

FEDERAL BRIEFING BOOK

Different priorities, different outcomes

Improved transportation outcomes require new priorities

Transportation for America

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Transportation for America

1350 Eye Street NW · Suite 425
Washington, DC 20005
Phone: 202-955-5543
www.t4america.org

Federal investment in transportation requires policy change

The purpose of transportation investments is to produce measurable benefits

A strong, modern transportation system supports prosperous communities where businesses thrive, and people of all incomes and ages can live healthy, productive lives. Transportation is the foundation of each community, the tool for interconnectedness, and the circulatory system that provides access to opportunity. Your work in Congress is essential to producing this system—and these benefits.

The modern federal transportation program was created in the 1950s to produce the country's interstate highway system. But even though that system is complete, the federal program has remained on autopilot, favoring costly highway expansion at the expense of producing a safe, well-maintained, well-rounded transportation system that helps people get from Point A to Point B. You can help focus the federal program on basic maintenance and the state of repair, roadway safety, and targeted investments to produce a safer, more equitable, and more accessible transportation system that will create lasting value and produce great places.

Our DOTs need better focus, not more money

Despite spending billions of federal dollars on transportation investments, State DOTs have failed to make progress on many core, basic outcomes. Many investments actually make outcomes worse, not better. Transportation for America evaluated progress across five key areas: safety; state of repair; investment in transit and active transportation; congestion; and rising transportation costs.

These measures reflect our three priorities: safety, state of repair, and investment in transit and active transportation. We added affordability because it's a top priority for most Americans, and congestion because keeping vehicles moving appears to be the top priority for most transportation agencies, as reflected in their spending and decisions.

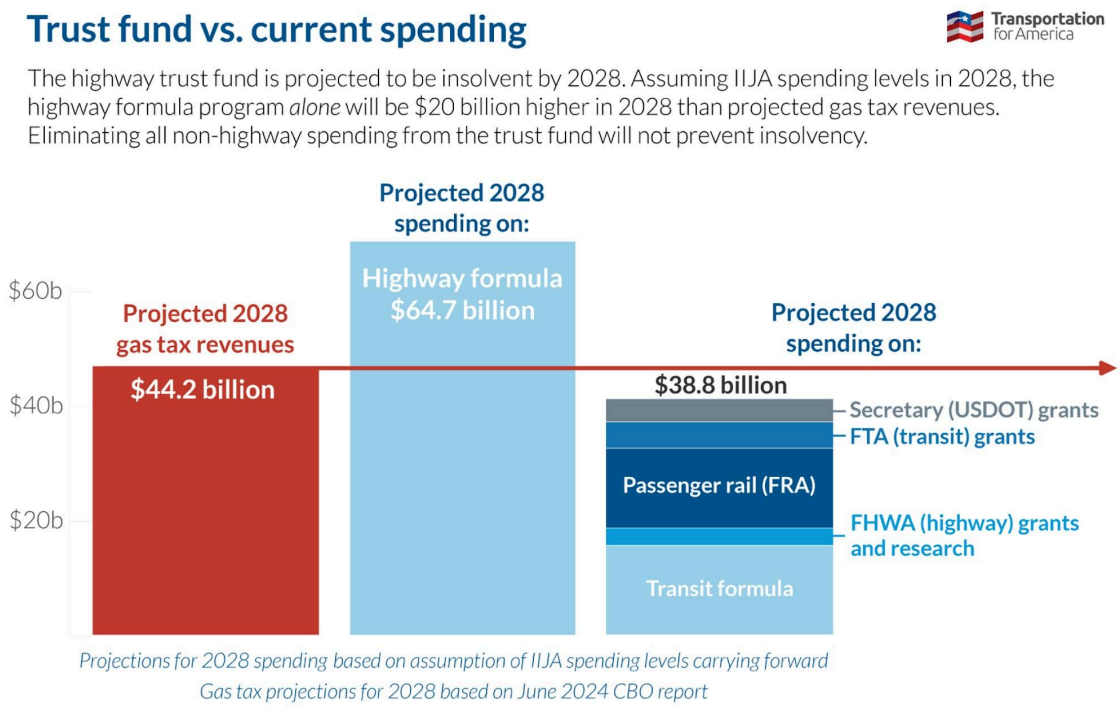
The results were stark: **98 percent of state DOTs received a failing grade.** See *Appendix I* for the full list of state DOT grades. The findings show that more people are dying or being severely injured on our roads, congestion is increasing, roads and bridge conditions aren't improving, and we're still not investing in non-auto transportation options in urban, suburban, and rural communities that could alleviate costs at a time when it's badly needed.

