

**Department of Transportation  
Federal Highway Administration  
Risk-Based Asset Management Plan  
Supporting Statement A**

**Introduction:**

**Reason for the clearance:** This supporting statement represents a request for collection of Risk-Based Asset Management Plans (AMP) that State departments of transportation (State DOT) are required to submit to the Federal Highway Administration (FHWA) pursuant to 23 U.S.C. 119(e) and 23 CFR part 515. As a result of changes to 23 U.S.C. 119(e)(4)(D) made in the Bipartisan Infrastructure Law (BIL) (Public Law 117-58), AMPs must now consider extreme weather and resilience in their required risk management and lifecycle cost analysis components.

**Part A Justification**

**1. Circumstances that make the collection of information necessary.**

Under 23 U.S.C. 119(e) and implementing regulations at 23 CFR part 515, State DOTs are required to develop Risk-Based AMPs for the National Highway System (NHS) to improve or preserve the condition of the assets and the performance of the NHS. Also, each State DOT must annually demonstrate to FHWA that it has implemented an AMP that meets the requirements of 23 U.S.C. 119(e) and 23 CFR part 515 (23 CFR 515.13(b)(2)), and each State DOT must submit its processes for the development of its AMP to FHWA for certification and recertification every four years following the year of initial certification (23 U.S.C. 119(e)(6)). Section 11105(3) of the Bipartisan Infrastructure Law (BIL) (Public Law 117-58, enacted as the Infrastructure Investment and Jobs Act) added the requirement in 23 U.S.C. 119(e)(4)(D) that risk management and lifecycle cost analyses in AMPs consider extreme weather and resilience.

Risk-Based AMPs support several of U.S. DOT's strategic goals, including Safety, Climate and Sustainability, and Organizational Excellence; however, its focus is on infrastructure condition and state of good repair that ties directly to the U.S. DOT strategic goal of Economic Strength and Global Competitiveness. Asset Management is widely accepted as a means to deliver a more efficient and effective approach to manage highway infrastructure assets that are vital to the Nation's economy. The NHS carries 85 percent of annual vehicle miles travel (VMT) of combination trucks on public roads excluding roadways that are functionally classified as local roads and rural minor collectors. The FHWA Freight Management and Operations Office estimates that in 2022, the transportation system handled an estimated 52.9 million tons of freight worth approximately \$51.5 billion daily. About 72 percent of freight value in the U.S. are

carried by trucks. Between 2022 and 2050, the U.S. is projected to see freight activity grow by 93 percent in value.

## **2. How, by whom, and for what purpose is the information to be used.**

Highway assets are extremely important to the economy, and as assets age, the need to sustain them with limited resources becomes more acute. The importance of timely treatments to preserve asset values has been documented repeatedly.

Section 101(a)(2) of title 23, U.S.C., contains the following definition of asset management:

The term “asset management” means a strategic and systematic process of operating, maintaining, and improving physical assets, with a focus on both 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.

As States continue to work towards managing their physical assets and selecting investment strategies to address the condition and system performance gaps, 23 U.S.C. 119(e) requires State DOTs to have a strategic approach through their AMPs to manage NHS assets strategically for the long term. Section 119(e) requires that each State DOT, through its AMP, articulate a strategic process to achieve its infrastructure targets with available resources to advance toward achievement of the national infrastructure goals.

In accordance with 23 U.S.C. 119(e)(4) and 23 CFR 515.9, an AMP must include:

- A summary listing of the pavement and bridge assets on the National Highway System in the State, including a description of the condition of those assets;
- Asset management objectives and measures;
- Performance gap identification;
- Lifecycle cost and risk management analyses, both of which shall take into consideration extreme weather and resilience;
- A financial plan; and
- Investment strategies

The FHWA is required by 23 U.S.C. 119(e)(5) to determine, prior to the start of each Federal fiscal year, whether a State DOT has developed and implemented an AMP in accordance with 23 U.S.C. 119(e).

The FHWA is required by 23 U.S.C. 119(e)(6) to review and certify the processes included in these plans to determine if the investment strategies for the National Highway System are developed based on a thorough assessment of the NHS infrastructure operation, preservation, and improvement needs while minimizing the whole life cost of assets.

