



THE SECRETARY OF TRANSPORTATION

WASHINGTON, DC 20590

February 5, 2016

Dear Transportation Stakeholder:

We have a significant opportunity to improve freight movement in the United States. For the first time in the U.S. Department of Transportation's 50-year history, Congress provided dedicated funding for freight infrastructure. The Fixing America's Surface Transportation (FAST) Act, which includes multimodal freight policy, reflects the robust effort by many to make available Federal resources that meet our Nation's current and future needs.

This month, the Department will publish a Notice of Funding Opportunity in the Federal Register requesting applications for the Nationally Significant Freight and Highway Projects (NSFHP) program, through www.Grants.gov, as established in section 117 of Title 23 U.S.C. as amended by the FAST Act. The NSFHP program is authorized at \$4.5 billion for fiscal years (FY) 2016 through 2020, including \$800 million for FY 2016. My goal is to expeditiously fund promising freight and highway projects. As this is a new program, I want to give potential project sponsors an early indication of how we hope to maximize the program's effectiveness.

Our Nation needs a strong multimodal freight system that competes in the global economy and meets the needs of consumers and industry. *Beyond Traffic*, the Department's 30-year framework for the future, outlines changing local and global freight patterns, including significant growth in the tonnage and value of freight movement in response to rising demand. The report illustrates the need to address freight bottlenecks that severely constrain system performance and capacity. The Department's draft National Freight Strategic Plan, released in October 2015, further explores these challenges and identifies strategies to address impediments to the flow of goods throughout the Nation.

The NSFHP program represents a major opportunity to fund high-impact projects that address critical challenges affecting freight movement, including reducing or eliminating bottlenecks, addressing congested highways, reducing delays at international borders, making critical improvements in infrastructure, and improving grade crossings, inefficient intermodal connections, and inadequate first and last mile segments. The program also will allow us to advance projects while improving safety, the environment, and quality of life. These goals can only be accomplished, however, if stakeholders champion meaningful projects that meet the criteria specified in the FAST Act.

Specifically, the Department is looking for transformative, nationally and regionally significant highway, rail, port, and intermodal freight projects with estimated total project costs in excess of \$100 million.¹ We will also reserve 10 percent of funds for smaller projects. The attached NSFHP fact sheet contains more information on eligibility for this program.

¹ For a limited number of States, the minimum project size may be smaller than \$100 million. The Notice of Funding Opportunity will provide a list of those States and their minimum project size.

To be selected, projects must demonstrate the potential to generate national or regional economic, mobility, or safety benefits; be cost-effective, be reasonably expected to begin construction within 18 months. Additionally, projects funded through the NSFHP program should serve needs that are not otherwise met through existing sources of Federal funding, and should facilitate coordination with and leverage funds from States, local governments, metropolitan planning organizations, and representatives of public and private multimodal transportation.

I look forward to receiving your applications. If you have questions in the meantime, please contact freight@dot.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Anthony R. Foxx', is centered on the page. The signature is fluid and cursive, with a large initial 'A'.

Anthony R. Foxx