



# Strong RAISE Program Is Critical for Public Transportation Projects

## Key Takeaways

1. The percentage of BUILD grant funds awarded for public transportation-related projects in Fiscal Years (FY) 2017-2020 was significantly less than the historical average.
2. The Department of Transportation's decision to reconstitute the program as the RAISE program and the Biden Administration's stated priorities offer an opportunity to restore the program to its intended purpose of providing funding to critical multimodal capital investments.
3. Given the synergy of these priorities and public transportation, APTA strongly urges the Secretary of Transportation to direct a significantly greater percentage of RAISE grants to vital public transportation projects.

**The Better Utilizing Investments to Leverage Development (BUILD) program**, formerly known as the Transportation Investment Generating Economic Recovery (TIGER) program, has provided critical funding for public transportation infrastructure investments.<sup>1</sup> The BUILD program has funded new transit centers, streetcar lines, bus rapid transit projects, vehicle purchases, station renovations, transit signal priority systems, grade separations, and automated vehicle pilot projects. These projects not only help enhance mobility but also can result in positive safety, environmental, equity, and economic benefits.

Historically, the total amount requested by applicants drastically exceeds the amount of BUILD funding available, exemplifying the competitive and successful nature of the grant program. In 2020, Congress recognized this success and provided \$1 billion for BUILD grants.<sup>2</sup>

In September 2020, the U.S. Department of Transportation (DOT) announced \$980 million in BUILD capital grant awards to 58 projects across 40 states. Of these funds, APTA estimates that DOT provided \$151 million to nine public transportation-related capital projects, equal to 15 percent of available funding.<sup>3</sup> Although this percentage of transit investment of BUILD grants is similar to FY 2019 and FY 2018 levels, it is significantly less than the historical average.

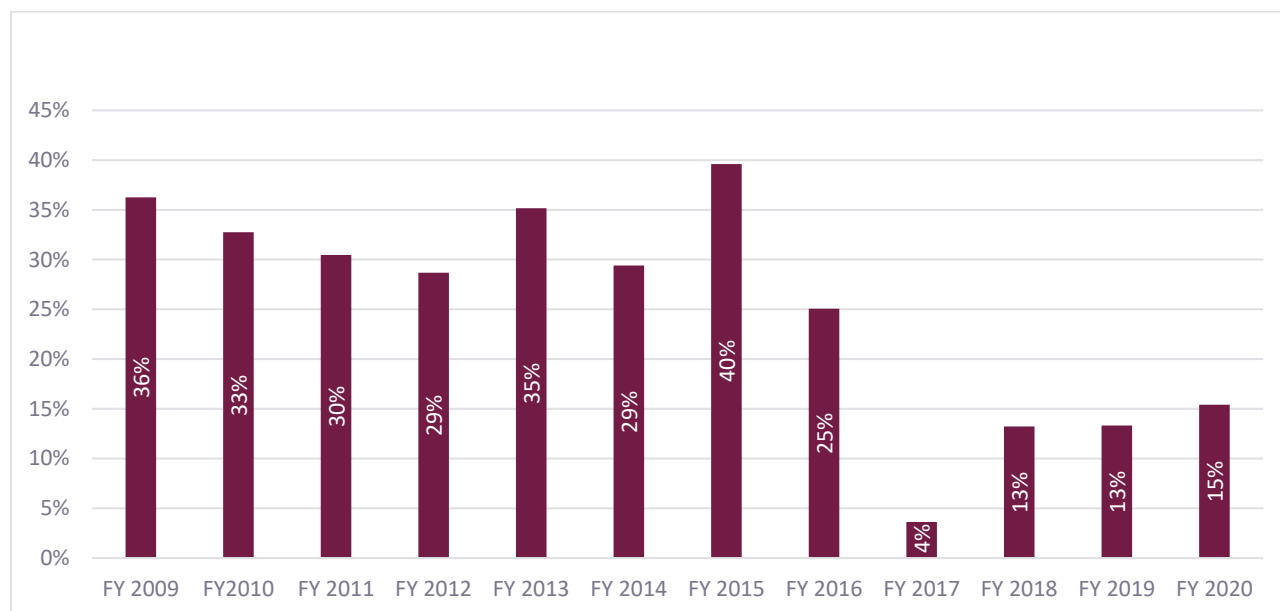
**From FY 2009 to FY 2016, the percentage of BUILD grants awarded to public transportation-related projects was 33 percent. Conversely, over the past four years, the percentage of BUILD grants awarded to public transportation projects was less than 13 percent.**

<sup>1</sup> Throughout this Brief, the TIGER program is referred to as the BUILD program to reflect the U.S. Department of Transportation's rebranding of the program in 2018.