Through the development and implementation of AMPs, State DOTs will improve their long-term investment decision making through the application of initial construction, maintenance preservation, rehabilitation, and eventual replacement of assets. Decisions as to what types of treatments should be applied are made strategically to ensure that the whole-of-life costs of each asset class or asset sub-group are kept as low as reasonably possible while providing the public with safe and high performing assets. The antithesis of asset management is to build assets and to ignore them until they deteriorate to the point that they require costly replacement.

**3. Extent of automated information collection.**

The risk-based asset management plans document the processes that State DOTs to analyze the NHS pavement and bridge data for decisionmaking. State DOTs are required by law to submit their processes to the FHWA for certification. On an annual basis, State DOTs are also required to submit to FHWA documentation that demonstrates implementation, during the prior implementation period, of the State-approved asset management plan to be consistent with the requirements of 23 U.S.C. 119(e). Risk-Based Asset Management Plans can be submitted entirely electronically.

**4. Describe efforts to identify duplication.**

Each State DOT has a decisionmaking process in place which may or may not address some of the asset management processes mandated by 23 U.S.C. 119. States whose decision-making process complies with the 23 U.S.C. 119 requirements may submit their current plan and processes to the FHWA for certification. However, most States have already modified their decisionmaking process to one degree or another to accommodate the amended requirements of 23 U.S.C. 119(e).

**5. Efforts to minimize the burden on small businesses.**

Not applicable. Only State DOTs are required to develop Risk-Based Asset Management Plans.

**6. Impact of less frequent collection of information.**

Under current law and implementing regulations, State DOTs must submit the processes for the development of the risk-based asset management plans to FHWA for initial certification and every four years following the year of initial certification (23 U.S.C. 119(e)(6) and 23 CFR 515.13(a)). State DOTs must also demonstrate annually that they developed and implemented an AMP in accordance with 23 U.S.C. 119(e) and 23 CFR part 515 (23 U.S.C. 119(e)(5) and 23 CFR 515.13(b)). Under 23 U.S.C. 119(e)(5)(A), any State not in compliance with these requirements receives a penalty in the form of reduced Federal share for projects carried out under the National Highway Performance Program.

## 7. **Special Circumstances.**

There are no special circumstances that apply.

## 8. **Compliance with 5 CFR 1320.8(d).**

FHWA published a 60-day notice of intent to request OMB approval of this information collection request on May 30, 2024 (89 FR 46985). FHWA received one comment, a letter from the Virginia Department of Transportation (VDOT)<sup>1</sup> (“VDOT Comments”) that addressed several subjects, which are summarized below:

- *Comment:* FHWA’s estimates of the burden hours and costs to develop the AMP and the new resilience and extreme weather analyses are too low; VDOT’s estimated level of effort to develop its AMP is significantly higher than FHWA’s estimate.
  - *Response:* FHWA’s estimates of the level of effort and cost to develop the AMP and new resilience and extreme weather analyses (see answers to items 12-13 below) are an average across all State DOTs that are subject to the requirement to develop and implement an AMP. Some individual State DOTs may have higher costs to comply with this collection of information, and some State DOT costs may be lower. VDOT notes that it has the “3rd largest state-maintained transportation system in the nation,”<sup>2</sup> so it stands to reason that VDOT’s estimated burden would be higher than average for all State DOTs.
- *Comment:* VDOT already develops a State AMP that covers assets beyond what is required under 23 U.S.C. 119(e) and 23 CFR part 515, and VDOT already develops a State Resilience Plan that should fulfill the requirements for extreme weather and resilience analyses now required in a Federal AMP. Requiring a Federal AMP with these analyses is an added burden and an unfunded mandate, and VDOT should be able to meet these requirements using its existing State AMP and Resilience Plan.
  - *Response:* The requirement for a State DOT to develop and implement an AMP that now must include consideration of extreme weather and resilience is statutory, and FHWA does not have the authority to waive it for any State DOT.
- *Comment:* The funding used for these unfunded mandates would be better served to go to pavement and structure work that will then impact the network performance.
  - *Response:* The requirement for a State DOT to develop and implement an AMP that now must include consideration of extreme weather and resilience is statutory, and FHWA does not have the authority to waive it for any State DOT.

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<sup>1</sup> <https://www.regulations.gov/comment/FHWA-2024-0043-0002>.

<sup>2</sup> VDOT Comments, p. 2.

This information collection is associated with a rulemaking, RIN 2125-AG00.

FHWA published a 30-day notice of intent to request OMB approval of this information collection request on August 21, 2024 (89 FR 67705).

