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States and for value added information product providers. The Regional ITS Architecture shall feature the components and functionality of the real-time information program.

(e) *Effective date.* Establishment of the real-time information program for traffic and travel conditions on the Interstate system highways shall be completed no later than November 8, 2014.

§ 511.313 Metropolitan Area real-time information program supplement.

(a) *Applicability.* Metropolitan Areas as defined under this subpart.

(b) *Requirement.* Metropolitan Areas shall establish a real-time information program for traffic and travel conditions reporting with the same provisions described in § 511.311.

(c) *Routes of significance.* States shall designate metropolitan areas, non-Interstate highways that are routes of significance as defined under this subpart. In identifying the metropolitan routes of significance, States shall collaborate with local or regional agencies using existing coordination methods. Nothing in this subpart is intended to alter the existing relationships among State, regional, and local agencies.

(d) *Effective date.* Establishment of the real-time information program for traffic and travel conditions reporting along the Metropolitan Area Interstate system highways shall be completed no later than November 8, 2014. Establishment of the real-time information program for traffic and travel conditions reporting along the State-designated metropolitan area routes of significance shall be completed no later than November 8, 2016.

§ 511.315 Program administration.

Compliance with this subpart will be monitored under Federal-aid oversight procedures as provided under 23 U.S.C. 106 and 133, 23 CFR 1.36, and 23 CFR 940.13.

PART 515—ASSET MANAGEMENT PLANS

Sec.

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SOURCE: 81 FR 73263, Oct. 24, 2016, unless otherwise noted.

§ 515.1 Purpose.

The purpose of this part is to:

(a) Establish the processes that a State transportation department (State DOT) must use to develop its asset management plan, as required under 23 U.S.C. 119(e)(8);

(b) Establish the minimum requirements that apply to the development of an asset management plan;

(c) Describe the penalties for a State DOT's failure to develop and implement an asset management plan in accordance with 23 U.S.C. 119 and this part;

(d) Set forth the minimum standards for a State DOT to use in developing and operating highway bridge and pavement management systems under 23 U.S.C. 150(c)(3)(A)(i).

§ 515.3 Applicability and effective date.

This part applies to all State DOTs. The effective date for the requirements in this part is October 2, 2017.

§ 515.5 Definitions.

As used in this part:

Asset means all physical highway infrastructure located within the right-of-way corridor of a highway. The term *asset* includes all components necessary for the operation of a highway including pavements, highway bridges, tunnels, signs, ancillary structures, and other physical components of a highway.

Asset class means assets with the same characteristics and function (e.g., bridges, culverts, tunnels, pavements, or guardrail) that are a subset of a group or collection of

assets that serve a common function (e.g., roadway system, safety, Intelligent Transportation (IT), signs, or lighting).

Asset condition means the actual physical condition of an asset.

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 life cycle of the assets at minimum practicable cost.

Asset management plan means a document that describes how a State DOT will carry out asset management as defined in this section. This includes how the State DOT will make risk-based decisions from a long-term assessment of the National Highway System (NHS), and other public roads included in the plan at the option of the State DOT, as it relates to managing its physical assets and laying out a set of investment strategies to address the condition and system performance gaps. This document describes how the highway network system will be managed to achieve State DOT targets for asset condition and system performance effectiveness while managing the risks, in a financially responsible manner, at a minimum practicable cost over the life cycle of its assets. The term *asset management plan* under this part is the risk-based asset management plan that is required under 23 U.S.C. 119(e) and is intended to carry out asset management as defined in 23 U.S.C. 101(a)(2).

Asset sub-group means a specialized group of assets within an asset class with the same characteristics and function (e.g., concrete pavements or asphalt pavements.)

Bridge as used in this part, is defined in 23 CFR 650.305, the National Bridge Inspection Standards.

Critical infrastructure means those facilities the incapacity or failure of which would have a debilitating impact on national or regional economic security, national or regional energy security, national or regional public health or safety, or any combination of those matters.

Financial plan means a long-term plan spanning 10 years or longer, presenting a State DOT's estimates of projected available financial resources and predicted expenditures in major asset categories that can be used to achieve State DOT targets for asset condition during the plan period, and highlighting how resources are expected to be allocated based on asset strategies, needs, shortfalls, and agency policies.

Investment strategy means a set of strategies that result from evaluating various levels of funding to achieve State DOT targets for asset condition and system performance

effectiveness at a minimum practicable cost while managing risks.