<sup>2</sup> See Consolidated Appropriations Act, 2020 (P.L. 116-44).

<sup>3</sup> Please note that many BUILD projects are multimodal. In calculating the percentage of public transportation-related projects, this analysis includes certain elements of projects that are not related to public transit. Figures expressed should be viewed as an upper bound of public transportation investment.

## Percentage of BUILD Grants for Public Transportation-Related Projects



## Program Background

Congress created the BUILD program as part of the American Recovery and Reinvestment Act of 2009 (ARRA) (P.L. 111-5). Under the program, DOT awards competitive grants to public entities, including public transit agencies, municipalities, counties, tribal governments, Metropolitan Planning Organizations, and state DOTs. The following table outlines annual BUILD appropriations and grant awards since 2009:

## BUILD Grant Appropriations and Public Transportation-Related Projects

(Dollar amounts in millions)

Fiscal Year	BUILD Funds Appropriated	Amount of Total Project Grant Requests <sup>4</sup>	Amount of Transit-Related Project Grant Requests	Actual Amount Awarded to Capital Projects	Amount Invested in Transit-Related Capital Projects
2009	\$1,500	\$56,907	\$10,255	\$1,498	\$543
2010	\$600	\$20,007	\$2,590	\$547	\$179
2011	\$527	\$14,087	\$2,786	\$511	\$156
2012	\$500	\$10,280	\$2,330	\$485	\$139
2013	\$474	\$9,052	\$1,686	\$458	\$161
2014	\$600	\$8,199	\$1,822	\$552	\$162
2015	\$500	\$10,075	\$2,109	\$485	\$192
2016	\$500	\$9,313	\$1,645	\$484	\$121
2017	\$500	\$6,147	\$968	\$487	\$18
2018	\$1,500	\$10,924	\$1,341	\$1,475	\$195
2019	\$900	\$9,624	\$1,028	\$883	\$118
2020	\$1,000	\$9,183	\$832	\$980	\$151

<sup>4</sup> The amounts do not include planning projects for FY 2010, FY 2014, and FY 2020.

## Transition from TIGER to BUILD—Shifting Priorities

In April 2018, DOT announced that it would reconstitute the TIGER discretionary grant program as BUILD. In DOT's BUILD announcement press release, the prior administration made clear that it would prioritize rural projects:

*To reflect the Administration's Infrastructure Initiative, DOT intends to award a greater share of BUILD transportation grant funding to projects located in rural areas that align well with the selection criteria than to such projects in urban areas.<sup>5</sup>*

The administration also indicated its specific support for projects with external revenue streams such as local or private funding sources:

*Projects for BUILD will be evaluated based on merit criteria that include safety, economic competitiveness, quality of life, environmental protection, state of good repair, innovation, partnership, and additional non-federal revenue for future transportation infrastructure investments.<sup>6</sup>*

Subsequently, Congress enacted several Consolidated Appropriations Acts prohibiting the use of the federal share as a criterion for BUILD grants.<sup>7</sup> Under the law, urban projects are eligible to receive BUILD grants up to 80 percent of the project's total cost. Rural projects and projects in areas of persistent poverty may receive grants up to 100 percent.

In FY 2018, DOT awarded 69 percent of BUILD grants to rural projects, a significant increase from the 25 percent average from FY 2009 to FY 2016. The correlation between the increase in the rural share of annual BUILD funding and the decrease in public transit's share seen in the FY 2017 and FY 2018 funding cycles was concerning to APTA and Congress.<sup>8</sup> In the Consolidated Appropriations Act, 2019, Congress mandated that neither large urbanized areas (population of 200,000 or more) nor rural areas receive more than \$450 million in BUILD grants.<sup>9</sup> Congress has continued to require that 50 percent of BUILD funding be provided to both rural and urban projects in FY 2020 and FY 2021.

