

# Restoring RAISE Grant Investments in Public Transportation

## **Key Takeaways**

- 1. The percentage of RAISE grant funds awarded for public transit and passenger rail projects in FY 2020 through FY 2023 remains significantly less than the historical average (33 percent).
- 2. In FY 2023, the U.S. Department of Transportation (DOT) awarded **\$404 million** for public transportation projects, equal to **18 percent** of available RAISE grant funding. The percentage of FY 2023 public transportation investment is, by percentage, a slight decrease from FY 2022 and FY 2021.
- Although DOT has partially reoriented the RAISE Grant Program to multimodal priorities in the last three years, APTA strongly urges the Secretary of Transportation to direct a significantly greater percentage of RAISE grant funds to vital public transit and passenger rail projects.

The Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program, previously known as Better Utilizing Investments to Leverage Development (BUILD) program and Transportation Investment Generating Economic Recovery (TIGER) program, has provided critical funding for public transportation infrastructure investments. Since 2009, the RAISE Grant Program has provided \$14.4 billion for critical surface transportation projects, including public transit and passenger rail investments. It has funded new public transit stations, 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 result in positive safety, environmental, equity, and economic benefits.

Historically, the total amount requested by RAISE grant applicants greatly exceeds the amount of funding available, exemplifying the competitive and successful nature of the grant program. DOT typically is only able to fund five to 10 percent of requested funds. Congress has recognized both the demonstrated need and success of the program and provided a total of **\$2.275 billion** for RAISE grants in FY 2023 pursuant to the Infrastructure Investment and Jobs Act (IIJA) and the Transportation Housing and Urban Development, and Related Agencies Appropriations Act, 2023.<sup>2</sup>

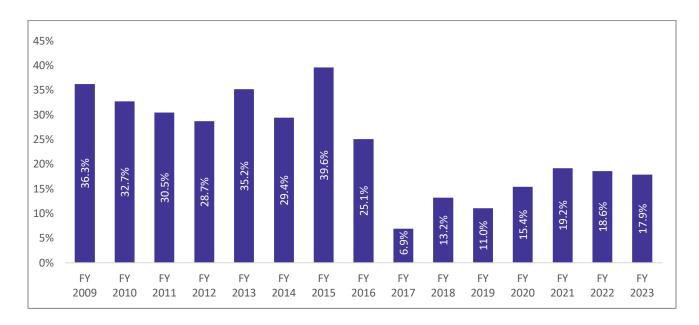
<sup>&</sup>lt;sup>1</sup> Throughout this Brief, the program is generally referred to as the RAISE Grant program. From 2009-2017, the RAISE Grant program was named the TIGER Grant program. From 2018-2021, the program was named the BUILD Grant program.

<sup>&</sup>lt;sup>2</sup> See IIJA, Division B, § 21202; (P.L. 117-58); Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2023 (P.L. 117-328, Division L).

On June 28, 2023, DOT announced more than \$2.2 billion in RAISE grant awards to 162 projects in all 50 states, the District of Columbia, Puerto Rico, and the Northern Mariana Islands.<sup>3</sup> Of these funds, APTA estimates that DOT provided **\$404** million to **26** public transportation-related capital projects equal to **18** percent of available funding. The percentage of public transportation investment is, by percentage, a slight decrease from past years.

**This percentage of investment is significantly less than the historical average.** From FY 2009 to FY 2016, the percentage of RAISE grants awarded to public transportation-related projects was **approximately 33 percent**. Following a sharp decrease in FY 2017, public transportation awards have seen growth, yet remain significantly below historical averages.

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



#### **Program Background**

Congress created the RAISE Grant 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, local governments, Metropolitan Planning Organizations, state departments of transportation, and Indian Tribes. The following table outlines annual RAISE Grant appropriations and awards since 2009.

<sup>&</sup>lt;sup>3</sup> DOT, <u>Biden-Harris Administration Announces Funding for 162 Community-Led Infrastructure Projects as a Part of the Investing in America Agenda; DOT, RAISE 2023 Fact Sheets</u>

## **RAISE Grant Appropriations and Public Transportation-Related Projects**

(Dollar amounts in millions)

Fiscal Year	RAISE Grant Appropriations	Total Project Grant Requests	Public Transportation Project Grant Requests	RAISE Grant Awards	Public Transportation Grant Awards
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	\$975	\$9,183	\$832	\$980	\$151
2021	\$1,000	\$10,300	\$1,588	\$953	\$183
2022	\$2,275	\$13,365	\$2,002	\$2,245	\$418
2023	\$2,275	\$15,000	\$1,183	\$2,260	\$404

#### The RAISE Program—Recalibrating Priorities

Each administration emphasizes different priorities under the grant program. In April 2021, DOT reconstituted the RAISE program and 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>4</sup>

APTA believes that the reconstituted RAISE program and the Biden-Harris Administration's stated priorities provide an opportunity to restore the program to its intended purpose of awarding funding to critical multimodal capital investments.

