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Brookings: The Regional Transportation Block Grant

Principles for a new federal surface transportation program

Summary

Since the completion of the Interstate Highway System, congressional lawmakers have routinely revisited surface transportation programs to better reflect the country's contemporary investment needs. A long-standing gap is investment at the local and regional level. Those transportation networks keep the economy moving every day, and their roadways and industries contribute significant direct funding to federal transportation accounts. However, even with enormous demand for both routine maintenance and transformative projects within their jurisdictions, current federal programs fail to deliver adequate funding to the local and regional level.

A new Regional Transportation Block Grant program (RTBG) is ideally suited to address these deficiencies and modernize the federal commitment to regional prosperity. A new formula program can reduce administrative costs, promote faster project delivery, improve accountability, and simply deliver more projects in regions of all sizes. Using current tax contributions as a baseline, we recommend a $10 billion annual program that includes the following characteristics:

- Metropolitan planning organizations (MPOs) should be the direct recipients, whose boards would then suballocate funds to municipalities. State officials would distribute money to municipalities outside MPO boundaries.
- The RTBG can use the same project eligibility and matching rate rules as the Surface Transportation Block Grant program.
- Congress should modernize accountability requirements, permit spending on multisectoral planning, and expand asset management practices with states and regions.

Continue reading.

The Brookings Institution

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May 8, 2025

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