Life-cycle cost means the cost of managing an asset class or asset sub-group for its whole life, from initial construction to its replacement.

Life-cycle planning means a process to estimate the cost of managing an asset class, or asset sub-group over its whole life with consideration for minimizing cost while preserving or improving the condition.

Minimum practicable cost means lowest feasible cost to achieve the objective.

NHS pavements and bridges and NHS pavement and bridge assets mean Interstate System pavements (inclusion of ramps that are not part of the roadway normally traveled by through traffic is optional); NHS pavements (excluding the Interstate System) (inclusion of ramps that are not part of the roadway normally traveled by through traffic is optional); and NHS bridges carrying the NHS (including bridges that are part of the ramps connecting to the NHS).

Performance of the NHS refers to the effectiveness of the NHS in providing for the safe and efficient movement of people and goods where that performance can be affected by physical assets. This term does not include the performance measures established for performance of the Interstate System and performance of the NHS (excluding the Interstate System) under 23 U.S.C. 150(c)(3)(ii)(A)(IV)–(V).

Performance gap means the gaps between the current asset condition and State DOT targets for asset condition, and the gaps in system performance effectiveness that are best addressed by improving the physical assets.

Risk means the positive or negative effects of uncertainty or variability upon agency objectives.

Risk management means the processes and framework for managing potential risks, including identifying, analyzing, evaluating, and addressing the risks to assets and system performance.

Statewide Transportation Improvement Program (STIP) has the same meaning as defined in §450.104 of this title.

Work type means initial construction, maintenance, preservation, rehabilitation, and reconstruction.

§515.7 Process for establishing the asset management plan.

A State shall develop a risk-based asset management plan that describes how the NHS will be managed to achieve system performance effectiveness and State DOT targets for asset condition, while managing the risks, in a financially responsible manner, at a minimum practicable cost over the life

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cycle of its assets. The State DOT shall develop and use, at a minimum the following processes to prepare its asset management plan:

(a) A State DOT shall establish a process for conducting performance gap analysis to identify deficiencies hindering progress toward improving or preserving the NHS and achieving and sustaining the desired state of good repair. At a minimum, the State DOT's process shall address the following in the gap analysis:

(1) The State DOT targets for asset condition of NHS pavements and bridges as established by the State DOT under 23 U.S.C. 150(d) once promulgated.

(2) The gaps, if any, in the performance of the NHS that affect NHS pavements and bridges regardless of their physical condition; and

(3) Alternative strategies to close or address the identified gaps.

(b) A State DOT shall establish a process for conducting life-cycle planning for an asset class or asset sub-group at the network level (network to be defined by the State DOT). As a State DOT develops its life-cycle planning process, the State DOT should include future changes in demand; information on current and future environmental conditions including extreme weather events, climate change, and seismic activity; and other factors that could impact whole of life costs of assets. The State DOT may propose excluding one or more asset sub-groups from its life-cycle planning if the State DOT can demonstrate to FHWA the exclusion of the asset sub-group would have no material adverse effect on the development of sound investment strategies due to the limited number of assets in the asset sub-group, the low level of cost associated with managing the assets in that asset sub-group, or other justifiable reasons. A life-cycle planning process shall, at a minimum, include the following:

(1) The State DOT targets for asset condition for each asset class or asset sub-group;

(2) Identification of deterioration models for each asset class or asset sub-group, provided that identification of deterioration models for assets other

than NHS pavements and bridges is optional;

(3) Potential work types across the whole life of each asset class or asset sub-group with their relative unit cost; and

(4) A strategy for managing each asset class or asset sub-group by minimizing its life-cycle costs, while achieving the State DOT targets for asset condition for NHS pavements and bridges under 23 U.S.C. 150(d).

(c) A State DOT shall establish a process for developing a risk management plan. This process shall, at a minimum, produce the following information:

(1) Identification of risks that can affect condition of NHS pavements and bridges and the performance of the NHS, including risks associated with current and future environmental conditions, such as extreme weather events, climate change, seismic activity, and risks related to recurring damage and costs as identified through the evaluation of facilities repeatedly damaged by emergency events carried out under part 667 of this title. Examples of other risk categories include financial risks such as budget uncertainty; operational risks such as asset failure; and strategic risks such as environmental compliance.

