that address improvement of core assets (e.g., Targeted Overlay Pavement Solutions) and project delivery (Project Bundling).
- *Accelerated Innovation Deployment Demonstration Program:* Provides funding for eligible entities to accelerate the implementation and adoption of innovative technologies or practices on highway transportation projects.
- *State Transportation Innovation Council (STIC) Incentive program:* Each State DOT co-chairs a STIC that works collaboratively across public and private sectors to identify, evaluate, and actively promote the implementation and adoption of innovative technologies and practices in all communities across the Nation.

- *Accelerated Market Readiness program (AMR)*: Supports promising innovations that have the potential to be considered for accelerated deployment. This program is seeking innovations of a transformational nature that, when in a more market-ready status, can be adopted by transportation agencies.
- *Innovation Implementation Deployment Management*: Provides tools, training, technology deployment, and technical assistance that support the transportation community's use of cutting-edge innovations and technologies to deliver critical infrastructure projects. FHWA's efforts in this area primarily consist of FHWA subject matter expert-led deployment activities, including webinars, technical assistance, and just-in-time training.
- *Accelerated Implementation and Deployment of Pavement Technologies (AIDPT)*: Within the Technology and Innovation Deployment Program, \$12 million is designated to promote, demonstrate, support, and document the application of innovative pavement technologies, practices, performance, and benefits.
- *Advanced Transportation Technology and Innovation (ATTAIN) Program (formerly: Advanced Transportation and Congestion Management Technologies Deployment Program)*: Provides grants to deploy, install, and operate advanced transportation technologies to improve safety, mobility, efficiency, system performance, intermodal connectivity, and infrastructure return on investment. The IIJA funds this program at \$60 million per year for each of the fiscal years 2022 through 2026.
- *Advanced Digital Construction Management Systems (ADCMS)*: The IIJA established a program for ADCMS, funded at \$20 million per year for each of fiscal years 2022 through 2026, to promote, implement, deploy, demonstrate, showcase, support, and document the application of ADCMS, practices, performance, and benefits. The ADCMS builds on earlier initiatives that FHWA led through research and the EDC program to advance digital project delivery.

Fiscal Year 2026: \$110.0 million

In FY 2026, FHWA will continue to support a series of critical technology deployment programs that provide direct benefits to State and local transportation departments. These programs include:

- *Every Day Counts program*: A stakeholder-driven program that identifies underutilized market-ready technologies with high payoffs and accelerates their deployment and widespread adoption throughout the Nation. This program has successfully highlighted several safety-based initiatives (e.g., Safe Transportation for Every Pedestrian, Focus on Rural Roadway Departures) and others that address improvement of core assets (e.g., Targeted Overlay Pavement Solutions) and project delivery (Project Bundling).
- *Accelerated Innovation Deployment Demonstration Program*: Provides funding for eligible entities to accelerate the implementation and adoption of innovative technologies or practices on highway transportation projects.

- *State Transportation Innovation Council Incentive program*: Each State DOT co-chairs a STIC that works collaboratively across public and private sectors to identify, evaluate, and actively promote the implementation and adoption of innovative technologies and practices in all communities across the Nation.
- *Accelerated Market Readiness program*: Supports promising innovations that have the potential to be considered for accelerated deployment. This program is seeking innovations of a transformational nature that, when in a more market-ready status, can be adopted by transportation agencies.
- *Innovation Implementation Deployment Management*: Provides tools, training, technology deployment, and technical assistance that support the transportation community's use of cutting-edge innovations and technologies to deliver critical infrastructure projects. FHWA's efforts in this area primarily consist of FHWA subject matter expert-led deployment activities, including webinars, technical assistance, and just-in-time training.
- *Accelerated Implementation and Deployment of Pavement Technologies (AIDPT)*: Within the Technology and Innovation Deployment Program, \$12 million is designated to promote, demonstrate, support, and document the application of innovative pavement technologies, practices, performance, and benefits.
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- *Advanced Digital Construction Management Systems (ADCMS)*: The IIJA established a program for ADCMS, funded at \$20 million per year for each of fiscal years 2022 through 2026, to promote, implement, deploy, demonstrate, showcase, support, and document the application of ADCMS, practices, performance, and benefits. The ADCMS builds on earlier initiatives that FHWA led through research and the EDC program to advance digital project delivery.

