The FAST Act: Implications for the African-American Community

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June 2017
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The Fixing America’s Surface Transportation Act (FAST Act) was signed into law in December 2015 by President Barack Obama. The bill provides $305 billion over five years (2016 – 2020) for transportation and infrastructure projects in the United States.

The FAST Act maintains the current funding share between highways and transit (80 percent highways/20 percent transit). According to the U.S. Department of Transportation, the FAST Act streamlines the process of approving transportation projects while maintaining environmental and historical treasure protections, establishes fund and grant programs to support critical transportation projects that affect freight movement, and creates the National Surface Transportation and Innovative Finance Bureau, which provides state and local governments with a comprehensive set of technical assistance tools to fund expensive transportation projects. The FAST Act further provides important financing opportunities for large projects and public-private partnerships through the Transportation Infrastructure and Financing Innovation Act (TIFIA) which, according to the Federal Highway Administration (FHWA) “provides federal credit assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance surface transportation projects of national and regional significance.”¹ From a safety perspective, the bill increases penalties for automakers who are in noncompliance from $35 million to $105 million, prohibits rental car companies from selling cars with active safety recalls, and enhances the Department’s safety oversight of transit agencies, bus and truck safety grant programs. ²

The Act also contains many policies of interest to the African-American community and highlights key provisions in the Department’s Ladders of Opportunity initiative. The initiative aims to guide the improvement of transportation options, the redevelopment of underrepresented communities, and expansion of employment opportunities, particularly for low-income individuals, minorities, and persons with disabilities. Some of these provisions include the following:

- Provides more funding opportunities for transit oriented development through the TIFIA and the Railroad Rehabilitation and Improvement Financing (RRIF) programs;
- Establishes a pilot program that supports projects improving transportation coordination for the transportation disadvantaged, including seniors and individuals with disabilities;
- Provides funding to increase connectivity through the improvement of bicycle and pedestrian paths; and
- Expands access to public transportation workforce development opportunities through training, educational programs and technical assistance grants, with specific outreach to underrepresented groups, such as the African-American community.

Despite the significance of the passage, many questions remain about the implementation of the bill. What are the economic implications of these policies on the African American community and what does public opinion on the FAST Act tell us about societal support for such changes, especially under the Trump administration? This brief hopes to answer these questions, propose recommendations on maximizing the positive socioeconomic benefits of the FAST Act, and educate the public on the

increasing significance of transportation policy to influence the advancement of equity and opportunity for the African American community.

**Highlights of Transportation Acts**

Table 1 displays the various transportation policies passed by Congress since 1991.

<table>
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<th>Bill</th>
<th>Year Passed</th>
<th>Funding and Duration</th>
<th>Key Highlights</th>
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| Intermodal Surface Transportation Efficiency Act (ISTEA) | 1991 | $155 billion, 1992 - 1997 | • Opened HTF Funds for activities that enhance the environment  
• Created the Congestion Mitigation and Air Quality Program  
• Allocated funds for Metropolitan Planning Organizations  
• Mandated that passenger automobiles and light trucks built after September 1, 1998 have airbags installed as standard equipment for the driver and the right front passenger |
• Created the TIFIA program  
• Mandated the required 10% project share with Disadvantaged Business Enterprises (DBEs) |
| Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) | 2005 | $244 billion, 2005 - 2010 | • Earmarked $100 million for a new Non-Motorized Transportation Pilot  
• Established the Transportation, Community, and System Preservation (TCSP) Program |
| Moving Ahead for Progress in the 21st Century Act (MAP-21) | 2012 | $105 billion, 2012 - 2014 | • Created a new formula program called the Transportation Alternatives Formula  
• Eliminated several discretionary programs including the Transportation, Community, and System Preservation program |
| Fixing America’s Surface Transportation Act (FAST) | 2015 | $305 billion, 2015 - 2020 | • Expands access to public transportation workforce development opportunities through training, educational programs and technical assistance grants  
• Establishes a pilot program that supports projects improving transportation coordination for the transportation disadvantaged, including seniors and individuals with disabilities |

*The 1991 Intermodal Surface Transportation Efficiency Act (ISTEA)*

ISTEA freed up highway funds to support programs that “enhanced the environment.” Eligible activities included mitigation of damage to wildlife habitat, historic site preservation, activities that improved air quality, and bicycle/pedestrian projects. The ISTEAA also gave cities the flexibility to allocate funds where they were most needed. Some cities used the funds to repair sidewalks, provide more funding for their public transit systems, or invested in improving the capacity of their roads. ISTEAA created the Congestion Mitigation and Air Quality Program, which assisted areas to comply with federal clean air standards. ISTEAA focused on the importance of environmental considerations in the planning of transportation project design. In a time where many cities struggled with unhealthy air quality, which disproportionately affected minorities, ISTEAA was a welcome addition to the transportation sector.