**9. Payment or gifts to respondents.**

This effort involves no payments or gifts to respondents.

**10. Assurance of confidentiality.**

The information submitted to the FHWA is public information and not confidential.

**11. Justification for collection of sensitive information.**

No sensitive information is collected.

**12. Estimate of burden hours for information requested.**

a. Number of respondents: 52 State DOTs for general AMP preparation. Of these, FHWA estimates that 17 State DOTs already conduct extreme weather and resilience analyses, so 35 State DOTs have an additional burden to conduct the extreme weather and resilience analyses.

b. Frequency of responses: Annually (to demonstrate implementation of an AMP) and every 4 years (when submitting processes for the development of an AMP for recertification).

c. Total estimated burden hours: 884 burden hours per State DOT for the general AMP preparation, plus an additional 1,560 burden hours per State DOT that does not already perform resilience analyses.

Total Hours: Annually = 884 hours x 52 State DOTs + 1,560 x 35 State DOTs = 100,568 hours.

The estimate of total annual cost burden is the combination of the annual cost burden for general AMP preparation, and the burden for the new extreme weather and resilience analyses requirements from BIL.

FHWA estimates that the total cost of developing an asset management plan for State DOTs not hiring contractors would amount to an average of \$207,400 per State DOT, or \$51,850 per year per State DOT. This is based on an estimate for a prior PRA analysis for AMPs.

FHWA estimates that the total annual cost of performing and incorporating extreme weather and resilience analyses for a State DOT would range between \$86,312 per State DOT performing the analyses entirely in house and \$200,000 per State DOT using a combination of in-house and contracted efforts. The \$86,312 lower cost estimate was based on analysis of average salary costs for three State employees working at a 0.25 full-time equivalent, while the \$200,000 upper cost estimate was based on a subject matter expert assessment. This cost would apply to the 35 State DOTs not currently conducting these analyses.

Using the aforementioned cost data, the total cost per State DOT would be between \$138,162 and \$251,850 annually for the AMPs and the extreme weather and resilience analyses. On average, this would be \$195,006 annually for each State DOT that needs to conduct the new extreme weather and resilience analyses. As mentioned above, the total cost for the estimated 17 State DOTs already conducting extreme weather and resilience analyses would be \$51,850 annually, that is, the average cost per year of developing an AMP.

Accordingly, across all 52 States DOTs the cost would be between \$5.7 and \$9.7 million annually (\$7.7 million on average).

|   |               |
|---|---------------|
| Cost across all States DOTs annually<br>(Lower Bound) | \$5.7 million |
| Cost across all State DOTs annually<br>(Average)      | \$7.7 million |
| Cost across all States DOTs annually<br>(Upper Bound) | \$9.7 million |

### **13. Estimate of the total annual costs burden.**

Other than the salary cost indicated in item 12, there are no additional cost burdens to the respondents.

### **14. Estimates of costs to the Federal Government.**

Initial submission: \$136,960

Subsequent submission for recertification: \$54,784

FHWA is required to review the processes used by the State DOTs to develop the submitted asset management plans. To thoroughly review a plan, it would probably take five days by a mid-level employee. Thus, a total of 2080 burden hours are required by the Federal government to review the processes for the AMPs of all 52 State DOTs.

Assuming the average salary of a Federal project manager is \$136,960 per year for a total of 2,080 work hours, it would cost the government \$136,960 to review all the plans.

Subsequent submissions would require 2 days to review for each plan which amounts to \$54,784 cost to the government to review the AMPs of all 52 State DOTs.

| <b>Year</b>                 | <b>Cost</b> |
|-----------------------------|-------------|
| Year 1 – Initial Submission | \$136,960   |
| Year 2 – Recertification    | \$54,784    |
| Year 3 – Recertification    | \$54,784    |
| Sum Across 3 Years          | \$246,528   |
| Average Across 3 Years      | \$82,176    |

**15. Explanation of the program change or adjustments.**

This is a new IC.

**16. Publication of results of data collection.**

The results will not be published, although each State DOT AMP is a publicly available document.

**17. Approval for not displaying the expiration date of OMB approval.**

Because AMPs and information to support the annual consistency review are not submitted using a standard form, there is no form on which to display an expiration date of OMB approval. FHWA will post the control number and expiration date on its website at <http://www.fhwa.dot.gov/asset/guidance.cfm>.

**18. Exceptions to the certification statement.**

FHWA is not seeking an exception to the certification statement.