RT&E PROGRAM NAME: TRAINING AND EDUCATION (T&E)

Objectives: To foster a safe, efficient, and reliable, surface transportation system by improving the skills and increasing the knowledge of the transportation workforce and decision-makers through training and information exchanges. To attract qualified students to the field of transportation and advance transportation workforce development.

Fiscal Year 2024: \$22.1 million

In FY 2024, FHWA continued to support the delivery of training and other educational resources to the surface transportation community. Innovations produced through FHWA R&T activities, as well as those produced through other means, were incorporated into training and education

materials to support technology transfer and deployment. The T&E program engaged in workforce development and professional capacity building to provide innovative tools, processes, and concepts to State, local, Tribal, and Federal Land Management Agencies. FHWA continued to support workshops and peer exchanges for the current workforce, as well as scholarships, fellowships, and workforce development centers to support the next generation of the surface transportation workforce.

Fiscal Year 2025: \$22.7 million

In FY 2025 this program continues to provide leadership, training, educational materials, and resources for the development and delivery of training, professional development, and education programs to improve the quality of our highway system and its intermodal connections. It also continues to provide educational opportunities to the surface transportation community by developing core competencies and new skills, enabling technology transfer, and sharing best practices.

Fiscal Year 2026: \$26.0 million

FHWA will continue to provide education and training on surface transportation in FY 2026 by facilitating the transfer and implementation of technologies. Innovative developments and research from the FHWA will be incorporated into training and educational materials. The T&E program provides State, local, Tribal, and Federal Land Management Agencies with cutting-edge tools, processes, and concepts to enhance professional capacity and workforce development. Workshops, peer exchanges, scholarships, fellowships, and workforce development centers will continue to be provided by FHWA to the current and future surface transportation workforce. In fiscal year 2026, this program will develop and execute educational, professional development, and training initiatives to enhance our highway infrastructure and intermodal links. Additionally, it will offer educational opportunities for professionals in surface transportation to enhance their knowledge and acquire new skills. This will aid in the dissemination of best practices and technologies.

RT&E PROGRAM NAME: INTELLIGENT TRANSPORTATION SYSTEMS PROGRAM (ITS)

Objectives: The Intelligent Transportation Systems (ITS) Program seeks to support safer vehicles and roadways by fostering innovation in better crash avoidance and protection measures; enhancing mobility by exploring methods and management strategies that increase system efficiency and improve individual mobility; improving accessibility by better managing traffic flow, speeds, and congestion; promoting innovation by fostering technological advancement and innovation across the DOT's ITS Program; and supporting transportation system information sharing through the development of standards and systems architecture.

Fiscal Year 2024: \$95.5 million

In FY 2024, the ITS Program supported the DOT's mission of using a balanced approach that ensures that the entire Nation has the safest, most efficient, and most modern transportation system in the world. The ITS Program continued to serve as an innovative hub for projects impacting all aspects of American transportation, from system-wide interoperability and vehicle connectivity to institutional issues, innovative deployments, and ITS application testing. Through

the development of cooperative and standards-based interoperable technologies and comprehensive, stakeholder-driven policies, the ITS Program facilitated the deployment of technologies that enhance the efficiency, safety, and convenience of surface transportation, resulting in improved access, saved lives and time, and increased productivity.

Fiscal Year 2025: \$96.8 million

In FY 2025, the ITS Program is conducting automation research in conjunction with other DOT modes, as well as State and local public agencies, academia, industry, and other surface transportation stakeholders. These efforts continue to increase multimodal mobility options for all travelers; transform safety and mobility; increase productivity; facilitate freight movement within our Nation's transportation system; and facilitate the adoption and implementation of information and communications technology with tools such as the Smart Community Resource Center. Continued leadership with interoperable connectivity and the publication of a vehicle-to-everything (V2X) strategic plan demonstrates DOT's commitment to the continued deployment of connected vehicle and infrastructure technologies. The Intersection Safety Challenge will improve intersection safety through the innovative application of emerging technologies, including machine vision, sensor fusion, and real-time decision-making, to identify and mitigate unsafe conditions involving vehicles and vulnerable road users.

Fiscal Year 2026: \$110.0 million

In FY 2026, the ITS Program will continue providing leadership in interoperable connectivity by leveraging V2X technologies identified through deployment grant opportunities related to research efforts. This initiative is focused on road safety, mobility, and efficiency through technology that enables vehicles and wireless devices to communicate with each other and with roadside infrastructure safely and securely. In addition to V2X, the ITS program will support an AI initiative, funding the development of decision-support tool(s) for State, local, and Tribal transportation agencies to assist in the siting, design, and deployment of the Safe System Approach for all users. The ITS Program will support ITS deployers by fostering communities of practice amongst stakeholders at the State and local levels; these collaborative forums will ensure assessment and advancement of technologies, including connectivity and digital infrastructure, that are making the greatest impacts.

