



FRAME FOR MOBILITY

POLICY PAPER

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The Framework for Rebuilding America's Mobility Economy (FRAME) Act

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PART I

EXECUTIVE SUMMARY

The American surface transportation system has arrived at a critical inflection point. For decades, the nation has relied upon a funding and planning paradigm established in the mid-20th century—one that prioritized the expansion of the highway network over the maintenance of existing assets and the diversification of mobility options. Today, the consequences of this legacy are undeniable: a staggering backlog of maintenance and repair on existing infrastructure, a persistent public health crisis of roadway fatalities, and a Highway Trust Fund that is fundamentally insolvent.

The Framework for Rebuilding America's Mobility Economy (FRAME) Act represents a comprehensive legislative response to these systemic failures. It is not merely a reauthorization of existing programs; it is a foundational shift in how the United States invests in, manages, and sustains its mobility network. The Act seeks to move the federal role from a passive provider of capital to an active steward of a data-driven, performance-based “mobility economy”—an ecosystem where the movement of people and goods is recognized as the primary engine of economic output and social opportunity.

CORE OBJECTIVES AND POLICY PILLARS

The FRAME Act establishes a new national policy centered on several critical pillars (**Section 103**):

- **Safety via the Safe System Approach:** The Act mandates a shift toward a holistic, data-driven approach to roadway safety that anticipates human error, with the explicit national goal of eliminating all traffic-related fatalities and serious injuries.
- **Prioritizing a State of Good Repair:** Achieving and maintaining the condition of existing assets is declared the highest priority for federal investment.
- **Data Modernization and Transparency:** By treating technology and data as core components of infrastructure (**Section 107**), the Act introduces a “Pay for Performance” framework (**Section 402**), holding states accountable for measurable results in safety, reliability, and carbon reduction.
- **Economic Competitiveness:** Strategic investments in freight corridors and supply chain resiliency are prioritized to strengthen the nation’s global standing.
- **Accelerated Project Delivery:** The Act empowers states by making environmental review assignment permanent (**Section 501**) and providing capacity-building grants to streamline the path from planning to construction (**Section 502**).
- **Fiscal Sustainability:** Recognizing the obsolescence of the federal gasoline tax, the Act initiates a nationwide transition to a sustainable, user-based revenue source (**Section 708**).

PROGRAMMATIC STRUCTURE

The Act consolidates legacy programs into a streamlined structure of block grants and competitive programs. Title II establishes three primary formula block grants: State of Good Repair & Resiliency (**Section 203**), National Commerce & Freight (**Section 207**), and Community Access & Mobility (**Section 211**). These grants provide states and local governments with the flexibility to address regional challenges while adhering to strict performance targets.

Furthermore, the Act introduces the Strategic Infrastructure Investment Program (SIIP) to fund large-scale, transformative projects, such as new high-capacity transit systems or nationally significant bridge replacements, which are often too complex for traditional formula funding (**Section 303**).

A NEW SOCIAL CONTRACT FOR MOBILITY

Ultimately, the FRAME Act is designed to rewrite the social contract between the government and the traveling public. It replaces an opaque funding system with one rooted in transparency, where every dollar is tracked via the National Infrastructure Data Portal (**Section 410**) and every state’s progress is summarized in a public Infrastructure Health Report Card (**Section 407**). This legislation ensures that American infrastructure is not just rebuilt, but reinvented to be resilient, equitable, and solvent for the 21st century.

THE ARCHITECTURE OF REFORM

The current federal surface transportation model is often criticized for its rigidity and its tendency to reward expansion over stewardship. The FRAME Act fundamentally restructures this architecture by consolidating a myriad of legacy programs into three primary formula block grants and introducing a variable federal cost-share that aligns fiscal incentives with national policy goals.

THE THREE PILLARS OF FORMULA FUNDING

The Act repeals several predecessor programs—including the National Highway Performance Program and various transit-specific grants—to create a more flexible, multimodal funding environment.

