Congress passed the Fixing America’s Surface Transportation—or FAST—Act in December 2015. As the first long-term surface transportation bill in a decade, this legislation provides:

- Five years of Federal funding certainty for highway, highway safety, and transit programs.
- A modest increase in Federal funding levels, slightly higher than rate of inflation.
- Reforms to support more efficient delivery of transportation projects.
- Focused resources to invest in highway freight infrastructure.
- Continuation of performance-based program implementation as enacted in MAP-21.

$305 billion are provided from Fiscal Years 2016 to 2020; $281 billion will come from the Highway Trust Fund.

Generally maintaining MAP-21’s program structure, about 93 percent of FAST Act highway funds are apportioned to States by formula.

AASHTO embraces the FAST Act’s emphasis on multimodal investments, including:

- Proportionate funding increases for both highway and transit programs.
- Formula-based National Freight Program to support highway freight movement.
- Continuation of bicycle and pedestrian funding program.
- Authorization of passenger rail funding and programs, including Amtrak.

In 2016, AASHTO and its member State DOTs look forward to initial implementation of MAP-21 rules on performance management and provisions of the FAST Act, including:

- Streamlined project delivery through an improved review and permitting process that can lower costs and bring benefits to users sooner.
- Refinement of freight policy and network to match dedicated Federal freight funding.
- New technologies such as connected and automated vehicles.
- Further innovations in project financing and procurement.
- Demonstration of user-fee based alternative revenue mechanisms to sustain the Highway Trust Fund over the long term.

Notwithstanding its many positive aspects, the FAST Act is not a perfect bill. We anticipate the following challenges as we move forward:

- Average annual funding for highways and transit under FAST is $57.5 billion. Adjusted for inflation, FAST will fall about $16 billion short of what the Highway Trust Fund’s annual purchasing power provided through Federal programs in 1993, the last time Federal highway user fees were increased.
- Meanwhile, demands on the transportation system will only continue to grow based on increases in total vehicle miles traveled, urban congestion, transit use, freight movement, and volatile weather patterns.
- Long-term, sustainable funding for transportation is yet to be achieved. Because the bill relies on $70 billion of General Fund support, the expected annual gap between Highway Trust Fund income and spending in 2021 is expected to reach $20 billion.
- The bill contains language to rescind $7.6 billion of highway program contract authority in July 2020. This provision will greatly restrict the ability of States to program Federal dollars.
- While new research activities are mandated, because commensurate increase in funding was not provided, existing research programs will face funding constraints.
- Highway safety funding has become more restrictive, rendering support for educational activities ineligible under the Highway Safety Improvement Program.