Finally, the decrease of public transit project grants under the BUILD program has coincided with the increase in grants toward other modes. For example, highway projects historically received an average of 35 percent of annual grant funds. In the most recent grant cycle, highway projects received 73 percent of total funds.

---

<sup>5</sup> U.S. Department of Transportation, U.S. Department of Transportation Launches BUILD Transportation Program, Announces \$1.5 Billion Notice of Funding Opportunity. April 2018. <https://www.transportation.gov/briefing-room/dot3218>.

<sup>6</sup> *Id.*

<sup>7</sup> See Consolidated Appropriations Act, 2018 and Consolidated Appropriations Act, 2019.

<sup>8</sup> The Consolidated Appropriations Act, 2018 required that at least 30 percent of grant funding be invested in rural projects.

<sup>9</sup> Under the BUILD program, the "rural" classification includes urbanized areas with a population of less than 200,000 and non-urbanized areas.

## Strong RAISE Program is Critical for Public Transportation Projects

The Consolidated Appropriations Act, 2021 (P.L. 116-260) provides \$1 billion for these competitive grants. In April 2021, DOT reconstituted the program as the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program. The Department also highlighted its priorities for grant awards:

*Projects for RAISE funding will be evaluated based on merit criteria that include safety, environmental sustainability, quality of life, economic competitiveness, state of good repair, innovation, and partnership. Within these criteria, the Department will prioritize projects that can demonstrate improvements to racial equity, reduce impacts of climate change and create good-paying jobs.<sup>10</sup>*

APTA believes that the reconstituted RAISE program and the Administration's stated priorities provide an opportunity to restore the program to its intended purpose of providing funding to critical multimodal capital investments. Given the synergy of these priorities and public transportation, APTA strongly urges the Secretary of Transportation to direct a significantly greater percentage of RAISE grants to vital public transportation projects.

### Conclusion

The RAISE grant program is an extremely valuable resource for communities to carry out critical public transportation projects. However, over the past four years, the percentage of BUILD grants for public transportation-related projects was significantly less than the historical average. The Biden-Harris Administration's decision to reconstitute the program as the RAISE program and the Administration's stated priorities provide an opportunity to restore the program to its intended purpose of providing funding to critical multimodal capital investments. Public transportation projects directly address each of the Administration's key priorities, including improving racial equity, reducing the impacts of climate change, and creating good-paying jobs. Given the synergy of these priorities and public transportation, APTA strongly urges the Secretary of Transportation to direct a significantly greater percentage of RAISE grants to vital public transportation projects.

---

<sup>10</sup> U.S. Department of Transportation, U.S. Secretary of Transportation Pete Buttigieg Announces Availability of \$1 Billion to Modernize and Create New American Infrastructure. April 2021. <https://www.transportation.gov/RAISEgrants>

## Sources

<https://www.transportation.gov/BUILDgrants/about>

<https://www.transportation.gov/briefing-room/dot3218>

### **The American Public Transportation Association (APTA)**

The American Public Transportation Association is a nonprofit international association of 1,500 public- and private-sector organizations that represents an \$80 billion industry that directly employs 448,000 people and supports millions of private-sector jobs. APTA members are engaged in the areas of bus, paratransit, light rail, commuter rail, subways, waterborne services, and intercity and high-speed passenger rail. This includes transit systems; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation. APTA is the only association in North America that represents all modes of public transportation. APTA members serve the public interest by providing safe, efficient, and economical transit services and products.

#### Author

Zachary Rosen  
Legislative Analyst  
202.496.4873 | [zrosen@apta.com](mailto:zrosen@apta.com)

#### For General Information

Government Affairs and Advocacy  
Ward McCarragher, Vice President  
202.496.4828 | [wmccarragher@apta.com](mailto:wmccarragher@apta.com)

---

#### **APTA Vision Statement**

APTA leads public transportation in a new mobility era,  
advocating to connect and build thriving communities

---