(2) An assessment of the identified risks in terms of the likelihood of their occurrence and their impact and consequence if they do occur;

(3) An evaluation and prioritization of the identified risks;

(4) A mitigation plan for addressing the top priority risks;

(5) An approach for monitoring the top priority risks; and

(6) A summary of the evaluations of facilities repeatedly damaged by emergency events carried out under part 667 of this title that discusses, at a minimum, the results relating to the State's NHS pavements and bridges.

(d) A State DOT shall establish a process for the development of a financial plan that identifies annual costs over a minimum period of 10 years. The financial plan process shall, at a minimum, produce:

(1) The estimated cost of expected future work to implement investment

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strategies contained in the asset management plan, by State fiscal year and work type;

(2) The estimated funding levels that are expected to be reasonably available, by fiscal year, to address the costs of future work types. State DOTs may estimate the amount of available future funding using historical values where the future funding amount is uncertain;

(3) Identification of anticipated funding sources; and

(4) An estimate of the value of the agency's NHS pavement and bridge assets and the needed investment on an annual basis to maintain the value of these assets.

(e) A State DOT shall establish a process for developing investment strategies meeting the requirements in §515.9(f). This process must result in a description of how the investment strategies are influenced, at a minimum, by the following:

(1) Performance gap analysis required under paragraph (a) of this section;

(2) Life-cycle planning for asset classes or asset sub-groups resulting from the process required under paragraph (b) of this section;

(3) Risk management analysis resulting from the process required under paragraph (c) of this section; and

(4) Anticipated available funding and estimated cost of expected future work types associated with various candidate strategies based on the financial plan required by paragraph (d) of this section.

(f) The processes established by State DOTs shall include a provision for the State DOT to obtain necessary data from other NHS owners in a collaborative and coordinated effort.

(g) States DOTs shall use the best available data to develop their asset management plans. Pursuant to 23 U.S.C. 150(c)(3)(A)(i), each State DOT shall use bridge and pavement management systems meeting the requirements of §515.17 to analyze the condition of NHS pavements and bridges for the purpose of developing and implementing the asset management plan required under this part. The use of these or other management systems for other assets that the State DOT elects to include in the asset management

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plan is optional (e.g., Sign Management Systems, etc.).

§515.9 Asset management plan requirements.

(a) A State DOT shall develop and implement an asset management plan to improve or preserve the condition of the assets and improve the performance of the NHS in accordance with the requirements of this part. Asset management plans must describe how the State DOT will carry out asset management as defined in §515.5.

(b) An asset management plan shall include, at a minimum, a summary listing of NHS pavement and bridge assets, regardless of ownership.

(c) In addition to the assets specified in paragraph (b) of this section, State DOTs are encouraged, but not required, to include all other NHS infrastructure assets within the right-of-way corridor and assets on other public roads. Examples of other NHS infrastructure assets include tunnels, ancillary structures, and signs. Examples of other public roads include non-NHS Federal-aid highways. If a State DOT decides to include other NHS assets in its asset management plan, or to include assets on other public roads, the State DOT, at a minimum, shall evaluate and manage those assets consistent with paragraph (1) of this section.

(d) The minimum content for an asset management plan under this part includes a discussion of each element in this paragraph (d).

(1) Asset management objectives. The objectives should align with the State DOT's mission. The objectives must be consistent with the purpose of asset management, which is to achieve and sustain the desired state of good repair over the life cycle of the assets at a minimum practicable cost.

(2) Asset management measures and State DOT targets for asset condition, including those established pursuant to 23 U.S.C. 150, for NHS pavements and bridges. The plan must include measures and associated targets the State DOT can use in assessing the condition of the assets and performance of the highway system as it relates to those assets. The measures and targets must be consistent with the State DOT's asset management objectives. The

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State DOT must include the measures established under 23 U.S.C. 150(c)(3)(A)(ii)(I)–(III), once promulgated in 23 CFR part 490, for the condition of NHS pavements and bridges. The State DOT also must include the targets the State DOT has established for the measures required by 23 U.S.C. 150(c)(3)(A)(ii)(I)–(III), once promulgated, and report on such targets in accordance with 23 CFR part 490. The State DOT may include measures and targets for NHS pavements and bridges that the State DOT established through pre-existing management efforts or develops through new efforts if the State DOT wishes to use such additional measures and targets to supplement information derived from the pavement and bridge measures and targets required under 23 U.S.C. 150.