*The 1998 Transportation Equity Act for the 21st Century (TEA-21)*
ISTEA was followed by TEA-21 in 1998.\(^3\) TEA-21 authorized funding for infrastructure from 1998 – 2003 and kept many of the features from ISTEA, but included some new provisions. The most significant portion of the law is that it mandated at least 10% of the amount made available for any federally-supported highways, mass transit, and transportation research and technology programs be allocated with certified Disadvantaged Business Enterprises (DBEs). This requirement helped increase access to capital for small Black-owned transportation and construction-focused businesses that previously had to compete with larger, more influential businesses. In addition, the law allocated $750 million for the Jobs Access and Reverse Commute (JARC) program, which provided competitive grants to local governments and non-profit organizations to develop transportation services that connected welfare recipients and low-income people to employment and support services. The addition of the program provided funds for grantees to extend bus service hours in low-income communities, multiply fixed-route service in those communities, or rent vehicles such as shuttles and vans to transport people to and from their jobs, schools, grocery stores, and homes.

\textit{The 2005 Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)}

TEA-21 was replaced with SAFETEA-LU, which was signed into law by President George W. Bush in August 2005.\(^4\) The law provided $244.1 billion for infrastructure and transportation programs from 2005 – 2009 and continued funding for many of the programs passed in the previous two acts, including the continuation of the Congestion Mitigation and Air Quality Improvement Program. SAFETEA-LU provided millions of dollars to the Recreational Trails program, which helped to refurbish trails in parks for pedestrian, bicycling, and other outdoor activities. Money was allocated for a pilot that aimed to demonstrate how walking and bicycling can be integrated into the transportation system. Furthermore, the $270 million allotted for the Transportation, Community, and System Preservation (TCSP) Program funded a variety of Complete Streets programs that made roads safer and accessible by bike, transit, and walking.

\textit{The 2012 Moving Ahead for Progress in the 21st Century Act (MAP-21)}

MAP-21 was passed by Congress in June 2012 and signed by President Obama in July 2012.\(^5\) The bill provided $105 billion from 2012 – 2014. The bill restructured some programs to save costs on the federal budget. MAP-21 maintained the Disadvantaged Business Enterprise (DBE) Supportive Services and On-the-Job Training Supportive Services discretionary programs, which have helped African-American businesses receive assistance in getting infrastructure contracts and has employed African-Americans to work on infrastructure projects in their own communities. Furthermore, the Act doubled the money allotted for infrastructure safety and directed more resources toward reducing highway fatalities, improving transit safety, and eliminating distracted driving. However, the Act also consolidated the Safe Routes to School, Recreational Trails, and Transportation Alternatives Program from previous transportation bills into one program called the Transportation Alternatives Formula program. Furthermore, states would be able to divert funds from this program to fund other high-


priority projects. This change was criticized by bicycling and pedestrian advocates, who worried they would observe a significant decrease in funding due to the consolidation.

**Key Programs of Note in the FAST Act**

Research studies illustrate statistics that show how low-income communities of color are negatively impacted by the current transportation infrastructure in the U.S.:

- Over 70% of regional jobs are now more than 3 miles away from central business districts\(^6\) while most low-income people continue to live within the central city;\(^7\)
- From 2000 - 2010, household income grew 25%, but the combined costs of housing and transportation increased 44%;\(^8\)
- Transportation costs are now the second largest expense for most American households, eating on average 20 cents of every dollar in income and as much as 55 cents for every dollar earned by the poorest households, as compared to high-income households who spend only nine cents for every dollar earned;\(^9\)
- African Americans suffer a pedestrian fatality rate that is 60 percent higher than non-Hispanic Whites, at 2.65 per 100,000 persons (age-adjusted);\(^10\)
- African Americans make up 12.7 percent of the U.S. population, but they account for 17.3 percent of all pedestrian deaths;
- Children from low-income families are twice as likely to walk to school from higher-income families, and therefore have a higher risk of being injured or killed as pedestrians.\(^11\)

Overall, transportation trends have shown that low-income residents are travelling longer distances to get to areas with the highest concentration of jobs and incur increasingly unaffordable costs to utilize public transportation. The figure titled “Race and Income-Based Transportation Impacts” below further highlights these divisions in the transportation sector, especially regarding the African-American community. African-Americans are less likely to have a car and therefore use public transit. However, because public transportation is not as prevalent in suburbs, where most jobs are, residents are unable to access those centers of employment.

