



U.S. Department of Transportation
Federal Highway Administration
Office of Infrastructure

Puerto Rico Highway Program

U.S. Territorial Peer Exchange
August 22, 2018
Lakewood, CO

Everett Matias

Senior Transportation Engineer
Office of Stewardship,
Oversight, and Management



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Puerto Rico Highway Program Presentation Outline

- Purpose
- History
- Funding
 - Authorization
 - Allocation
 - Availability
 - August Redistribution
- Eligible Activities and Projects
- Resources

Purpose

- The purpose of the program is to carry out a highway program in the Commonwealth of Puerto Rico (23 U.S.C. 165(b)(1))

History

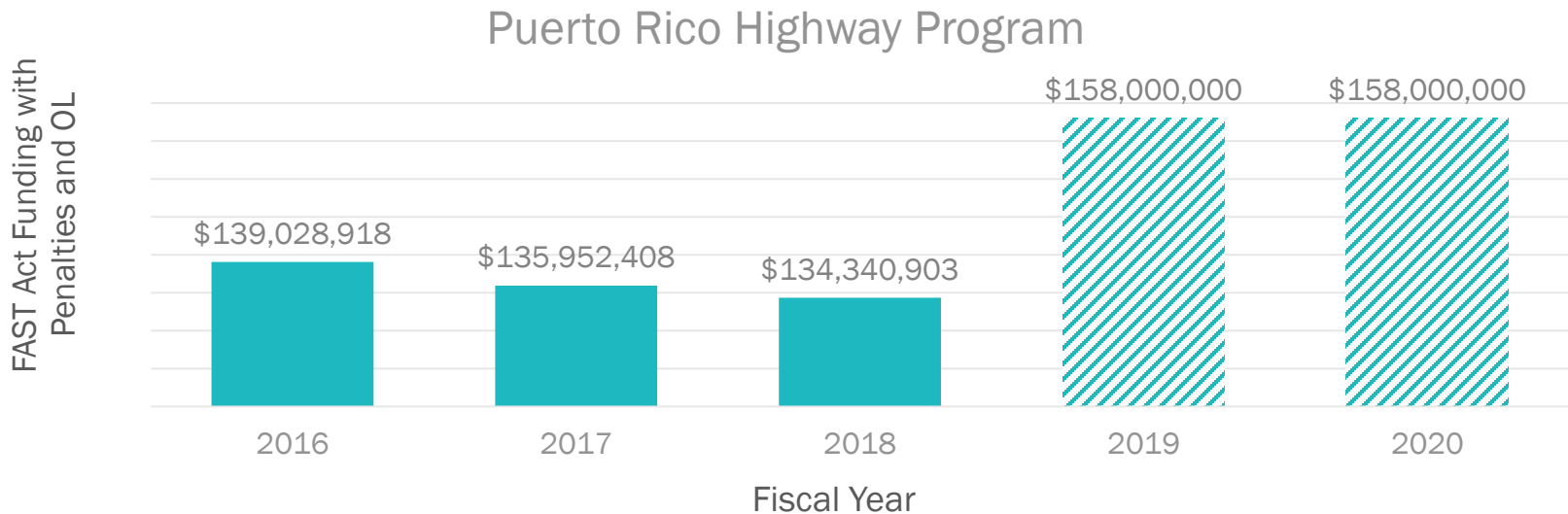
- Before 1998, Puerto Rico was treated as a State for purposes of apportioning Federal-aid highway funds
- Established under the Transportation Equity Act for the 21st Century (P.L. 105-178, Sections 1101(a)(15) and 1214(r))
- Continued under subsequent transportation legislation
- The Fixing America's Surface Transportation (FAST) Act continued the program through 2020 (P.L. 114-94, Sections 1101(a)(4) and 1115)

Authorization

- The FAST Act authorizes \$158 Million annually for FY 2016 through FY 2020
- Imposed Penalties (23 U.S.C. 165(b)(2)(A) and (B))
 - 23 U.S.C. 154, Open Container Requirements
 - 23 U.S.C. 158, National Minimum Drinking Age
 - 23 U.S.C. 164, Minimum Penalties for Repeat Offenders

