

Final Rulemaking

The Federal Highway Administration (FHWA) on October 24, 2016, published its final rule on required state-approved asset management plans and processes.

Asset management is a strategic and systematic process of operating, maintaining, and improving physical assets, with a focus on engineering and economic analysis based upon quality information, to identify a structured sequence of maintenance, preservation, repair, rehabilitation, and replacement actions that will achieve and sustain a desired state of good repair over the lifecycle of the assets at minimum practicable cost.

In simple terms, asset management is a strategic process for managing physical assets in a state of good repair over their lifecycle at minimum practicable cost.

Visit www.fhwa.dot.gov/asset/index.cfm and www.fhwa.dot.gov/tpm/ for resources currently available or in development, including guidance, samples, and templates.

Key Dates

By April 30, 2018	State DOTs submit initial plans describing asset management plan processes.
By June 30, 2019	State DOTs submit fully compliant asset management plans.
At least every 4 years thereafter	Updated processes submitted for recertification.
Not later than August 31, 2019, and not later than July 31 in each year thereafter	Annual determination by FHWA of whether the State DOT has developed and implemented a State asset management plan consistent with this final rule.
Beginning October 1, 2019, and in each fiscal year thereafter	If a State DOT has not developed and implemented a compliant asset management plan, the maximum Federal share on National Highway Performance Program (NHPP) projects and activities carried out by the State in that fiscal year shall be reduced to 65% for that fiscal year.



Minimum Plan Requirements

- Summary listing and condition description of the NHS pavements and bridges
- NHS pavements and bridges targets
- Asset management objectives and measures
- Performance gap analysis--State DOTs must include performance gaps that affect NHS pavements and bridges regardless of physical condition or ownership.
- Risk analysis
- Life-cycle planning
- Financial plan (minimum 10 years)
- Developing investment strategies

Penalties

- ✓ The FHWA is preparing a final rule on NHS pavements and bridges performance target establishment (23 U.S.C. 150).
If a State DOT has not developed and implemented an asset management plan consistent with requirements and has not established NHS pavements and bridges targets within 18 months of that rule's effective date, the FHWA will not approve any further projects using NHPP funds until the State has done so.
The deadline may be extended if the FHWA determines the State has made a good-faith effort.

Background

The final rule addresses requirements established by the Moving Ahead for Progress in the 21st Century Act (MAP-21) and reflects passage of the Fixing America's Surface Transportation (FAST) Act:

- ✓ A requirement for States to develop and implement risk-based asset management plans for the National Highway System (NHS) to improve or preserve asset condition and system performance as part of the NHPP.
- ✓ FHWA must establish minimum standards for States to use in developing and operating NHS bridge and pavement management systems to carry out the NHPP.