Accessing those job centers proves even more difficult when the household salary is less than $50,000, as shown in the “Race and Income-Based Transportation Impacts” chart. As households making this amount are more likely to be limited to moving around due to cost considerations, the job centers are less accessible compared to those making higher salaries. Furthermore, if households making under $50,000 have no choice but to travel to the suburbs to get to jobs, they pay more from their salary to access that job. The chart titled, “Race and Income-Based Transportation Impacts,” shows that those making below the median salary spend a larger percentage of their salary on transportation. All these indicators show that the FAST Act and other transportation programs must help low-income, African-American residents get to the jobs and other amenities needed to live a middle-class life.

**Race and Income-Based Transportation Impacts**

Key programs in the FAST Act will positively affect African-Americans’ ability to move from one point to another as they travel to their jobs, child care centers, and hospitals, while seeking greater opportunity to improve their lives because the act ultimately provides the necessary funding for these programs to exist. Several of these programs are described below in detail:

**Transit**

African-Americans are nearly four times more likely to take public transportation than their non-white counterparts, and therefore it is very important the transportation bill provides the necessary funding
and programs needed to support a robust public transportation system. The FAST Act authorized $61.1 billion for transit from 2016 - 2020. Table 2 shows the programs in the Act that fall under the public transit purview.

<table>
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<th>Program</th>
<th>Key Highlights</th>
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| **Urbanized Bus Formula** 12 | • Provides funds for cities with over 50,000 people to cover transit capital expenses and operating costs  
• Half of the total funding in the Act for transit is allocated for the program  
• Eligible programs include capital investments in bus and bus-related activities, transit project design, and paratransit services |
| **State of Good Repair** 13 | • Provides funds for maintenance and rehabilitation of fixed rail and bus public transit systems |
| **Bus and Bus Facilities** 14 | • Provides funds for states and other eligible recipients to replace, rehabilitate and purchase buses and construct facilities that can accommodate new technologies, such zero and low-emission buses |
| **Enhanced Mobility of Seniors and Individuals with Disabilities** 15 | • Provides funds for the removal of barriers to transportation for seniors and individuals with disabilities in cities of all sizes (large urbanized over 200,000), small urbanized (50,000-200,000), and rural (under 50,000))  
• Projects can include capital and nontraditional investments beyond complementary paratransit services mandated by the Americans with Disabilities Act (ADA) |
| **Fixed Guideway Capital Investments** 16 | • Provides funding for fixed rail infrastructure such as new and expanded rail, light rail, streetcars, and bus rapid transit  
• Four categories of projects: New Starts, Small Starts, Core Capacity, Interrelated Projects |
| **The BUY AMERICA Initiative** 17 | • Requires that federal dollars that are used on a transit project must contain that a certain percentage of material (such as steel and iron) be made in the United States  
• The content of a project must have a minimum of 60% American-produced content in 2016 and 2017, increasing to 65% in 2018 and 2019 and 70% in 2020 |

The Urbanized Bus Program is the primary beneficiary of transit funds (half of all the FAST Act funding is allocated for this program) and assists cities with capital and operating expenses. This funding is extremely important for urban residents to help with replacing old buses that have exceeded their operating lifetimes with newer buses. These buses contain more safety features for riders (larger seats, security cameras, etc....) and produce less emissions than their older counterparts (many new buses are hybrid-electric), resulting in better air quality in the communities they live in.

The State of Good Repair program assists transit agencies in maintaining their systems. Maintenance is a major issue for public transit systems. For example, the Washington Metropolitan Area Transit Agency

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has been in the process of reducing a backlog of maintenance through its SafeTrack program for the past year. By 2015, American transit agencies had over $102 billion in maintenance backlogs. Little to no maintenance on transit systems has resulted in unnecessary delays, long commutes, and higher costs, which for African-Americans have been major negative effects as they are most likely to use public transit. The State of Good Repair is a small step forward in addressing these issues.

The Bus and Bus Facilities Program provides transit agencies with the funds to purchase new buses and construct the facilities to maintain those buses. With the new buses and facilities, cities will have the capacity to grow ridership, reach people that were once underserved by transit, and reduce headways (i.e. the average interval of time between vehicles moving in the same direction on the same route). Total funding for this program is $3.7 billion. There is a significant increase in funding from the last year of MAP-21 (fiscal year 2014, $427.8 million) to the first year of the FAST Act (fiscal year 2016, $695.8 million), highlighting the importance the Act places on maintaining and modernizing the many buses that traverse the country’s roads. Cities like Detroit – where in 2011 a third of its buses were off the road for daily repairs – are desperately in need for funding from such a program.