State of Good Repair & Resiliency Block Grant: This program identifies the maintenance and rehabilitation of existing pavement, bridges, tunnels, and public transportation assets as the highest national priority (**Section 203**). It integrates resiliency, allowing funds to be used for retrofitting infrastructure against extreme weather and climate change (**Section 203**).

National Commerce & Freight Block Grant: To ensure economic competitiveness, this grant focuses on the efficiency of the national supply chain (**Section 207**). It empowers states to address freight bottlenecks and improve surface connections to public ports and intermodal facilities (**Section 207**).

Community Access & Mobility Block Grant: This pillar prioritizes local networks, focusing on connecting people to jobs and services through equitable and accessible transportation (**Section 211**). It specifically allows for the funding of public transportation operations, active transportation infrastructure, and innovative mobility services like on-demand microtransit (**Section 211**).

ALIGNING INCENTIVES: THE VARIABLE FEDERAL COST-SHARE

Perhaps the most significant structural shift is found in Section 106, which moves away from the traditional 80/20 funding split for all projects. Instead, the Act utilizes a “Variable Federal Cost-Share” to prioritize specific outcomes.

- **Maintenance Premium:** Projects whose primary purpose is to bring existing assets into a state of good repair receive an increased federal share of 90 percent (**Section 106**).
- **Safety and Innovation Bonus:** The federal government will cover 100 percent of the cost for projects deploying proven safety countermeasures or qualified digital infrastructure and vehicle-to-everything (V2X) technology (**Section 106**).
- **Capacity Penalty:** Conversely, the federal share for projects that add new general-purpose lanes to the National Highway System for a distance of at least one mile is reduced to 50 percent (**Section 106**).

TECHNOLOGY AS INFRASTRUCTURE

The Act modernizes the definition of a “capital project.” Under Section 107, software, data systems, and digital twins are legally construed as infrastructure. This ensures that the modernization of digital and communications assets is a core eligible activity across all programs, recognizing that in a modern mobility economy, bits are as essential as bricks (**Section 107**).

PERFORMANCE OVER PAVEMENT

The FRAME Act moves the Department of Transportation away from being a mere check-writing entity and toward becoming a performance-driven steward of the public interest. By establishing the “Pay for Performance” framework, the Act ensures that federal funding is an investment in measurable outcomes rather than an entitlement based on historic formulas.

THE “PAY FOR PERFORMANCE” FRAMEWORK

Under Section 402, the Act mandates that every state set data-driven performance targets for its own system across several national goals: safety, infrastructure condition, congestion reduction, and system reliability (**Section 401**). This is not a “one-size-fits-all” mandate; it is a collaborative process where states coordinate with metropolitan planning organizations and transit providers to set realistic, rigorous targets that the Secretary must review and approve (**Section 402**).

States that significantly exceed their performance targets in areas like reducing per-capita vehicle miles traveled (VMT), increasing transit ridership, or reducing traffic fatalities are eligible for a performance-based apportionment bonus (**Section 105**). This pool, consisting of five percent of total block grant funds, creates a competitive incentive for states to innovate and lead (**Section 105**).

THE SAFETY MANDATE AND FORFEITURE

The most profound shift in accountability is the Safety Performance Forfeiture (**Section 403**). For too long, roadway fatalities have been treated as an acceptable byproduct of mobility. The FRAME Act ends this era of indifference.

If a state fails to make significant progress toward its safety performance targets for three consecutive fiscal years, it is required to forfeit an amount equal to one percent of its formula funds (**Section 403**). These forfeited funds do not return to the general treasury; instead, the Secretary reinvests them as competitive grants directly to local entities within that same state to fund projects that will most effectively reduce traffic fatalities and serious injuries (**Section 403**).

DATA AS THE NATIONAL STANDARD

To enable this performance-driven model, the Act addresses the disparate nature of transportation data. Section 409 establishes a National Transportation Data Standard to ensure that information across all 50 states is consistent, comparable, and machine-readable.

