If the rate increases during the most recent 2-year period for which data is available, that state shall be required to include, as part of the subsequent strategic highway safety plan of the state, strategies to address increases in those rates. There is no funding penalty for the Special Rule for Older Drivers.

A safety penalty obliges HSIP funds to equal the previous year’s apportionment (in FY2016 that would have been $30,100,980). If a High Risk Rural Road (HRRR) penalty is assessed, it is half the percent of the apportionment to the NHHP. The Interstate Maintenance (IM) program no longer exists; it has been absorbed by the NHHP. Based on the current project delivery plan, the penalty would not result in changing project programming.

Pavement Condition Measure and Penalty Performance Measure

In order to avoid a penalty, states must meet the following minimum condition level: Interstate pavement condition not to exceed 5% poor condition.

Under MAP-21, a state that does not meet the minimum condition for two consecutive years is subject to a funding penalty. A funding penalty will apply following the most recent fiscal year and each year thereafter until in compliance.

Example:

- FFY 2015 Pavement Condition Measure: 6%
- FFY 2016 Pavement Condition Measure: 7%
- FFY 2017 Pavement Condition Measure: 8%

The funding penalty will apply during the following fiscal year and each year thereafter until WSDOT is in compliance. The state must obligate and set aside an amount equal to 10% of the current apportionment. Funds from past years’ apportionments, or any funding penalties, may also be used to meet this requirement.

Penalty Calculation:

\[
\text{Funding Penalty} = \text{Apportionment} \times 10\% \times \text{Penalty Periods}
\]

Example:

- FFY 2017 Pavement Condition Measure: 8%
- FFY 2018 Pavement Condition Measure: 9%
- FFY 2019 Pavement Condition Measure: 10%

The funding penalty will apply during the following fiscal year and each year thereafter until WSDOT is in compliance. The state must obligate and set aside an amount equal to 10% of the current apportionment. Funds from past years’ apportionments, or any funding penalties, may also be used to meet this requirement.

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Sample Washington state penalty: Pavement

- FFY 2017 Pavement Condition Measure: 8%
- FFY 2018 Pavement Condition Measure: 9%
- FFY 2019 Pavement Condition Measure: 10%

The funding penalty will apply during the following fiscal year and each year thereafter until WSDOT is in compliance. The state must obligate and set aside an amount equal to 10% of the current apportionment. Funds from past years’ apportionments, or any funding penalties, may also be used to meet this requirement.

<table>
<thead>
<tr>
<th>Penalty source</th>
<th>How penalty would be calculated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interstate Maintenance</td>
<td>FFY2017 Pavement Condition Measure: 10% of apportionment</td>
</tr>
</tbody>
</table>

Interstate Maintenance (IM) Performance Measure

The Federal-Aid Highway Program (FAHP), administered by the Federal Highway Administration (FHWA), provides federal funding for surface transportation programs and eligible projects on highways. Financing the FHAP requires congressional authorization in the form of a statutory provision known as authorizing legislation, currently the Fixing America’s Surface Transportation (FAST) Act.

The FAST Act replaces MAP-21, which was passed in 2012. The FAST Act builds on the changes made by MAP-21, including provisions to make the Federal surface transportation system more streamlined, performance-based, and multi-modal. The FAST Act supports and continues the overall performance management approach by establishing new provisions related to performance management. These provisions include requiring states to submit a plan of action to achieve targets if the freight performance targets are not met within two years after establishing the targets and shortens the time frame for States and MPOs to make progress toward meeting performance targets.

The FAST Act are apportioned to main (core) programs with specific dollar amounts set aside for funding transportation alternatives (TAP), State Planning and Research (SPR) and Rail-Highway Crossings (RHC). The states have some flexibility to transfer funds to other programs.

What about the penalties? The FAST Act, which continues the focus on performance established under MAP-21, assesses penalties for falling below the acceptable target. These “penalties” are actually redistributions that allow shifting funds to focus on regaining acceptable levels of performance as well as requiring the establishment of a formal plan of action for meeting the target. While penalties may mean a loss of flexibility with regard to how a state spends its FAST funds, the intent is to get back on target. Further, if states are already spending an amount greater than the desired result, there would be no additional penalty.

A guide to understanding the Federal-aid Highway Program

The Federal-Aid Highway Program (FAHP), administered by the Federal Highway Administration (FHWA), provides federal funding for surface transportation programs and eligible projects on highways. Financing the FHAP requires congressional authorization in the form of a statutory provision known as authorizing legislation, currently the Fixing America’s Surface Transportation (FAST) Act.

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**MAP-21 programs, statewide apportionments and set-asides**

### Core programs and their apportionments

**National Highway Performance Program (NHPP)**
The FHWA designates NHPP funds that may be used for transportation projects on the National Highway System. Eligible projects include road and bridge construction projects to improve infrastructure condition, safety, mobility, or freight movement toward the achievement of national performance goals.

- The Washington statewide apportionment for NHPP in FFY2017 was $371,021,480. At WSDOT’s discretion, up to 50% of NHPP funds may be transferred to other programs.