Surface transportation reauthorization is not producing outcomes

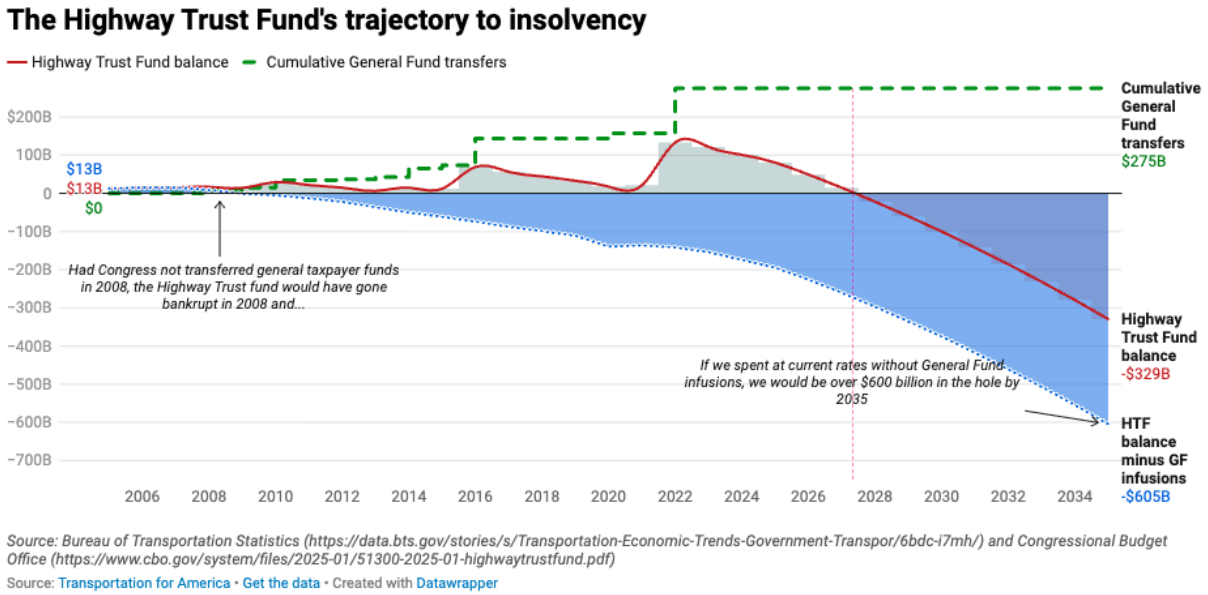
What is surface transportation reauthorization?

Surface transportation reauthorization is the legislative process to renew the federal transportation program, which typically takes place every five years. The current program passed under the 2021 Infrastructure Investment and Jobs Act (IIJA) was set to expire on September 30, 2026. The 120th Congress will write the IIJA's replacement.

Through reauthorization, the federal government sets policy and provides funding for the nation's highway, transit, safety, and rail programs. Since 2008, the gas tax revenue has failed to cover the full cost of the program.



While the program was designed to be funded by the users of the system, this has not been the case for nearly two decades. Past Congresses have decided to plug the gap with deficit spending paid by all taxpayers, not just users of the system. Because of this continued imbalance, the federal transportation program is facing a historically large funding cliff and has remained fiscally solvent only by transferring billions from taxpayers; it will be bankrupt by 2028.



Congress is currently extending the IIJA through short-term extensions until lawmakers introduce and agree on a new bill. These extensions are typical: Since 1991, the federal transportation program has operated on a short-term extension *almost one-third of the time*. While extensions are normal, they don't always include all original programs and funding.