This data is then operationalized through:

- **The State Infrastructure Health Report Card (Section 407):** An annual, publicly accessible summary of the condition, performance, funding, and climate impact of a state’s system.
- **The Carbon and Vehicle Miles Traveled Scorecard (Section 408):** A transparent accounting of the “induced demand” and carbon dioxide emissions impact of any project that adds new general-purpose highway capacity.
- **The National Infrastructure Data Portal (Section 410):** A centralized repository that allows the public to track the performance and condition of the nation’s surface transportation system (**Section 410**).

THE INNOVATION FRONTIER

Innovation in transportation is often mistaken for the mere introduction of new gadgets. In reality, true innovation is the structural ability of an agency to adapt, deliver, and modernize its service to meet the actual needs of the public. The FRAME Act recognizes this by treating innovation not as a luxury, but as a core regulatory and operational mandate.

ACCELERATING PROJECT DELIVERY

One of the greatest impediments to a modern mobility economy is the “time tax”—the years lost to bureaucratic inertia and repetitive reviews. The FRAME Act addresses this by making the Environmental Review Assignment Program permanent (**Section 501**). This allows states to assume the federal government’s responsibilities under the National Environmental Policy Act (NEPA), effectively removing a layer of federal redundancy (**Section 501**).

By empowering states that have the technical capacity, we can reduce environmental review timelines significantly—in some cases by years—without compromising the rigor of the review itself. To ensure no state is left behind, the Act also provides Capacity-Building Grants to help state departments of transportation hire the legal and technical experts required to manage these responsibilities (**Section 502**).

HUMAN-CENTERED MOBILITY: PARATRANSIT MODERNIZATION

For individuals with disabilities, the status quo of paratransit is often an exercise in frustration—defined by legacy systems that require day-ahead booking and long, unpredictable wait windows. The Paratransit Modernization Pilot Program (**Section 601**) seeks to disrupt this.

The Act grants the Secretary the authority to provide regulatory waivers to transit agencies that commit to a “quantifiably superior service” (**Section 603**). This isn’t just a pilot for its own sake; it is a binding performance contract (**Section 604**). Agencies must demonstrate:

- Measurable reductions in trip wait times compared to previous service levels (**Section 603**).
- The deployment of modern, on-demand dispatching technology to allow for more spontaneous travel (**Section 604**).
- Expanded service areas and higher reliability, ensuring that “access” means more than just a ride, but true mobility (**Section 603**).

PREPARING FOR A FUTURE-READY NETWORK

We are currently in a transition period where the vehicles on our roads are becoming increasingly autonomous and connected, yet our infrastructure remains “dumb.” The FRAME Act bridges this gap by establishing “AV-Ready” Infrastructure Standards (**Section 607**). These standards focus on the physical and digital essentials: machine-readable pavement markings, digitally readable traffic control devices, and the creation of Digital Twins of our highway system to allow for real-time simulation and management (**Section 607**).

Simultaneously, the Act pushes for a national Vehicle-to-Everything (V2X) Deployment Strategy (**Section 608**). By incentivizing the installation of roadside units that communicate directly with vehicles, we can create an environment where a car can “see” around a blind corner or “talk” to a traffic signal to optimize flow. The safety implications are profound: V2X technology has the potential to eliminate up to 80% of road accidents caused by human error.

PART V

THE FISCAL HONESTY

For decades, we have collectively engaged in a form of fiscal theater regarding how we pay for our roads and rails. We have sustained the federal gasoline tax—currently 18.4 cents per gallon—despite the fact that it has not been increased since 1993 and has lost a staggering percentage of its purchasing power to inflation. The Highway Trust Fund has been effectively “dead” since 2008, surviving only through a series of emergency General Fund bailouts totaling over \$275 billion. The FRAME Act ends this cycle of insolvency by injecting honesty into our revenue model and preparing for a post-carbon economy (**Section 103**).

CONFRONTING THE EV CHASM

The transition to electric vehicles (EVs) is not a hypothetical future; it is a current reality that fundamentally undermines a fuel-based tax system. As vehicles become more efficient and the fleet electrifies, the link between “using the road” and “buying fuel” is severed. To bridge this gap in the short term, the Act establishes the Fair Share for Fair Roads program, which assesses a transitional fee on all battery electric vehicles (**Section 704**). To ensure fairness, this fee is subject to an Equity Cap, ensuring no EV owner pays more than the average gas-tax contribution of a traditional light-duty vehicle (**Section 705**).