(3) A summary description of the condition of NHS pavements and bridges, regardless of ownership. The summary must include a description of the condition of those assets based on the performance measures established under 23 U.S.C. 150(c)(3)(A)(ii) for condition, once promulgated. The description of condition should be informed by evaluations required under part 667 of this title of facilities repeatedly damaged by emergency events.

(4) Performance gap identification.

(5) Life-cycle planning.

(6) Risk management analysis, including the results for NHS pavements and bridges, of the periodic evaluations under part 667 of this title of facilities repeatedly damaged by emergency event.

(7) Financial plan.

(8) Investment strategies.

(e) An asset management plan shall cover, at a minimum, a 10-year period.

(f) An asset management plan shall discuss how the plan's investment strategies collectively would make or support progress toward:

(1) Achieving and sustaining a desired state of good repair over the life cycle of the assets,

(2) Improving or preserving the condition of the assets and the performance of the NHS relating to physical assets,

(3) Achieving the State DOT targets for asset condition and performance of the NHS in accordance with 23 U.S.C. 150(d), and

(4) Achieving the national goals identified in 23 U.S.C. 150(b).

(g) A State DOT must include in its plan a description of how the analyses required by State processes developed in accordance with §515.7 (such as analyses pertaining to life cycle planning, risk management, and performance gaps) support the State DOT's asset management plan investment strategies.

(h) A State DOT shall integrate its asset management plan into its transportation planning processes that lead to the STIP, to support its efforts to achieve the goals in paragraphs (f)(1) through (4) of this section.

(i) A State DOT is required to make its asset management plan available to the public, and is encouraged to do so in a format that is easily accessible.

(j) Inclusion of performance measures and State DOT targets for NHS pavements and bridges established pursuant to 23 U.S.C. 150 in the asset management plan does not relieve the State DOT of any performance management requirements, including 23 U.S.C. 150(e) reporting, established in other parts of this title.

(k) The head of the State DOT shall approve the asset management plan.

(1) If the State DOT elects to include other NHS infrastructure assets or other public roads assets in its asset management plan, the State at a minimum shall address the following, using a level of effort consistent with the State DOT's needs and resources:

(1) Summary listing of assets, including a description of asset condition;

(2) Asset management measures and State DOT targets for asset condition;

(3) Performance gap analysis;

(4) Life-cycle planning;

(5) Risk analysis, including summaries of evaluations carried out under part 667 of this title for the assets, if available, and consideration of those evaluations;

(6) Financial plan; and

(7) Investment strategies.

(m) The asset management plan of a State may include consideration of critical infrastructure from among those facilities in the State that are eligible under 23 U.S.C. 119(c).

§ 515.11 Deadlines and phase-in of asset management plan development.

(a) *Deadlines.* (1) Not later than April 30, 2018, the State DOT shall submit to FHWA a State-approved initial asset management plan meeting the requirements in paragraph (b) of this section. The FHWA will review the processes described in the initial plan and make a process certification decision as provided in § 515.13(a).

(2) Not later than June 30, 2019, the State DOT shall submit a State-approved asset management plan meeting all the requirements of 23 U.S.C. 119 and this part, including paragraph (c) of this section, together with documentation demonstrating implementation of the asset management plan. The FHWA will determine whether the State DOT's plan and implementation meet the requirements of 23 U.S.C. 119 and this part as provided in § 515.13(b).

(b) The initial plan shall describe the State DOT's processes for developing its risk-based asset management plan, including the policies, procedures, documentation, and implementation approach that satisfy the requirements of this part. The plan also must contain measures and targets for assets covered by the plan. The investment strategies required by § 515.7(e) and 515.9((d)(8) must support progress toward the achievement of the national goals identified in 23 U.S.C. 150(b). The initial plan must include and address the State DOT's 23 U.S.C. 150(d) targets for NHS pavements and bridges only if the first target-setting deadline established in 23 CFR part 490 for NHS pavements and bridges is a date more than 6 months before the initial plan submission deadline in paragraph (a)(1). The initial asset management plan may exclude one or more of the necessary analyses with respect to the following required asset management processes:

(1) Life-cycle planning required under § 515.7(a)(2);

(2) The risk management analysis required under § 515.7(a)(3); and

(3) Financial plan under § 515.7(a)(4).

(c) The State-approved asset management plan submitted not later than June 30, 2019, shall include all required analyses, performed using FHWA-cer-

tified processes, and the section 150 measures and State DOT targets for the NHS pavements and bridges. The plan must meet all requirements in §§ 515.7 and 515.9. This includes investment strategies that are developed based on the analyses from all processes required under § 515.7, and meet the requirements in 23 U.S.C. 119(e)(2).