Congress should reconsider the costs and benefits of the current federal program

Any examination of the measurable benefits federal transportation is supposed to produce makes it clear: **The federal program is failing to deliver on its promises** while deficit spending to the tune of more than $275 billion to do so. Despite spending more than $1.5 trillion since 1991, **roadway safety has worsened, infrastructure conditions have stayed about the same, congestion has worsened, and emissions have increased**.

Considering the level of deficit spending and its failure to produce measurable benefits, why should the transportation program continue to benefit from a trust-fund structure? Why should transportation receive such special benefits, instead of having to justify its existence year after year like nearly every other priority? Congress should consider ending the trust fund and asking whether the federal surface transportation program is delivering its promised benefits, and how Congress could reshape it to do so. If this program is worth saving, it needs a radical update. And the total insolvency of the trust fund provides an opportunity to ask these questions.

To achieve better outcomes, orient the entire program toward performance and accountability

It's time to replace the failing, bankrupt federal transportation program with something new. Our proposals focus on radically updating this program and making it more accountable to taxpayers to build a new federal transportation program from the ground up. Below is an excerpt from our policy package:

Modernize the program: Bring us out of the 1950s

- **Set national goals for conditions and performance that the federal program must achieve:** We need well-defined priorities for the federal program. The federal government will never go anywhere without setting goals for where we need to go.
- **Add multimodal access to jobs and essential services to the performance measures required under the National Highway Performance Program**: Replace the current proxy measures with new tools that track how all transportation options allow folks to access essential destinations. The U.S. Department of Transportation (USDOT) should develop the data measures to share with states and MPOs.

Fix it first: Repair our existing infrastructure before we build new

- **Require grantees to maintain their infrastructure**: If a grantee wants to use federal dollars (formula, competitive, or loan assistance) to build new road or bridge capacity, they must first demonstrate capacity to operate and maintain that asset throughout its useful life while improving the condition of their overall road and bridge system.

- **Require states and metropolitan planning organizations (MPOs) to set targets to improve road and bridge conditions**: When setting targets under 23 USC 150, states and MPOs must set targets that would improve the condition of pavements and bridges on both the Interstate system and the National Highway system—and there must be penalties for failing to achieve them.

Design for safety over speed: Prioritize the safety of everyone over the speed of cars

- **Require grantees to improve roadway safety**: Require states and MPOs to also set targets to improve roadway safety for all road users. Requirements should include developing a report documenting crashes that result in serious injury or fatalities and design interventions tailored to reduce the specific crashes identified.
- **Conduct research and provide evidence-backed guidance for roadway design**: Require science-based standards at the Federal Highway Administration (FHWA), including within the roadway design manual and the Manual on Uniform Traffic Control Devices (MUTCD).
- **Ensure autonomous vehicles (AVs) meet the promise of their potential**: The federal government should audit new vehicle models with advanced driver assistance systems to ensure that vehicles with levels of autonomy of level 2 or higher are safer than human drivers.

Invest in the rest: Provide comprehensive funding and opportunities for all modes

- **Provide federal funding to support operating costs and improve service**: Establish a dedicated federal funding stream to support increased transit service, including greater frequency, longer hours, and new services.
- **Lower transit project costs and expedite project delivery**: Create a team of experts in transit project delivery at the Federal Transit Administration (FTA) to deploy to transit agencies when they are working on major capital projects.
- **Create a national equipment pool for passenger rail equipment, standardize rail procurement practices, and establish federal funding maximums for equipment purchases to protect the federal taxpayer from added costs of over-customization.**
- **Establish an electric vehicles (EV) user charge**: Consider a user fee equivalent to the one on conventional internal combustion engine vehicles, minimizing the burden on lower-income users and pricing in the increased wear and tear that the heaviest EVs cause on roadways.

Transportation for America is here to help

Transportation for America, a program of Smart Growth America, is a national nonprofit working to create a transportation system that **safely, affordably, and accessibly** connects everyone to jobs, services, and opportunities through diverse travel options that build a better, safer transportation future for all. Subscribe to our emails, use our reports, and contact us for our expertise or available support.

