



FRAME FOR MOBILITY

STATE OF GOOD REPAIR & RESILIENCY BLOCK GRANT

Title II — Formula Block Grant Programs

A FRAME Policy Paper · The FRAME Act, Official Draft of December 15, 2025 · Sections 201–204

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PART I

THE PROBLEM

The United States is deferring the upkeep of the transportation system it already owns, and the deferral is measurable. The Federal Transit Administration and the Volpe Center put the national transit state-of-good-repair backlog at \$140.2 billion in 2022 — ten per cent of the \$1,338.4 billion replacement value of all transit assets — up from \$101.4 billion only four years earlier. On the highway side, ASCE’s 2025 Report Card grades America’s roads D+: 39 per cent of major roads are in poor or mediocre condition, and driving on deteriorated roads costs more than \$1,400 per driver per year in repairs and operating costs.

Bridges earn a C, and the distribution is the warning: 6.8 per cent are already rated poor, but 49.1 per cent are rated only fair. The largest cohort of American bridges sits one deterioration cycle from the expensive end of the curve, where an asset must instead be reconstructed — at reconstruction prices.

The structure of current law compounds the arithmetic. Highway condition and transit condition are funded through separate programs, in separate titles of the Code, under separate rules; neither is conditioned on a single, risk-based view of the assets a State actually owns — so rescue competes with prevention on equal terms — and usually wins.

THE PROBLEM IN NUMBERS

\$140.2B

Transit state-of-good-repair backlog, 2022 (FTA / Volpe Center)

49.1%

Bridges rated only “fair” — the cohort that tips into poor without preservation (ASCE)

12 : 1

Bridge preservation versus reconstruction cost in Caltrans life-cycle analysis; pavement about 5 : 1

6 : 1

Return on federal hazard-mitigation spending, in avoided losses (National Institute of Building Sciences)

THE PROPOSED SOLUTION

Replace the two separate repair programs — one for highways, one for transit — with a single grant dedicated to the assets the nation already owns. Money flows to every State by a set formula, in predictable amounts, year after year. It can be spent on one purpose: keeping the existing system in good repair, making it resilient, and making it safer. Pavement, bridges, and tunnels; rail lines, stations, buses, and trains — all of it programmed together, in one plan, under one set of rules.

The grant carries one condition, and the condition does the real work. Before the money flows, a State must have a plan for its assets: an inventory of what it owns, an honest assessment of the condition each asset is in and the risks it faces, and a schedule for the work. Every project paid for from the grant must come out of that plan. Repair stops being a series of emergencies and becomes a managed queue — ordered by condition and risk, not by which failure is loudest.

The federal government also changes the price signals. It pays 90 per cent of the cost of repair and the full cost of proven safety equipment, but only half the cost of building new general-purpose traffic lanes. Fixing what exists becomes the cheapest decision a State can make; expanding becomes the most expensive. For the first time, the prices and the evidence point the same way.

Work that protects existing assets against extreme weather, flooding, and earthquakes is funded on the same terms as repair itself. Protection can therefore be bought while an asset is already open for work, at repair prices — instead of after a failure, at reconstruction prices.

WHAT CHANGES

One grant, both modes. Highways and transit are repaired under one set of rules and programmed in one plan, instead of two programs that never see each other.

Money follows the plan. Funding is tied to a risk-based inventory of the State's assets; projects outside the plan do not qualify.

Resilience is core work. Strengthening assets against weather, flooding, and earthquakes is funded alongside repair, not as an afterthought.

Repair is priced above expansion. The federal share is highest for repair and safety, and lowest for new lanes — the money rewards the cheap intervention, done early.

THE LEGISLATIVE PROPOSAL

Sections 201–204 carry the subtitle. The repeals and conforming amendments (**Sections 201–202**): the National Highway Performance Program (**23 U.S.C. §119**) and the transit State of Good Repair grant program (**49 U.S.C. §5337**) are repealed and replaced by a single grant, the State of Good Repair & Resiliency Block Grant (**Section 203**), apportioned under Section 204.

The purpose is stated in one sentence of legislative text: “to provide flexible formula funding to States to achieve and maintain a state of good repair for the surface transportation system, improve the resiliency of such system to natural disasters and the changing climate, and enhance safety on existing transportation assets” (**Section 203**). Section 103 declares a state of good repair “the highest priority for Federal investment”; Subtitle A funds the declaration.

THE CONDITION: AN ASSET MANAGEMENT PLAN

As a condition of receiving funds, a State shall develop and implement a risk-based transportation asset management plan, consistent with the requirements of section 119(e) of title 23 as in effect on the day before enactment — the standard the repealed highway program already used, carried into the consolidated grant (**Section 203**). Projects funded under the subtitle must be consistent with the plan, and project selection runs through the statewide transportation planning process (**23 U.S.C. §135**).