§ 515.13 Process certification and recertification, and annual plan consistency review.

(a) *Process certification and recertification under 23 U.S.C. 119(e)(6).* Not later than 90 days after the date on which the FHWA receives a State DOT's processes and request for certification or recertification, the FHWA shall decide whether the State DOT's processes for developing its asset management plan meet the requirements of this part. The FHWA will treat the State DOT's submission of an initial State-approved asset management plan under § 515.11(b) as the State DOT's request for the first certification of the State's DOT's plan development processes under 23 U.S.C. 119(e)(6). As provided in paragraph (c) of this section, State DOT shall update and resubmit its asset management plan development processes to the FHWA for a new process certification at least every 4 years.

(1) If FHWA determines that the processes used by a State DOT to develop and maintain the asset management plan do not meet the requirements established under this part, FHWA will send the State DOT a written notice of the denial of certification or recertification, including a listing of the specific requirement deficiencies.

(2) Upon receiving a notice of denial of certification or recertification, the State DOT shall have 90 days from receipt of the notice to address the deficiencies identified in the notice and resubmit the State DOT's processes to FHWA for review and certification. The FHWA may extend the State DOT's 90-day period to cure deficiencies upon request. During the cure period established, all penalties and other legal impacts of a denial of certification shall be stayed as provided in 23 U.S.C. 119(e)(6)(C)(i).

(3) If FHWA finds that a State DOT's asset management processes substantially meet the requirements of this part except for minor deficiencies, FHWA may certify or recertify the State DOT's processes as being in compliance, but the State DOT must take actions to correct the minor deficiencies within 90 days of receipt of the notification of certification. The State shall notify FHWA, in writing, when corrective actions are completed.

(b) *Annual determination of consistency under 23 U.S.C. 119(e)(5)*. Not later than August 31, 2019, and not later than July 31 in each year thereafter, FHWA will notify the State DOT whether the State DOT has developed and implemented an asset management plan consistent with 23 U.S.C. 119. The notice will be in writing and, in the case of a negative determination, will specify the deficiencies the State DOT needs to address. In making the annual consistency determination, the FHWA will consider the most recent asset management plan submitted by the State DOT, as well as any documentation submitted by the State DOT to demonstrate implementation of the plan. The FHWA determination is only as to the consistency of the State DOT asset management plan and State DOT implementation of that plan with applicable requirements, and is not an approval or disapproval of strategies or other decisions contained in the plan. With respect to any assets the State DOT may elect to include in its plan in addition to NHS pavement and bridge assets, the FHWA consistency determination will consider only whether the State DOT has complied with § 515.9(1) with respect to such discretionary assets.

(1) *Plan development*. The FHWA will review the State DOT's asset management plan to ensure that it was developed with certified processes, includes the required content, and is consistent with other applicable requirements in this part.

(2) *Plan implementation*. The State DOT must demonstrate implementation of an asset management plan that meets the requirements of 23 U.S.C. 119 and this part. Each State DOT may determine the most suitable approach for demonstrating implementation of its

asset management plan, so long as the information is current, documented, and verifiable. The submission must show the State DOT is using the investment strategies in its plan to make progress toward achievement of its targets for asset condition and performance of the NHS and to support progress toward the national goals identified in 23 U.S.C. 150(b). The State DOT must submit its implementation documentation not less than 30 days prior to the deadline for the FHWA consistency determination.

(i) FHWA considers the best evidence of plan implementation to be that, for the 12 months preceding the consistency determination, the State DOT funding allocations are reasonably consistent with the investment strategies in the State DOT's asset management plan. This demonstration takes into account the alignment between the actual and planned levels of investment for various work types (*i.e.*, initial construction, maintenance, preservation, rehabilitation and reconstruction).

(ii) FHWA may find a State DOT has implemented its asset management plan even if the State has deviated from the investment strategies included in the asset management plan, if the State DOT shows the deviation was necessary due to extenuating circumstances beyond the State DOT's reasonable control.

(3) *Opportunity to cure deficiencies*. In the event FHWA notifies a State DOT of a negative consistency determination, the State DOT has 30 days to address the deficiencies. The State DOT may submit additional information showing the FHWA negative determination was in error, or to demonstrate the State DOT has taken corrective action that resolves the deficiencies specified in FHWA's negative determination.