RT&E PROGRAM NAME: STATE PLANNING & RESEARCH (SPR)

Objectives: To solve transportation problems identified by the States. To encourage cooperation among States to leverage funds and conduct research of relevance to multi-state regions. This program is funded by a set-aside from each State's apportionments from five programs: the National Highway Performance Program, the Surface Transportation Block Grant Program, the Highway Safety Improvement Program, the Congestion Mitigation and Air Quality Improvement Program, and the National Highway Freight Program.

Fiscal Year 2024: \$255.8 million

In FY 2024, the SPR program continued to advance applied research related to highway transportation and engage in cooperative research programs such as the National Cooperative Highway Research Program and the Transportation Pooled Fund Program. These efforts resulted in the deployment of proven technologies, innovation, technology transfer, and peer exchanges.

Fiscal Year 2025: \$260.9 million

In FY 2025, the SPR program continues to meet local needs through applied research on State or regional problems, foster innovation through the transfer of technologies from researchers to users, and conduct research for setting standards and specifications. States continue to support cooperative research programs such as the National Cooperative Highway Research Program and the Transportation Pooled Fund Program.

Fiscal Year 2026: \$266.2 million

In FY 2026, the SPR program will continue to meet local needs through applied research on State or regional problems, foster innovation through technology transfer from researchers to users, and conduct research to establish standards and specifications. States will continue to fund cooperative research initiatives like the National Cooperative Highway Research Program and the Transportation Pooled Fund Program.

RT&E PROGRAM NAME: UNIVERSITY TRANSPORTATION CENTERS

Amount Requested for FY 2026: \$101.0 million

Project and activity summaries are provided in the Office of the Secretary of Transportation – Office of the Assistant Secretary for Research and Technology FY 2026 budget submission.

RT&E PROGRAM NAME: BUREAU OF TRANSPORTATION STATISTICS

Amount Requested for FY 2026: \$27.0 million

Project and activity summaries are provided in the Office of the Secretary of Transportation – Office of the Assistant Secretary for Research and Technology FY 2026 budget submission.

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FY 2026 Budget

Federal Highway Administration Information Technology Budget Narrative

(Budget Authority in Thousands)

Budget Account	FY 2024 Actual	FY 2025 Enacted	FY 2026 Request*
Federal-Aid Highways and Highway Infrastructure Programs			
<i>Commodity IT SS WCF</i>	\$49,534	\$48,246	\$48,478
<i>FHWA IT</i>	\$79,424	\$80,712	
<i>FHWA IT through the WCF</i>			\$83,272
Total	\$128,958	\$128,958	\$131,750

**The FY 2026 value is meant to illustrate the overall IT consolidation effort within the Department; however, this particular display will continue to undergo refinement as the consolidation takes place.*

The Federal Highway Administration (FHWA) is requesting **\$131.8 million** in FY 2026 for information technologies (IT) that support the full spectrum of FHWA programs, as well as the Department's initiative to transform and consolidate the management of IT solutions centrally by the Office of the Chief Information Officer (OCIO).

Commodity IT Shared Services through the WCF

OCIO will continue to provide FHWA Commodity IT Shared Services in FY 2026 to achieve economies of scale and increase consistency of cybersecurity protections across the Department. Commodity IT Shared Services include IT functions and activities dedicated to basic support services, including network operations, end-user computing, telecommunications services, and server operations.

- **Commodity IT Shared Services** - FHWA requests **\$48.5 million** for Commodity IT Shared Services. FHWA's share was based on actual commodity IT consumption in prior years, as well as planned future consumption. OCIO, in collaboration with FHWA, assumed a one-to-one cost estimate to transition all commodity IT to OCIO. FHWA will only be charged for services rendered.

FHWA IT proposed for consolidation through the WCF

Management of the following major mission-critical IT systems will be maintained by OCIO in FY 2026. This list is only a subset of all IT systems that support FHWA and are reported in the Office of Management and Budget's (OMB) Corporate Investment Management System (CIMS).