Authorization and Allocation

- The FAST Act authorizes \$158 Million annually for FY 2016 through FY 2020
- Average Obligation Limitation (OL): 92%



Allocation Formula History

- Before 2013, funds were available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23
- The Moving Ahead for Progress in the 21st Century Act (MAP-21; P.L. 112-141) changed the program by requiring minimum amounts of allocated funds to be used for specific eligible activities
- The FAST Act continued the MAP-21 change

Current Allocation Formula

- 50% for purposes eligible under the National Highway Performance Program (NHPP). 23 U.S.C. 165(b)(2)(C), 23 U.S.C. 119.
- 25% for purposes eligible under the Highway Safety Improvement Program (HSIP). 23 U.S.C. 165(b)(2)(C), 23 U.S.C. 148.
- 25% for any eligible activity under Chapter 1 of Title 23, U.S.C. 23 U.S.C. 165(b)(2)(C)

Availability

- Funds are available for obligation in the fiscal year authorized plus an additional three fiscal years
- New fiscal year funds are allocated with an equal amount of obligation limitation
- Carryover funds are allocated/returned with an equal amount of obligation limitation, if funds have not lapsed
- Federal Share governed by 23 U.S.C. 120

August Redistribution

- Puerto Rico Highway Program funds are subject to August Redistribution (FAST Act, Section 1102(d))
- Annual process
- Redistributes any lapsing obligation limitation that cannot be used by end of fiscal year

Eligible Uses of Funds (23 U.S.C. 165(b)(2)(C))

- 50% for purposes eligible under the National Highway Performance Program (NHPP). 23 U.S.C. 165(b)(2)(C), 23 U.S.C. 119.
- 25% for purposes under the Highway Safety Improvement Program (HSIP). 23 U.S.C. 165(b)(2)(C), 23 U.S.C. 148.
- 25% for any eligible activity under Chapter 1 of Title 23, U.S.C. 23 U.S.C. 165(b)(2)(C)

Additional Authorization

- The 2018 Consolidated Appropriations Act appropriated \$2,525,000,000 for Highway Infrastructure Programs (P. L. 115-141)
- \$15,800,000 is set aside for activities eligible under the Puerto Rico Highway Program (PRHP)
- Available for obligation through September 30, 2021
- Obligated balances are available for expenses incurred until September 30, 2026
- Not subject to August Redistribution – No Obligation Limitation
- All statutory requirements applicable to regular PRHP funds are applicable

Resources

- FHWA Website:
<https://www.fhwa.dot.gov/specialfunding/prhp/>
- Implementation Guidance:
<https://www.fhwa.dot.gov/specialfunding/prhp/160224.cfm>
- Fact Sheet:
<https://www.fhwa.dot.gov/fastact/factsheets/territorialprhighwaysfs.pdf>

Program Office Contact

- Everett Matias
 - everett.matias@dot.gov
 - 202-366-6454



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Territorial Highway Program Presentation Outline

- Purpose
- History
- Funding
 - Authorization
 - Allocation
 - Availability
 - August Redistribution
- Agreements
- Eligible Activities and Projects
 - Location of Projects
- Resources