The Enhanced Mobility of Seniors and Individuals with Disabilities program provides funds to remove barriers to transportation for seniors and individuals with disabilities in cities of all and typically include projects outside of the complementary paratransit services mandated by the Americans with Disabilities Act (ADA). According to the 2010 American Community Survey, approximately 19 percent of the total U.S. population had a disability, with African-Americans (alone, not Hispanic or Latino) comprising the largest percentage of the disabled at 22.2 percent adjusted for age (Non-Hispanic whites were at 17.6 percent, 14.5 percent for the Asian alone population, and 17.8 percent for the Hispanic population). The program will help to provide access for these communities outside of the normal paratransit services and may include transit-related information technology systems, scheduling/routing/one-call systems; mobility management programs; and volunteer driving programs.

The Fixed Guideway Capital Investments (FGCI) is a program that provides funding for fixed rail infrastructure such as new and expanded rail, light rail, streetcars, and bus rapid transit. There are four categories of projects under FGCI (New Starts, Small Starts, Core Capacity, Interrelated Projects), with the most notable being the New Starts program, where projects are required to have a total estimated capital cost of more than $300 million or seek $100 million or more from the grants within the FCGI program. The New Starts program has funded many recent rail projects that plans to improve connectivity within cities, such as the Tidewater Light Rail in Norfolk, VA and the University Corridor Light Rail in Houston, TX. By improving the connectivity within cities, African-Americans residing in low-income neighborhoods and without cars can gain access to job centers, health care facilities, grocery stores, and other facilities of need.

The BUY AMERICA initiative requires that federal dollars that are used on a transit project must contain a certain percentage of material (such as steel and iron) that is made in the United States. The content of a project must have a minimum of 60% American-produced content in 2016 and 2017, increasing to 65% in 2018 and 2019 and 70% in 2020. This requirement could help generate more job opportunities in the country, as domestic producers should see an increase in orders for materials.

Workforce Development

On-the-job training and related development are key to building a skilled workforce in the transportation and construction industry, which is losing members due to age-outs and retirements. A study co-sponsored by the Departments of Education, Labor, and Transportation cited approximately 53 percent of current transportation workers are 45 years or older, which is creating significant workforce challenges. Public Transit (35 percent) and railroads (29 percent) have the highest percentage of workers over 55 years old. From 2012 – 2022, an additional 4.2 million transportation workers will need to be hired to fill vacancies created by separations, and when growth and separations are combined, an estimated 4.6 million transportation jobs will need to be filled during that time period.\(^2\)

The figure below shows the age distribution of workers in transportation vs all US industries and in various sectors of the industry. Compared to all US industries where the percentage of workers below 44 years of age is 56 percent, transportation is only 45 percent. More than half of U.S. transportation workers are over 45 years of age, meaning that many of the industry’s workforce is approaching or close to retirement. This age distribution further accentuates the need to train the next generation of transportation workers. The FAST Act can help to support the facilitation this training.

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African-Americans are underrepresented in the transportation sector, especially in fields that translate into higher wages and require higher-level skills and education. The chart below titled “2014 Employment in Transportation Jobs by Race” displays the employment distribution of transportation jobs by race, illustrating the largest percentages of African-Americans in transportation are working in lower-wage jobs such as vehicle cleaners and laborers. The goal must be to increase the African-American percentages in high wage jobs such as aircraft piloting and mechanics, which are only in the single digits.

The FAST Act allocates $100 million over the five-year life span of the bill to the On-the-Job Training Supportive Services Program (OJT-SS) and the Disadvantaged Business Enterprises Supportive Services
Program (DBE-SS). These programs are designed to foster the training and development of surface transportation-related workforces and to support disadvantaged business enterprises (DBEs) within the Federal Highway Administration. State agencies are required to establish apprenticeship programs that target women, minorities, and disadvantaged individuals into positions in order to fill the transportation workforce with those that have been historically underrepresented in this space. Within the Federal Transit Administration, a total of $45 million is allocated between two programs: Technical Assistance, Standards Development and Human Resources and Training; and the National Transit Institute. The purpose is to (1) address workforce needs within the public transportation industry through the development and implementation of a workforce development program, and (2) conduct training and educational programs supporting the public transportation industry. These programs, if implemented correctly and with a specific goal in mind, can make a significant impact in both making the workforce younger and making it more diverse in the higher wage jobs.