Following passage of the IIJA, FHWA instituted a workgroup that considers how best to use the

additional administrative resources provided by the IIJA, including potential investments in IT. For example, FHWA's mission-critical Fiscal Management Information System 5.0 (FMIS) has implemented enhancements to support expanded reporting, recipients, and other requirements under the IIJA. Additionally, as part of the Competitive Grants Initiative, the FHWA IIJA Implementation Group has implemented an agency-wide grants management solution. An agency-wide grants management system enables FHWA to meet the Congressionally defined grants duties more efficiently with reduced risk and greater transparency. A comprehensive grants management solution will facilitate more than 40 programs defined in law to evaluate applications, track approvals and funding distribution, document compliance, and store critical project implementation updates.

- **FMIS** – FHWA requests **\$3.5 million** for the agency's most mission-critical system, through which States receive reimbursements for Federal-aid program costs, authorize and modify projects, as well as track and report on critical financial and program information. FHWA staff use FMIS to apportion highway funding, set obligation limitations, transfer funds, approve projects, manage, and oversee financial management of the Federal-aid program, and report on FHWA funding. The requested funding is to support operations and maintenance, critical system enhancements necessary to meet Congressionally mandated requirements (e.g., DATA Act, audit requirements for Federal awards under 2 CFR 200, etc.), and new enhancements based on requirements from State and Federal users.
- **Highway and Bridge Data Collection** – FHWA requests **\$6.2 million** to manage several IT investments used to compile, manage, and make available vital highway and bridge data, some of which is statutorily required. These investments include:
 - The **Highway Performance Monitoring System (HPMS)** supports a data-driven decision-making process among FHWA, the Department, and Congress. HPMS data are used extensively in the analysis of highway system condition, performance, and investment needs that make up the biennial *Condition and Performance (C&P) Report* to Congress. The C&P Report serves to inform both authorization and appropriation legislation activities that ultimately determine the scope and size of the Federal-aid highway program and the level of Federal highway taxation.
 - The **National Bridge Inventory (NBI)** is a collection of bridge inventory and condition information collected under the auspices of the National Bridge Inspection Standards (NBIS) as prescribed by law. The information is used for performance measure reporting, National Highway System (NHS) penalty determination, and reporting to Congress.
 - The **Integrated Transportation Information Platform (ITIP)** provides a comprehensive source for infrastructure condition and performance and Federal-aid project data elements. The ITIP integrates and provides seamless access to a wide range of data elements, which are maintained within FMIS, HPMS, and the

NBI. Through ITIP, users are provided with data analysis, visualization, and reporting capabilities.

- **Direct Program Support for the Office of Federal Lands and the Office of Research, Development, and Technology** – FHWA requests **\$20.8 million** to provide the necessary tools to effectively manage FHWA’s initiatives for Federal Lands, Tribes, and transportation research, including investments in innovative technologies that improve highway safety and infrastructure.
 - For example, FHWA’s **Turner-Fairbank Highway Research Center (TFHRC)** is a member of Internet2, which is a research and development consortium led by over 200 universities working in partnership with industry and government to develop and deploy advanced network applications and technologies. Internet2 operates the Nation’s largest and fastest, coast-to-coast research and education network that was built to deliver advanced, customized services that are accessed and secured by the community-developed trust and identity framework. TFHRC utilizes this high-speed, highly secure network to run applications on super computers at national labs, obtain access to massive data servers at research universities, and to send large amounts of data to test facilities that provide critical operational testing environments, and which are operated by other Federal agencies. Access to this network is critical to support FHWA’s world-class research and to enable efficient data sharing and processing.
- **Interagency Agreements** – FHWA requests **\$21.0 million** for funding Interagency Agreements (IAAs). FHWA partners with the Enterprise Service Center (ESC) for support services provided for accounting, contracting, and time and attendance systems. Other IAAs support grants management, roadway safety, geo-economic system modeling, rural and statewide geographic information systems, motor vehicle registration, highway needs and investment analysis, and environmental reviews.
- **Artificial Intelligence (AI)** - FHWA is investing **\$2.5 million** into AI applications such as Robotic Process Automation (RPA) program support and development, Project Ai-RC, Henri Highway, and other initiatives. This technology will improve activities that require time consuming, resource intensive, and manual processes. The technology will also provide customer support solutions (AI-powered chatbots or virtual agents) for automating routine tasks, handling customer inquiries, and providing information or assistance through natural language conversations.
- **Additional IT maintenance and support contributions staying within the mode:** FHWA requests **\$29.2 million** to support IT systems that are critical to the successful delivery of the Federal-aid highway program. FHWA invests expertise and resources into various oversight and governance programs to reduce risk, positively impact program performance and effectiveness, align with strategic goals, and continuously enhance the IT environment to enable robust and flexible IT solutions. Examples of several programs are IT Solutions and Data Management, IT Business Cases and Alternative Analysis,

Enterprise Architecture (EA), and the Capital Planning and Investment Control (CPIC) program.