**Surface Transportation Program (STP)**
The STP provides funds that may be used for construction, rehabilitation, and improvement of highways; bridge and tunnel rehabilitation and replacement projects on public roads; construction of new bridges and tunnels on federal-aid highways; pedestrian and bicycle infrastructure, and transit projects. Federal-aid highways include the National Highway System, its Interstate System and all other public roads not classified as local roads or rural minor collectors.

- The Washington statewide apportionment for STP in FFY2017 was $180,294,550. Fifty percent of a state’s STP apportionment after set-asides is to be obligated to locals in proportion to their relative share of the state’s population. At WSDOT’s discretion, the remaining 50% may be obligated in any area of the state or transferred to other programs.

**Congestion Mitigation and Air Quality Program (CMAQ)**
The CMAQ program provides funds that may be used for projects that generate an emission reduction in areas that do not meet the National Ambient Air Quality Standards (non-attainment areas), as well as former non-attainment areas that are now in compliance with standards (maintenance areas). The CMAQ program provides funding for projects and programs that help regions meet the requirements of the Clean Air Act through intermodail emissions reduction, alternate fuel use, improvement of traffic flow, and transit investment.

- The Washington statewide apportionment for CMAQ in FFY2017 was $36,635,619. At WSDOT’s discretion, up to 50% of CMAQ funds may be transferred to other programs.

**Highway Safety Improvement Program (HSIP)**
The HSIP provides funds that may be used for safety projects on public roads or for projects to protect public sidewalks or other public areas. Funds may be used for strategies, activities, and projects that address a highway safety problem to achieve significant reduction in traffic fatalities and serious injuries according to the state’s Strategic Highway Safety Plan: Target Zero.

- The Washington statewide apportionment for HSIP in FFY2017 was $38,208,099. At WSDOT’s discretion, up to 50% of HSIP funds may be transferred to other programs.

**Transportation Alternatives Program (TAP)**
The TAP program provides dollars that may be used to fund transportation alternatives projects (routes for non-drivers, community improvement projects, and environmental mitigation), safe routes to schools, and workforce development and training. The TAP is funded by setting aside an amount from NHPP, STP, CMAQ, HSIP, and MPO.

- The Washington state set-aside for TAP in FFY2017 was $10,847,983. Fifty percent of a state’s TAP apportionment is to be obligated to locals in proportion to their relative share of the state’s population. At WSDOT’s discretion, the remaining 50% may be transferred to other programs.

### Set-asides from core programs

**State Planning and Research (SPR)**
The SPR program provides funds that may be used for state transportation planning and research activities. Eligible projects include development and implementation of management processes, studies of the economy and surface transportation system, research and training on transportation system engineering. The SPR program is funded by setting aside an amount from NHPP, STP, HSIP, and CMAQ.

- The Washington state set-aside for SPR in FFY2017 was $4,211,778. The RHC funds may not be transferred to other programs.

**Rail-Highway Crossings (RHC)**
The RHC program provides funds for projects to reduce the number of fatalities, injuries and crashes at public crossings. Funds may be used to eliminate hazards of railway-highway crossings and record data about improvement programs. The RHC program is funded by setting aside an amount from HSIP.

- The Washington state set-aside for RHC in FFY2014 was $4,063,343. The RHC funds may not be transferred to other programs.

**Special Rule for High Risk Rural Roads**

- In order to avoid a penalty, states must not exceed the baseline target, which will be established for the Rule of traffic fatalities per 100 million Vehicle Miles Traveled for rural roads.

- If the traffic fatality rate increases consecutively during the most recent 2-year period for which data is available, the funding penalty will apply during the following year. Rural roads are classified as rural major and minor collectors and rural local roads.

### Safety Measures and Penalty

**Performance Measure**

In order to avoid a penalty, states must meet or make significant progress toward achieving the targets or minimum condition levels of highway assets, penalties may impact apportionments. These penalties would impact the funding of three programs: National Highway Performance Program (NHPP), Surface Transportation Block Grant Program (STPBG) and Highway Safety Improvement Program (HSIP). A summary of each penalty and its impact on federal-aid funding is described here and on page 4.

**Sample Washington state penalties:**

<table>
<thead>
<tr>
<th>Penalty source</th>
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</thead>
<tbody>
<tr>
<td>HSIP, FFY2017</td>
<td>Rural Roads Target, HSIP: Obligate HSIP funds = $36,100,981</td>
</tr>
</tbody>
</table>

**Impacted federal-aid funding program**

- HSIP for HRRR

**Penalty source**

- HSIP, FFY2009

**Impacted federal-aid funding program**

- HSIP for HRRR

**Penalty source**

- Safety Targets, HSIP: Obligate HSIP funds = $3,144,572 ($1,278,846 x 3)

**Note:** no penalty has been assessed; for illustration purposes only.

**States have an option to use additional measures to ascertain progress in urbanized and non-urbanized areas for each of the required measures. If optional measures are chosen, targets must be set and DOTs can be assessed penalties if they do not show progress. No penalties have been assessed to date in Washington state. The penalty samples shown in this folio are for illustration purposes only using source data from FHWA National Performance Management Measures, HSIP and NHPP. For target information, see the MAP-21 WSDOT Technical Folio.**