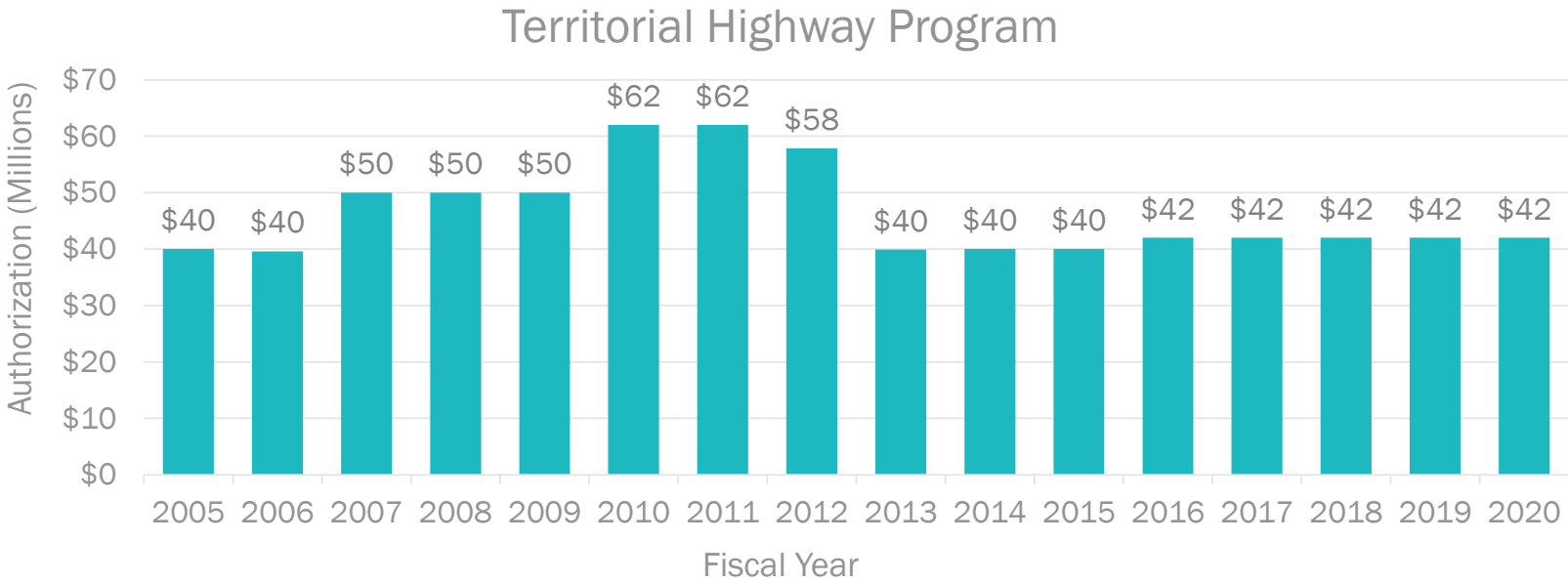
Purpose

- The purpose of the program is to assist each territory in the construction and improvement of a system of arterial and collector highways, and necessary inter-island connectors (23 U.S.C. 165(c)(2)(A))