Additionally, the Act redirects revenue from tariffs and duties on imported steel and iron directly into the Highway Trust Fund (**Section 702**). This creates a direct link between the materials used to build our infrastructure and the funding available to maintain it (**Section 702**).

THE AMERICAN VMT CHOICE

The long-term solution is not a higher gas tax, but a shift toward a user-based model that reflects the actual burden a vehicle places on the system: a Vehicle Miles Traveled (VMT) fee. The FRAME Act establishes a five-year, nationwide American VMT Choice Pilot Program to test this potential transition at scale (**Section 708**).

Unlike past efforts that felt like “surveillance,” the Act offers a menu of choices for participants (**Section 709**):

THE SIMPLE ODOMETER SYSTEM

A privacy-first option that uses non-GPS reporting to record only total miles traveled, assessed at a flat national rate (**Section 709**).

THE SMART VMT SYSTEM

An opt-in, technology-enabled system that allows for variable rates—lower for rural travel and a surcharge for travel in highly congested urban areas during peak hours (**Section 709**).

Crucially, any revenue collected from urban congestion surcharges is returned directly to the metropolitan area where it was generated to fund local transit and safety projects (**Section 709**). This ensures that the VMT fee is not just a revenue tool, but a tool for congestion management and regional equity.

PRIVACY AS A PREREQUISITE

We cannot move toward a VMT model without absolute transparency regarding data. The Act explicitly prohibits the use of pilot program data for law enforcement or surveillance purposes without a court-ordered warrant (**Section 710**). It mandates “data minimization,” ensuring that the government only collects what is necessary to assess the fee, and requires robust encryption and anonymization for all stored data (**Section 710**).

Ultimately, the goal of Title VII is to produce a final report to Congress with a clear legislative framework for a potential system conversion (**Section 711**). We are finally moving from a tax on consumption to a fee for access, which was always the legislative intent, and most equitable.

THE CONCLUSION: A LEGACY OF MOBILITY

The FRAME Act is not merely another chapter in the long history of federal highway legislation; it is a fundamental break from a 20th-century mindset that has reached its physical, fiscal, and environmental limits. As we look toward the 2030s and beyond, the success of the American experiment depends on our ability to move—not just vehicles, but ideas, goods, and people—with efficiency, safety, and dignity.

FROM STEWARDSHIP TO REBIRTH

By centering national policy on a State of Good Repair and the Safe System Approach, we are finally admitting that our greatest assets are the ones we have already built. This Act ensures that we are no longer “building our way out” of congestion. Through the Variable Federal Cost-Share, we have created a fiscal conscience that rewards preservation and penalizes unnecessary expansion.

A DATA-DRIVEN REPUBLIC

The introduction of Digital Infrastructure and the National Infrastructure Data Portal marks the end of “anecdotal” planning. We are replacing a system of opacity with one of radical transparency, where every taxpayer can see the “health” of their state’s network on a public report card. This is the democratization of infrastructure, ensuring that policy is shaped by data and accountability rather than political expediency.

SOLVING THE INSOLVENCY CRISIS

Perhaps the most courageous element of this legislation is its refusal to look away from the fiscal cliff. The American VMT Choice Pilot is the first honest attempt to build a sustainable, user-based revenue model. By offering a choice between simplicity and smart, we are letting the American driver lead the transition toward a solvent Highway Trust Fund. This is true democracy, policy change will occur via user choice.

FINAL WORD

We often ask what kind of legacy our generation of planners and engineers will leave behind. Will it be a landscape of crumbling overpasses and rising fatalities, or will it be a “Mobility Economy” that is resilient, equitable, and technologically sophisticated?

The FRAME Act provides the answer. It provides the legal architecture, the fiscal tools, and the moral clarity needed to rebuild America’s mobility economy for the next century. It is time to stop managing decline and start engineering progress.



For the full paper and the legislation: frameformobility.org

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