Transportation Alternatives Program/Surface Transportation Block Grant Set Aside

The Transportation Alternatives Program (TAP) was initially established in MAP-21 in 2012. The program consolidated the Safe Routes to School, Recreational Trails, and the Transportation Alternatives into one program. The FAST Act eliminates this program and replaces it with the Surface Transportation Block Grants Set Aside. The Surface Transportation Block Grants Program consists of over $56 billion in funding over the five years of the bill that is divided between the states for them to use on transportation-focused projects. $4.2 billion of that money is set aside for programs such as pedestrian and bicycle facilities, recreational trails, Safe Routes to School projects, community improvements such as historic preservation and vegetation management, and environmental mitigation related to storm water and habitat connectivity. The TAP is currently the largest source of funding for biking and pedestrian programs and has supported many programs in multiple U.S. cities such as Chicago, Los Angeles, and New York City.

The consolidation of these programs were decried by alternative transportation supporters. They posited that the consolidation would eventually result in lost funding that would maintain sidewalks, build new bike lanes, mitigate environmental impacts of transportation projects, and ensure the safety of young children as they walked to school. Furthermore, the FAST Act also allowed up to 50 percent of the allocated funding to be transferred to other Surface Transportation Block Grant programs. This was even more disappointing to advocates because they envisioned that many cities would not prioritize biking or safe walking in their transportation plans, instead funneling the money to roads and bridges.

For the African-American community, the switch to a Set-Aside for the Transportation Alternatives Program is potentially worrisome. As African-Americans are 60 percent more likely to be involved in a pedestrian accident than whites, the importance of building and maintaining safe, walkable sidewalks is

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of utmost importance. If cities decide to take a significant portion of the 50 percent to put into other projects, sidewalks would continue to be unsafe and the high numbers of pedestrian accidents and deaths would not change. Furthermore, African-American bike advocates have been lobbying for bike infrastructure to encourage the community to embrace biking more. Organizations like Black Women Bike and Red, Bike, and Green encourage African-Americans to cultivate healthy habits of regular bicycling. The potential reduction of funding from the consolidation of the Transportation Alternatives Program into a Set-Aside could hinder such progress.

Conclusion

The FAST Act is a significant legislative milestone as it provides a stable set of funding for transportation and infrastructure projects for the next five years and hopes to assist in rebuilding the nation’s public transit systems, provide training and workforce development in the transportation and construction industries, and support alternative transportation modes such as biking and walking. The African-American community is affected in many ways by these programs, and therefore it is of the utmost importance that the community is aware of the Act and understands how these programs will be implemented in the community. However, the implementation of the Act is up in the air with Donald Trump as President. The current administration, following in the steps of the Solutions Manual developed by the Heritage Foundation27, stripped federal funding for public transit and severely curtailed funding for passenger rail in its budget proposal presented in May 2017. Only time will tell if the FAST Act survives the next budget cycle.

Recommendations of Interest

Policies

1. The new infrastructure touted by President Trump should maintain the federal government’s role in public transit as mentioned in the FAST Act.
2. The share of funding allotted to public transit should increase significantly to help adequately support programs like the Urbanized Bus System and BUY AMERICA initiative.
3. Incentives to ensure that contracts are adequately being bid by minority construction businesses and that those contracts are being rewarded to the right demographic should be placed in the Act. Furthermore, there should be programs to oversee enforcement of the contracts.

Programs

1. To improve the ability of public transit systems to function, the Bus and Bus Facilities and Fixed Guideway Capital Investment program should receive significantly more funding.
2. The Set Aside from the previous Transportation Alternatives Program should be funded at a value that bike and pedestrian advocates feel is suitable to provide opportunities to build bike lanes in every city and repair sidewalks to state-of-good-repair levels.
3. The U.S. Department of Transportation should maintain programs in the bill that the community can utilize to make transportation more accessible and cities safer - such as the Transportation Investment Generating Economic Recovery (TIGER) competitive grant program, which provides

$500 million in grants to focus on capital projects that generate economic development and improves access to reliable, safe and affordable transportation for disconnected communities.  

*Practice*

1. Community members should explore the Department of Transportation’s FAST Act website to learn about the bill and its statutes. By learning about the bill, the community can ensure that government officials are accountable in meeting the goals for workforce development, transit expansion and maintenance, or minority contracting.

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