

# DAY ONE PROJECT

Enabling Better Access to Federal  
Transportation Funds for Small and  
Rural Communities

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November 2020

## Summary

Most federal transportation funds are distributed to state and regional transportation entities by a legislatively set formula for different types of transportation. An exception to this rule is the U.S. Department of Transportation's (USDOT) Better Utilizing Investments to Leverage Development ([BUILD](#)) Transportation Discretionary Grants program (formerly known as the TIGER program). The BUILD program is extremely flexible, with funding available for any kind of surface-transportation project and any government agency, and it is the only transportation program that provides direct capital support to local transportation projects. This flexibility has made the BUILD program incredibly popular, receiving 10 times more applications than can be funded. However, the application process is extensive and can require outside assistance to produce, making the application itself too expensive for some areas to take on, especially considering the high level of competition. USDOT should create a simpler application that most public agencies can manage with internal staff to make the program more universally available to communities of all sizes and levels of capacity.

## Challenge and Opportunity

The BUILD application requires a proposal (usually about 25 pages in length) and a benefit-cost analysis (BCA). Many communities do not have a grant writer or economist on staff and so must hire consultants to produce both application components. Doing so can cost tens of thousands of dollars: too risky an investment, given that the popularity of the BUILD program means that only 10% of applications get funded.

Congress has made it clear that they want USDOT to fund a mix of projects that vary in terms of transportation mode (e.g., highway, transit, port, rail, etc.), geographic region, and community (i.e., rural, suburban and rural). Assembling a diverse mix of awardees is easier when there is a diverse mix of applicants. But a diverse application pool is less likely when many communities cannot afford to apply. A federal program should not be too expensive for communities to apply for, and there is much that can be done to make it easier and cheaper.

The USDOT developed its current application system in order to collect enough reliable information from each applicant so that a fair and reasonable decision can be made regarding the best proposals. To make decisions on awards, the agency evaluates whether any given project addresses the BUILD program's primary criteria (improving safety, economic competitiveness, quality of life, environmental sustainability, and state of repair) and secondary criteria (innovation and partnership), meets or exceeds the benefit-cost threshold, demonstrates project readiness, and fulfills other eligibility criteria. However, the current approach to collecting that information has overwhelmed many applicants and is unnecessarily cumbersome and expensive. This information can be collected with an application template that is less extensive and less expensive than the current template.

## Plan of Action

The next administration should direct USDOT to create an online template for the BUILD application (including the proposal and the BCA) so that any community can understand exactly what information is needed—and how best to present that information—without having to hire external support. The proposal component of the template could consist of a series of questions with word limits and places to add pictures, maps, or other attachments. The online proposal template could entirely supplant the existing proposal requirement (i.e., the online template would be the only way to submit a proposal) or could exist as a new, alternative way to apply. The online template would likely benefit reviewers as well as applicants. The standardized, question-based format of the online template would make it easy for reviewers to know where to look for particular pieces of information, an improvement over the existing proposal format that requires reviewers to dig through many pages seeking that information. The work of creating the template would be conducted by the Office of the Under Secretary for Policy and the Chief Information Officer in coordination with the Modal Administrations at USDOT.

The online version of the BCA could consist of a spreadsheet as well as a questionnaire that auto-populates the spreadsheet. Having a guide that walks users step-by-step through the process of conducting a BCA will allow lower-capacity communities to complete this application component on their own, saving money and making applying much easier. The online BCA would also likely improve application quality across the board, since even those who have access to an economist or hire a consultant often submit work that fails to include basic information (like who the expected users of the project are) upon which the rest of the BCA depends. The online BCA could and should be designed to be flexible, accommodating many different types of project. Not every field should be made mandatory and space should be left to describe additional benefits that are not as routine and quantifiable as those typically submitted. The work of creating the online BCA would be conducted by the Chief Economist in the Office of the Under Secretary for Policy in coordination with the Modal Administrations at USDOT.

There were some tentative conversations early in the BUILD program history around developing online help or guidance, but this direction was not pursued partially due to the challenge of simply setting up the initial program and partially because the extent of the difficulty of applying wasn't fully understood at that time. Since then it was so often unclear as to whether Congress would provide another round of funding that it was tough to justify the effort.

Developing an online application template now would require leadership from the Under Secretary and the Chief Information Office at the USDOT directing that staff dedicate the time to flesh out the concept, develop the portal, and implement and security protocols to protect applications. There is funding for the administration of BUILD that comes with each appropriation to assist with implementation. Congress would likely be amenable to increasing the administrative dollars available for BUILD to support creation of an online template since many members are already concerned that the BUILD application process is too cumbersome and

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competitive for smaller areas to participate. Based on similar digital projects, a rough estimate for the cost to enable the online application is around \$350k, but could easily be much less than this, or possibly allocated in staff time. Therefore, cost should not be a limiting factor in pursuing this effort.

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## About the Authors



Beth Osborne is the Director of Transportation for America. She previously worked at the U.S. Department of Transportation, where she served as the Acting Assistant Secretary for Transportation Policy and the Deputy Assistant Secretary for Transportation Policy since 2009. At DOT, Beth managed the TIGER Discretionary Grant program, the Secretary's livability initiative, the development of the Administration's surface transportation authorization proposal, and the implementation of MAP-21. Before joining DOT, Beth worked for Senator Tom Carper (DE) as an advisor for transportation, trade and labor policy, as the policy director for Smart Growth America and as legislative director for environmental policy at the Southern Governors' Association. She began her career in Washington, DC, in the House of Representatives working as a legislative assistant for Representative Ron Klink (PA-04) and as legislative director for Representative Brian Baird (WA-03).



## About the Day One Project

The Day One Project is dedicated to democratizing the policymaking process by working with new and expert voices across the science and technology community, helping to develop actionable policies that can improve the lives of all Americans, and readying them for Day One of a future presidential term. For more about the Day One Project, visit [dayoneproject.org](http://dayoneproject.org).