



May 3, 2016

Kyle Schneweis, Director
Nebraska Department of Roads
PO Box 94759
Lincoln, NE 68509-4759

RE: Designation and Certification of Critical Rural Freight Corridors under the FAST Act

Dear Director Schneweis:

As we quickly discussed at Senator Deb Fischer's field hearing yesterday, on April 28, 2016, FHWA issued guidance on the process of designating and certifying Critical Rural Freight Corridors, the Heartland Expressway Association is urging the Nebraska Department of Roads to move quickly to designate and certify the eligible 150 miles of Critical Rural Freight Corridors in Nebraska.

As the Ports-to-Plains Alliance reviewed the FHWA guidance, they created the following summarization of the process. HEA is sharing this information with you in hopes that it helps clarify what are the important deadlines and criteria to consider:

- State departments of transportation must certify to the FHWA Administrator that a corridor designated meets the CRFC requirements.
 - The FHWA Division Office, acting on behalf of the FHWA Administrator, is responsible for reviewing the certification and forwarding it to FHWA Headquarters within ten (10) business days of receiving certification documentation.
- Information required in the submission to FHWA
 - Indication that the designated CRFC has been, or will be, by December 4, 2017, incorporated into the State Freight Plan.
 - Identification of the element required for eligibility using the CRFC_ID provided in the Guidance.
 - Identification of the state, route number, start point, end point, length will be submitted
 - Appendix A of the Guidance provides examples for use in developing letters and documents to comply with requirements.

Additionally, we hope to explain why quick action on this designation and certification is important. Eligibility for both freight planning processes and freight funding programs under the FAST Act is dependent on designation and certification. Thus we have summarized the various freight programs under the FAST Act and explained the role of Critical Rural Freight Corridors within each program.



Freight Planning Processes under the FAST Act

Primary Highway Freight System (PHFS)

The PHFS was identified during the designation process under MAP-21 and adopted by the FAST Act based on its status the day before passage of the FAST Act. This is one component of the National Highway Freight Network. This is a separate designation from CRFC. There is no compelling argument for designation and certification as Critical Rural Freight Corridors associated with this process.

National Highway Freight Network (NHFN)

The NHFN includes four components: the PHFS, Critical Rural Freight Corridors, Critical Urban Freight Corridors and the remaining portions of the interstate system not included in the PHFS. As noted below, inclusion in the NHFN is a requirement for eligibility of the FAST Act freight funding programs. Designated and certified CRFC are added to the NHFN. CRFC program is, for the most part, the only way for corridors to be added to the NHFN creating eligibility for freight funding programs.

National Multimodal Freight Network (NMFN)

The stated purposes of the NMFN includes assisting states in strategically directing resources toward improved system performance for the efficient movement of freight on the National Highway Freight Network; to inform freight transportation planning; to assist in the prioritization of federal investment; and to assess and support federal investments to achieve the national multimodal freight policy goals and the national highway freight program goals. Because of its purposes in directing future federal and state freight investments, Ports-to-Plains believes the quick designation of CRFC is important to be included in the NMFN which will be finalized by December 4, 2016.

The establishment of the NMFN is a two-step process: an Interim Network (by June 1, 2016) and a Final Network (by December 4, 2016). The Under Secretary of Transportation for Policy will establish the Interim NMFN and, after a public comment period, establish the Final NMFN.

As NDOR knows the Alliance and HEA believes that rural corridors should be considered as alternatives to congested corridors such as Interstate 35 and Interstate 25. Without inclusion in the NMFN, this option may not be included in the national freight planning and investments.

Freight Funding under the FAST Act

National Highway Freight Program (NHFP)

The NHFP provides, for the first-time, formula funds to states to improve the efficient movement of freight on the National Highway Freight Network. Nebraska is authorized for over \$46 million in formula funds during the life of the FAST Act. It is important to note that the estimated amounts below represent the net amount available after a portion of the authorized amount was set aside for the Metropolitan Planning Program. In other words, MPOs receive an additional



amount for the same purposes. Projects on corridors not included in the NHFN are not eligible for use of NHFP formula funds.

Nationally Significant Freight and Highway Projects (NSFHP)

The NSFHP is a competitive grant process (FASTLANE) with dedicated funding specifically for freight projects. The competitive grant program through FHWA includes \$4.5 billion nationally from 2016 through 2020, an annual average of \$900 million. Each fiscal year, at least 25 percent of all NSFHP funds are reserved for projects – either large or small projects – in rural areas, defined as an area outside a U.S. Census Bureau designated urbanized area with populations over 200,000. Designation of the High Priority Corridors on the National Highway System, like Ports-to-Plains and Heartland Expressway, as multi-state corridors demonstrate that these are nationally and regionally significant freight and highway projects as required by the NSFHP (FASTLANE).

As clear from the above information, identification of Critical Rural Freight Corridors is important for Nebraska. Congress recognized a need to support freight movement from and through rural areas. Congress was clear that connections which provide access or service to energy exploration, development, installation, or production areas; provide access or service to agriculture facilities and international ports of entry. Critical Rural Freight Corridors were initially recognized in MAP-21, so this priority has existed for some time so the identification of corridors has been on the table for over three years.

The Heartland Expressway Association looks forward to NDOR's quick action to designate and certify Nebraska's Critical Rural Freight Corridors in order to take advantage of the planning and funding processes of the Fast Act. Please contact Joe Kiely at 719-740-2240 or at joe.kiely@portstoplains.com or Deb Cottier at dcottier@gpcom.net 308-432-4023 if you have questions or comments about this request.

Sincerely yours,

Deb Cottier, Treasurer
HEA Board of Directors

cc: Kahlil Jabber
Doug Leafgreen
US Senator Deb Fischer
Nebraska State Senator Al Davis