(c) *Updates and other amendments to plans and development processes*. A State DOT must update its asset management plan and asset management plan development processes at least every 4 years, beginning on the date of the initial FHWA certification of the State DOT's processes under paragraph (a) of this section. Whenever the State DOT updates or otherwise amends its asset

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management plan or its asset management plan development processes, the State DOT must submit the amended plan or processes to the FHWA for a new process certification and consistency determination at least 30 days prior to the deadline for the next FHWA consistency determination under paragraph (b) of this section. Minor technical corrections and revisions with no foreseeable material impact on the accuracy and validity of the processes, analyses, or investment strategies in the plan do not constitute amendments and do not require submission to FHWA.

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(a) Beginning on October 1, 2019, and in each fiscal year thereafter, if a State DOT has not developed and implemented an asset management plan consistent with the requirements of 23 U.S.C. 119 and this part, the maximum Federal share for National Highway Performance Program projects and activities carried out by the State in that fiscal year shall be reduced to 65 percent for that fiscal year.

(b)(1) Except as provided in paragraph (b)(2) of this section, if the State DOT has not developed and implemented an asset management plan that is consistent with the requirements of 23 U.S.C. 119 and this part and established the performance targets for NHS pavements and bridges required under 23 U.S.C. 150(d) by the date that is 18 months after the effective date of the 23 U.S.C. 150(c) final rule for NHS pavements and bridges, the FHWA will not approve any further projects using National Highway Performance Program funds. Such suspension of funding approvals will terminate once the State DOT has developed and implemented an asset management plan that is consistent with the requirements of 23 U.S.C. 119 and this part and established its performance targets for NHS pavements and bridges required under 23 U.S.C. 150(d).

(2) The FHWA may extend this deadline if FHWA determines that the State DOT has made a good faith effort to develop and implement an asset management plan and establish the performance targets for NHS pave-

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ments and bridges required under 23 U.S.C. 150(d).

§515.17 Minimum standards for developing and operating bridge and pavement management systems

Pursuant to 23 U.S.C.150(c)(3)(A)(i), this section establishes the minimum standards States must use for developing and operating bridge and pavement management systems. State DOT bridge and pavement management systems are not subject to FHWA certification under §515.13. Bridge and pavement management systems shall include, at a minimum, documented procedures for:

(a) Collecting, processing, storing, and updating inventory and condition data for all NHS pavement and bridge assets.

(b) Forecasting deterioration for all NHS pavement and bridge assets;

(c) Determining the benefit-cost over the life cycle of assets to evaluate alternative actions (including no action decisions), for managing the condition of NHS pavement and bridge assets;

(d) Identifying short- and long-term budget needs for managing the condition of all NHS pavement and bridge assets;

(e) Determining the strategies for identifying potential NHS pavement and bridge projects that maximize overall program benefits within the financial constraints.; and

(f) Recommending programs and implementation schedules to manage the condition of NHS pavement and bridge assets within policy and budget constraints.

§515.19 Organizational integration of asset management.

(a) The purpose of this section is to describe how a State DOT may integrate asset management into its organizational mission, culture and capabilities at all levels. The activities described in paragraphs (b) through (d) of this section are not requirements.

(b) A State DOT should establish organizational strategic goals and include the goals in its organizational strategic implementation plans with an explanation as to how asset management will help it to achieve those goals.

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(c) A State DOT should conduct a periodic self-assessment of the agency's capabilities to conduct asset management, as well as its current efforts in implementing an asset management plan. The self-assessment should consider, at a minimum, the adequacy of the State DOT's strategic goals and policies with respect to asset management, whether asset management is considered in the agency's planning and programming of resources, including development of the STIP; whether the agency is implementing appropriate program delivery processes, such as consideration of alternative project delivery mechanisms, effective program management, and cost tracking and estimating; and whether the agency is implementing adequate data collection and analysis policies to support

an effective asset management program.

(d) Based on the results of the self-assessment, the State DOT should conduct a gap analysis to determine which areas of its asset management process require improvement. In conducting a gap analysis, the State DOT should:

(1) Determine the level of organizational performance effort needed to achieve the objectives of asset management;

(2) Determine the performance gaps between the existing level of performance effort and the needed level of performance effort; and

(3) Develop strategies to close the identified organizational performance gaps and define the period of time over which the gap is to be closed.