Appendix

Appendix I. Outcomes-based grades for state departments of transportation

State	Grade	State	Grade	State	Grade
Alabama	F	Michigan	F	Texas	F
Alaska	F	Minnesota	C	Utah	D-
Arizona	F	Mississippi	F	Vermont	D
Arkansas	F	Missouri	F	Virginia	F
California	F	Montana	F	Washington	F
Colorado	F	Nebraska	D-	West Virginia	F
Connecticut	F	Nevada	F	Wisconsin	D-
Delaware	F	New Hampshire	D-	Wyoming	F
Florida	F	New Jersey	F		
Georgia	F	New Mexico	F		
Hawaii	F	New York	D+		
Idaho	F	North Carolina	F		
Illinois	D-	North Dakota	D-		
Indiana	F	Ohio	D+		
Iowa	F	Oklahoma	F		
Kansas	F	Oregon	F		
Kentucky	F	Pennsylvania	D		
Louisiana	F	Rhode Island	D		
Maine	F	South Carolina	F		
Maryland	F	South Dakota	F		
Massachusetts	D+	Tennessee	F		

Appendix II. Methodology for state departments of transportation grades

To determine a grade for each State Department of Transportation, we started by looking at the performance of the transportation system against Transportation for America's priorities: safety over speed, fix it first, and invest in the rest. Safety is our top priority and is usually listed as the top priority for transportation agencies at all levels of government, so safety performance makes up the highest percentage of a state DOT's scores, followed closely by fixing our crumbling infrastructure.

Beyond our three priorities, we chose two additional performance areas to score. The first is transportation costs. Considering the affordability crisis in the country, this is important to include. Transportation is the second-highest household expenditure, with housing plus transportation costs making up 50% of the average household's expenses according to the Bureau of Labor Statistics. And high gas prices are responsible for almost 30% of the increase in the Consumer Price Index, according to the Bureau of Transportation Statistics. So it is hard to imagine making significant progress in lowering Americans' cost of living without bringing down the cost of transportation through policies that allow people to take shorter trips, switch to less expensive modes, or access more efficient vehicles.

The fifth measure, congestion, is included for very different reasons. While reducing congestion is not one of T4America's priorities, transportation agencies often cite congestion reduction as the obstacle that prevents them from addressing the other four priorities, and is the stated purpose of so much of their spending. So, according to one of their own preferred measures, how are states doing when it comes to congestion? This is why we included this clear high-priority factor in the score to determine whether the trade-offs were worth it.

This approach also focuses on outcomes, not spending, except in the category of investing beyond highways. Because transportation data often lags by several years, these grades reflect past performance rather than current investments. It is worth considering where each state is spending their time and funding today to get a sense of how these scores might change in the future.

Finally, this is a report card based on Transportation for America's priorities. If your state has different priorities or different levels of emphasis on those priorities, it is a good idea to design your own to determine whether you are getting the outcomes you want from your state's transportation investments. This approach reflects our first recommendation: set a limited number of priorities and measure progress in those areas as well as how investments will contribute to better outcomes in the future.

Our specific measures and weightings are as follows:

Safety (40%)

To calculate safety grades, we used pedestrian fatality rates per capita from Transportation for America's Dangerous by Design 2026, broader motor vehicle fatality rates per capita from NHTSA's Fatality Analysis Reporting System (FARS), and trends in each rate relative to other states.

State of repair (30%)

State of repair is graded based on National Highway System (NHS) road and bridge condition and the trend in state of repair relative to other states using the Federal Highway Administration (FHWA) Highway Statistics Series. We also consider each state's ratio of spending on repair to expansion as an indicator of how they prioritize (or do not prioritize) repair.

Invest in the rest (10%)

To measure state investment in other modes, we consider average annual per capita investment in transit, FHWA funding allocations for bicycle and pedestrian projects relative to other states, and scores based on funding allocations for active transportation in the Safe Routes Partnership's 2026 state report cards.

Congestion (10%)

Using data from Reason Foundation's 24th and 29th Annual Highway Reports and five-year population data, we convert average delay per auto commuter to average delay per capita to measure how delay changed between 2017 and 2023 and compare it with how delay was expected to change considering population growth during that period. We also analyze average travel time to work and how that has changed over time.

Transportation costs (10%)

We use the Center for Neighborhood Technology's annual transportation cost estimates for the regional typical household and compare states using percentile rankings.