EXHIBIT VI-1
FEDERAL HIGHWAY ADMINISTRATION
HISTORICAL FUNDING LEVELS (2016-2025)
(\$000)

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Federal-Aid Highways										
Obligation Limitation	\$42,361,000	\$43,266,100	\$44,234,212	\$45,268,596	\$46,365,092	\$46,365,092	\$57,473,430	\$58,764,511	\$60,095,783	\$61,314,171
Contract Authority Exempt from Obligation Limitation ^{1/}	\$739,000	\$739,000	\$739,000	\$739,000	\$739,000	\$739,000	\$739,000	\$739,000	\$739,000	\$739,000
Liquidation of Contract Authority	\$43,100,000	\$44,005,100	\$44,973,212	\$46,007,596	\$47,104,092	\$47,104,092	\$58,212,430	\$59,503,511	\$60,834,783	\$61,314,171
Limitation on Admin Expenses [non-add] ^{2/}	\$429,000	\$435,795	\$442,692	\$449,692	\$456,798	\$478,897 ^{3/}	\$466,965	\$476,784	\$486,800	\$497,016
Supplemental Emergency Relief Funds (GF)		\$1,532,017	\$1,374,000	\$1,650,000			\$2,600,000 ^{4/}	\$803,000 ^{4/}		\$8,086,020 ^{4/}
Highway Infrastructure Programs (GF Advance Appropriation) ^{5/}							\$9,454,400	\$9,454,400	\$9,454,400	\$9,454,400
Highway Infrastructure Programs (GF)			\$2,525,000	\$3,250,000	\$2,166,140	\$12,000,000 ^{6/}	\$2,444,928 ^{7/}	\$3,417,812 ^{7/}	\$2,224,677 ^{7/}	\$340,500 ^{7/}
Neighborhood Access and Environmental Review (GF)							\$5,305,000 ^{8/}			

1/ Does not reflect sequestration of contract authority exempt from obligation limitation.

2/ All fiscal years include FHWA General Operating Expenses and transfers to the Appalachian Regional Commission for administrative activities associated with the Appalachian development highway system. All fiscal years do not include amounts for other non-administrative programs authorized under Administrative Expenses.

3/ For 2021, FHWA used carryover administrative expenses contract authority to utilize the Limitation on Administrative Expenses provided in the Appropriations Act.

4/ The Disaster Relief Supplemental Appropriations Act, 2022 (Public Law 117-43) provided \$2.6 billion in additional emergency relief funding from the General Fund for FY 2022. The Consolidated Appropriations Act, 2023 (Public Law 117-328) provided \$803 million in additional emergency relief funding from the General Fund for FY 2023. The American Relief Act, 2025 (Public Law 118-158) provided \$8.1 billion in additional emergency relief funding from the General Fund in FY 2025.

5/ The IIJA provides funding for administrative expenses as a takedown from the Highway Infrastructure Programs. The aggregate of these takedowns is \$86.8 million in each year from FY 2022 through FY 2025.

6/ The Department of Transportation Appropriations Act, 2021 (Public Law 116-260) provided \$2 billion in additional highway funding from the General Fund for FY 2021. The Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (Public Law 116-260) provided \$10 billion in additional highway funding from the General Fund for FY 2021.

7/ The Department of Transportation Appropriations Act, 2022 (Public Law 117-103) provided \$2.4 billion in additional highway funding from the General Fund in FY 2022. The Department of Transportation Appropriations Act, 2023 (Public Law 117-328) provided \$3.4 billion in additional highway funding from the General Fund in FY 2023. The Consolidated Appropriations Act, 2024 provided \$2.2 billion in additional highway funding from the General Fund in FY 2024. The Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4) provided \$340.5 million in additional highway funding from the General Fund in FY 2025.

8/ The Inflation Reduction Act of 2022 (Public Law 117-169) provided \$5.3 billion in additional highway funding from the General Fund in FY 2022.

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