History

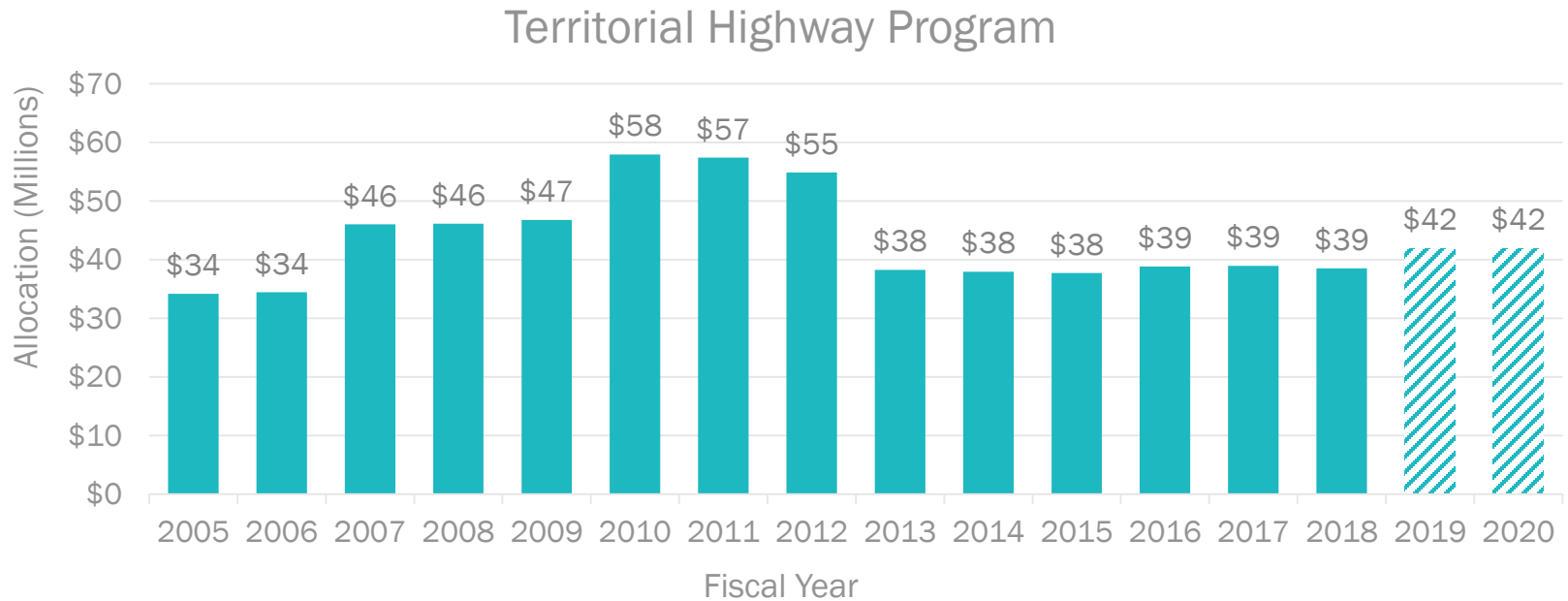
- Established under the Federal-Aid Highway Act of 1970 (P.L. 91-605, Section 112)
- Continued under subsequent transportation legislation
- The Fixing America's Surface Transportation (FAST) Act continues the program through 2020 (P.L. 114-94, Sections 1101(a)(4), 1115, 1446)