ELIGIBLE ACTIVITIES

- **Roadway assets.** Reconstruction, rehabilitation, resurfacing, restoration, and preservation of pavement, bridges, and tunnels on any public road.
- **Resilience retrofits.** Retrofitting of existing transportation assets to enhance resilience against extreme weather, climate change, and seismic events.
- **Safety hardware.** Installation of modern safety countermeasures and hardware on existing roads and bridges.
- **Transit assets.** Rehabilitation, repair, and modernization of public transportation assets, including fixed guideway systems, stations, rolling stock, and maintenance facilities.
- **Fleet renewal.** Replacement of public transportation rolling stock that has exceeded its useful life.
- **School buses.** Acquisition of school buses, with a priority for zero-emission vehicles.
- **Digital infrastructure.** Deployment of digital infrastructure on existing assets, under Section 107, to improve operational efficiency, safety, and asset management.

Projects remain subject to the requirements that govern them today — title 23 for highway projects, chapter 53 of title 49 for transit projects, NEPA, Title VI, and Davis-Bacon (**Section 203**) — and must be designed to support the national goals of Section 103, “with a particular focus on achieving and maintaining a state of good repair.” The authorization is \$42,024,000,000 for fiscal year 2027 from the Highway Trust Fund (**Section 104**), apportioned among the States for fiscal years 2027 through 2031 under Section 105 (**Section 204**).

PART IV

THE DATA CASE

The preservation economics settle the ordering. Caltrans’ published life-cycle comparison prices pavement preservation at \$90,000 per lane-mile against \$442,000 for rehabilitation, and bridge preservation at \$60,000 against \$720,000 for reconstruction: the cheap intervention is the early one, by a factor of five to twelve. A funding system that reimburses rescue at the same rate as prevention buys rescue. FRAME instead conditions the money on the plan that schedules the early work, and prices repair at a 90 per cent Federal share so the incentive gradient runs the same way as the arithmetic (**Sections 106, 203**).

The backlog evidence shows why the condition spans both modes. A transit backlog that grows by \$38.8 billion through a period of record federal transit investment is not a funding-quantity problem alone; it is a structure problem. The Code today funds highway condition and transit condition through separate programs with separate rules, and neither is conditioned on a single, risk-based view of the assets. A consolidated grant conditioned on one plan, risk-based, spanning both modes, is aimed at the inflow, not only the stock: assets enter the plan when preservation is still cheap, rather than entering a program when failure is already priced in.

Deferral, meanwhile, does not hold its cost at zero — it invoices the user. ASCE prices driving on deteriorated roads at more than \$1,400 per driver per year in repairs and operating costs. The charge is collected either way; the only choice is whether it is paid once, on schedule, at preservation prices, or continuously, at deterioration prices.

Resilience follows the same ledger. The National Institute of Building Sciences' *Mitigation Saves* analysis of two decades of federal grants found hazard mitigation returns \$6 in avoided future losses for every \$1 invested. Section 203 makes retrofitting existing assets against extreme weather, climate change, and seismic events an eligible use — so the avoidance can be bought inside the repair program, while an asset is open for work, rather than after the failure.

The assets are measured, the deterioration curve is priced, and the mitigation return is documented. What the current architecture lacks is not knowledge; it is a funding instrument that acts on the knowledge in the right order — plan first, preserve early, retrofit while the asset is open, and reserve reconstruction for the assets that were allowed to fail. Subtitle A is that instrument.



The cheapest infrastructure is the infrastructure already built — kept in repair.

One grant, both modes, conditioned on a risk-based plan: Subtitle A funds the existing system in the order the evidence dictates — preserve, retrofit, and only then rebuild.

Evidence check: the Caltrans ratios are agency life-cycle models (2009), not controlled experiments; the direction is consistent across FHWA and AASHTO asset-management practice, but the multiples vary by asset type, climate, and traffic. The FTA backlog is stated in 2022 dollars on 2022 data; APTA's more recent “over \$150 billion” figure is an advocacy rounding, not used here.

SOURCES & COLOPHON

SOURCES

Legislative text: *Framework for Rebuilding America's Mobility Economy (FRAME) Act*, Official Draft, December 15, 2025 — Title II, Sections 201–204; Table of Contents at Section 101. All statements of the proposal and the funding mechanics are taken from the bill.

Federal Transit Administration & Volpe Center, *Transit State of Good Repair National Backlog Analysis* (January 2025) — backlog of \$140.2 billion (2022 dollars, 2022 data), 10 per cent of a \$1,338.4 billion replacement value, up from \$101.4 billion in 2018. transit.dot.gov. American Society of Civil Engineers, *2025 Report Card for America's Infrastructure* (2025) — roads graded D+; 39 per cent of major roads in poor or mediocre condition; more than \$1,400 per driver per year; bridges graded C, 6.8 per cent poor and 49.1 per cent fair. California Department of Transportation, *2009 Five-Year Maintenance Plan* — pavement preservation \$90,000 per lane-mile versus \$442,000 rehabilitation; bridge preservation \$60,000 versus \$720,000 reconstruction. National Institute of Building Sciences, *Natural Hazard Mitigation Saves* — federal mitigation grants return \$6 per \$1 invested. nibs.org.

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