<sup>&</sup>lt;sup>4</sup> DOT, <u>U.S. Secretary of Transportation Pete Buttigieg Announces Availability of \$1 Billion to Modernize and Create New American Infrastructure</u> (April 13, 2021).

In announcing the FY 2023 awards, DOT noted:

The RAISE grant program, expanded under the Bipartisan Infrastructure Law, supports communities of all sizes, with half of the FY2023 funding going to rural areas and the other half to urban areas. The grants are part of President Biden's Investing in America agenda that is growing the American economy from the bottom up and middle-out—from rebuilding our nation's infrastructure, to driving nearly \$500 billion in private sector manufacturing and clean energy investments in the United States, to creating good-paying jobs and building a clean-energy economy that will combat climate change and make our communities more resilient.<sup>5</sup>

DOT has prioritized investments in equity and accessibility. In FY 2023, 70 percent of all projects were awarded to regions of persistent poverty or historically disadvantaged communities.<sup>6</sup>

The following graph illustrates the percentage of awarded grants allocated to rural projects. Pursuant to statutory requirements, the agency has continued a more balanced urban-rural allocation of funds compared to prior administrations.

## **Percentage of RAISE Grant Funds for Rural Projects**



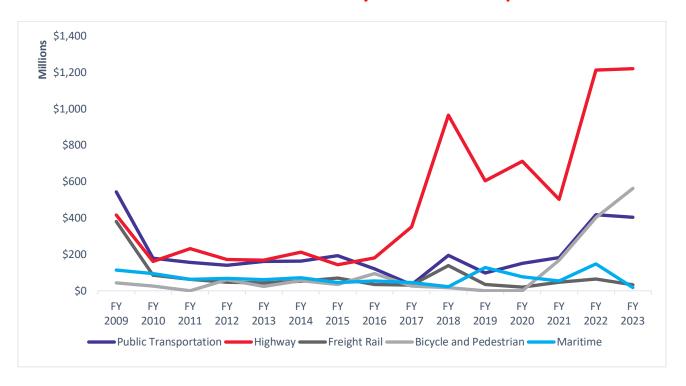
As the agency continues to provide an equitable distribution of RAISE grants between urban and rural communities, the projects will continue to benefit communities to improve safety, strengthening the supply chain, and transporting individuals where they need to be quickly and affordably.

<sup>&</sup>lt;sup>5</sup> DOT, <u>Biden-Harris Administration Announces Funding for 162 Community-Led Infrastructure Projects as a Part of the Investing in America Agenda.</u>

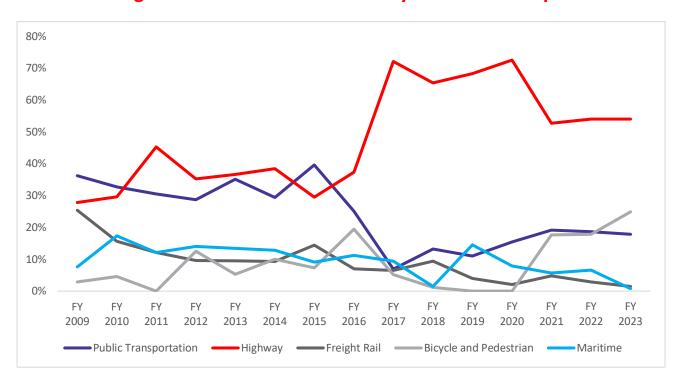
<sup>&</sup>lt;sup>6</sup> Id.

The following two graphs illustrate the continued extremely high level of investment in highway projects, and the decreased percentage awarded to public transportation compared with highway projects. They also show the decreased dollar amount awarded to public transportation projects compared to FY 2022.

## **Total RAISE Grants Awarded by Mode of Transportation**



## Percentage of RAISE Grants Awarded by Mode of Transportation



### **RAISE Grants Are Critical for Public Transportation Projects**

The RAISE Grant Program is an extremely valuable resource for communities to carry out critical public transportation projects. In FY 2023, DOT awarded \$404 million for public transportation projects, equal to 18 percent of available RAISE grant funding. The percentage of RAISE grant funds awarded for public transit and passenger rail projects remains significantly less than the historical average (approximately 33 percent).

The Biden-Harris Administration's RAISE program and its 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 grant funds to vital public transit and passenger rail projects.

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

The American Public Transportation Association is a nonprofit international association of 1,500 publicand private-sector organizations that represents a \$79 billion industry that directly employs 430,000 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.

#### **Authors**

Jared Bonina
Policy Analyst
Government Affairs and Advocacy
202.496.4873 | jbonina@apta.com

Matthew Dickens
Senior Director
Policy Development and Research
Government Affairs and Advocacy
202.496.4817 | mdickens@apta.com

#### **For General Information**

Ward McCarragher
Vice President
Government Affairs and Advocacy
202.496.4828 wmccarragher@apta.com

#### **APTA Vision Statement**

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