Authorization History



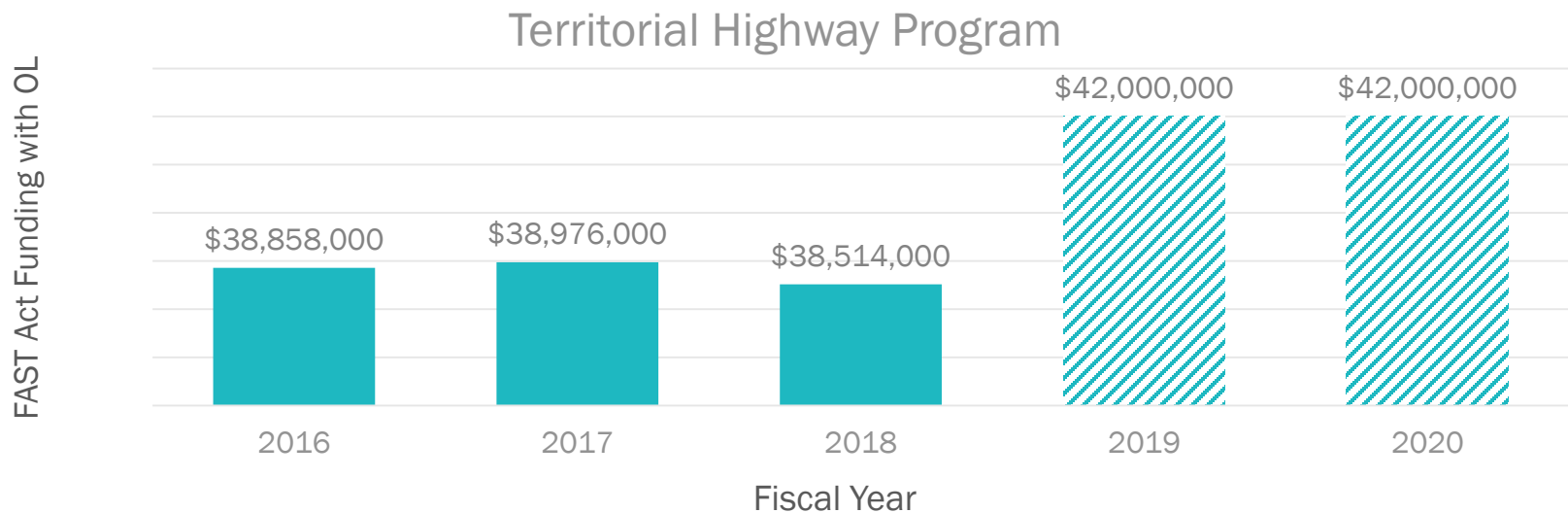
Allocation History

- Average Obligation Limitation (OL): 92%



Allocation

- The FAST Act authorizes \$42 Million annually for FY 2016 through FY 2020
- Average Obligation Limitation (OL): 92%



Allocation Formula History

- When the program began, Congress set the annual distribution of funds among the territories
- In 1982, administrative formula was used based on the former congressional distribution
- Since 1992, administrative formula is used based on the analysis of previous formulas used by FHWA and Congress that considered the proportion of each territory's urban and rural population, land area, and public road mileage

Current Allocation Formula

- 10% – American Samoa
- 10% – the Commonwealth of the Northern Mariana Islands
- 40% – Guam
- 40% – the U.S. Virgin Islands

Availability

- Funds are available for obligation the fiscal year authorized plus an additional three fiscal years
- New fiscal year funds are allocated with an equal amount of obligation limitation
- Carryover funds are allocated/returned with an equal amount of obligation limitation, if funds have not lapsed
- Federal Share 100% (23 U.S.C. 120(g))

August Redistribution

- Territorial Highway Program funds subject to August Redistribution (FAST Act, Section 1102(d))
- Annual process
- Redistributes any lapsing obligation limitation that cannot be used by end of fiscal year

Agreements

- To receive funds, each territory and FHWA must enter into an agreement (23 U.S.C. 165(c)(5))
 - Oversight and Stewardship
 - Project and Program Roles and Responsibilities
 - Annual Allocation
 - Territorial Highway System
 - Applicable Title 23 Chapter 1 Provisions
 - Eligible Activities
- Reevaluated and, as necessary, revised, at least every 2 years (23 U.S.C. 165(c)(5)(C))

Eligible Activities and Projects (23 U.S.C. 165(c)(6))

- Eligible surface transportation block grant program projects described in section 133(b)
- Cost-effective, preventive maintenance consistent with section 116(e)
- Ferry boats, terminal facilities, and approaches, in accordance with subsections (b) and (c) of section 129
- Engineering and economic surveys and investigations for the planning, and the financing, of future highway programs

Eligible Activities and Projects (23 U.S.C. 165(c)(6))

- Studies of the economy, safety, and convenience of highway use
- The regulation and equitable taxation of highway use
- Such research and development as are necessary in connection with the planning, design, and maintenance of the highway system
- None of the funds shall be obligated or expended for routine maintenance

Location of Projects (23 U.S.C. 165(c)(7))

- Territorial highway program projects (other than those described in paragraphs (1) through (4) of section 133(c) and section 133(b)(12)) may not be undertaken on roads functionally classified as local

Additional Authorization

- The Consolidated Appropriations Act, 2018, appropriated \$2,525,000,000 for Highway Infrastructure Programs (P. L. 115-141)
- \$4,200,000 is set aside for activities eligible under the Territorial Highway Program (THP)
- Available for obligation through September 30, 2021
- Obligated balances are available for expenses incurred until September 30, 2026
- Not subject to August Redistribution – No Obligation Limitation
- All statutory requirements applicable to regular THP funds are applicable

Resources

- FHWA Website:
<https://www.fhwa.dot.gov/specialfunding/thp/>
- Implementation Guidance:
<https://www.fhwa.dot.gov/specialfunding/thp/160225.cfm>
- Fact Sheet:
<https://www.fhwa.dot.gov/fastact/factsheets/territorialprhighwaysfs.pdf>

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